



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, First Division, issued a Resolution dated **October 19, 2022**, which reads as follows:*

“A.C. No. 13497 [Formerly CBD Case No. 18-5884] (*Enrique Javier de Zuzuarregui v. Atty. Jordan M. Pizarra*s). — This administrative case arose from a Verified Complaint¹ for disbarment filed by complainant Enrique Javier De Zuzuarregi (Enrique) against respondent Atty. Jordan M. Pizarra (Atty. Pizarra) for violation of pertinent sections of the Code of Professional Responsibility (CPR).²

The Factual Antecedents

On October 17, 2018, Enrique filed a Verified Complaint before the Commission on Bar Discipline (CBD) of the Integrated Bar of the Philippines (IBP) against Atty. Pizarra for alleged violation of Rules 1.01 and 1.02 of the CPR. Enrique prayed that Atty. Pizarra be disbarred from the practice of law and his name be stricken off the Roll of Attorneys.³

Enrique alleged that Atty. Pizarra acted as his *de facto* counsel without his prior knowledge, consent, and approval⁴ in the case for Annulment of Title with Specific Performance and Damages, entitled *Gotesco Properties, Inc. v. A.Z. 17/31 Realty, Inc., Heirs of Antonio de Zuzuarregui, Jr., Pacita Javier, Enrique de Zuzuarregui, and the Register of Deeds of Quezon City*, docketed as Civil Case No. 13-72849, before the Regional Trial Court (RTC) of Quezon City, Branch 105.

Enrique narrated that sometime in July 2018, he was able to secure a

¹ *Rollo*, pp. 1-11.

² The Code of Professional Responsibility. Approved: June 21, 1988.

³ *Rollo*, pp. 1-11.

⁴ *Id.* at 2.

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photocopy of the complaint for annulment of title and found out that since the filing of that complaint (*i.e.*, 2013 to 2017), Atty. Pizarra acted as his *de facto* legal counsel since complainant is the only living registered and original owner of the property subject of the annulment of title case.⁵

Complainant explained that he is one of the three registered owners of several prime commercial properties along Quezon Avenue, Roosevelt Avenue, Congressional Avenue, Tandang Sora Avenue, and Commonwealth Avenue, with an estimated current market value of Thirty Billion Pesos. The subject matter of the civil complaint was the contract of lease executed by his deceased brother, Antonio Javier de Zuzuarregui, Jr. (Antonio), as the lessor, in behalf of Enrique himself and their mother Pacita Javier (Pacita), in favor of lessee Gotesco Properties, Inc. (GPI) involving their property located in Commonwealth Avenue, *Barangay* Matandang Balara, Quezon City, previously covered by Transfer Certificate of Title (TCT) Nos. N-267395, N-276396, N-276398, N-27699. The property was transferred in the name of AZ 17/31 Realty (AZRI), wherein the present Ever Gotesco Mall is constructed.⁶

Enrique charged Atty. Pizarra with grave misconduct and gross negligence in not apprising him of the existence and pendency of said case, despite knowledge that he was the only living registered and original owner of the property that is the subject matter of the said case.⁷ Moreover, as the only surviving registered owner of his family's unpartitioned properties, Enrique was the only person legally authorized to sign any contract involving said properties.⁸

Complainant also alleged that Atty. Pizarra, in conspiracy with the children and mistress of his deceased brother Antonio, fraudulently, illegally, and surreptitiously executed a Compromise Agreement dated August 3, 2016, with GPI and thereafter filed a Motion to Dismiss the above-mentioned case without complainant's prior knowledge, consent, and approval.⁹ Atty. Pizarra conspired with the children of his brother Antonio in clandestinely preparing, entering, and executing a fraudulent contract of lease with AZRI as the new lessor.¹⁰ Atty. Pizarra knew all along that the registration of AZRI was already cancelled and revoked by the Securities and Exchange Commission (SEC), and that the property title involved in the transaction was falsified and fraudulent, and yet Atty. Pizarra supposedly intentionally allowed, consented, advised, and conspired with his client to use said falsified document and signed the contract of lease with GPI without complainant's prior knowledge, consent, and approval.¹¹ As a consequence, the heirs of his brother

⁵ Id.

⁶ Id. at 3.

⁷ Id. at 4.

⁸ Id. at 5-8.

⁹ Id. at 10.

¹⁰ Id. at 11.

¹¹ Id. at 12-14.

misappropriated for their own interest and benefit an amount representing Enrique's one-third share in rentals paid by GPI.¹²

In sum, Enrique contended that Atty. Pizarra committed grave and despicable acts of withholding from him the full and complete information of the civil complaint before RTC Quezon City for the past six years, and fraudulently connived with the children of his deceased brother Antonio in executing a new Contract of Lease with GPI. Consequently, complainant claimed to have lost ₱61,749,000.00 as his legal share of the rental of the subject properties¹³

On December 7, 2018, the CBD ordered Atty. Pizarra to file his Answer.¹⁴

On January 18, 2019, Atty. Pizarra filed his Verified Answer, praying that the complaint be dismissed for lack of merit.¹⁵ The CBD noted that prior to his filing of the Verified Answer, Atty. Pizarra filed an *Ad Cautelam* Comment dated November 23, 2018.¹⁶

Atty. Pizarra narrated that complainant is one of the stockholders of AZRI, as evinced by his signature on top of his name in the company's Articles of Incorporation.¹⁷ On March 28, 2008, a Deed of Assignment was executed wherein the subject property was exchanged for shares. Notably, complainant also signed the Deed of Assignment in favor of AZRI. Atty. Pizarra alleged that GPI mistook that transaction as breach of their contract of lease, hence on May 7, 2013, GPI filed the annulment of title case before the RTC.¹⁸

Atty. Pizarra argued that he was consulted only by Anthony de Zuzuarregui (Anthony), the President of AZRI, regarding the civil case. His engagement as counsel was confirmed only on May 6, 2013.¹⁹ Atty. Pizarra's scope of engagement never included the representation of Enrique.²⁰

In any case, Atty. Pizarra was not under any obligation to advise complainant of the said case, as it was the trial court itself that did so through its service of summons upon complainant.²¹ Moreover, in the Answer filed in the annulment of title case, Atty. Pizarra never made any representation that

¹² Id. at 15-17.

¹³ Id. at 8.

¹⁴ Id. at 251.

¹⁵ Id.

¹⁶ Id.

¹⁷ Id. at 203.

¹⁸ Id. at 203-204.

¹⁹ Id. at 206.

²⁰ Id.

²¹ Id. at 206.

he was representing Enrique.²² With regard to the Compromise Agreement dated August 3, 2016, which was submitted for the approval of the trial court, Atty. Pizarras stated that the parties involved in the agreement were only GPI, AZRI, and the heirs of Antonio de Zuzuarregui, Jr. Respondent asserted that because of the Deed of Assignment, which transferred Enrique's interest in the subject properties in consideration of shares in AZRI, the latter was no longer a real party-in-interest.²³

Atty. Pizarras further asserted that he never appeared on behalf of Enrique and that there was no attorney-client relationship between them. There was no unauthorized appearance to speak of, since he never represented Enrique in the case. Complainant could not even present a specific engagement regarding the supposed representation. Moreover, there is no such thing as *de facto* counsel, since the attorney-client relationship arises only by contract, requiring the consent of the attorney and the client. In this case, Atty. Pizarras did not consent to represent Enrique.²⁴ Even if true, respondent claimed that the alleged representation would constitute a conflict of interest, considering that he is a retained counsel of Anthony, one of Enrique's adversaries in at least two pending cases.²⁵

On September 11, 2020, the CBD received an Urgent Motion to Resolve the Above-Cited Verified Complaint Based on the Pleadings dated August 31, 2020, filed by complainant praying that the Commission render judgment based on the pleadings.²⁶

On October 6, 2020, the CBD received the Comment (on Complainant's Urgent Motion to Resolve the Above-Cited Verified Complaint Based on the Pleadings) dated September 10, 2020, filed by respondent interposing no objection to complainant's motion, reiterating his position as stated in his Verified Answer, and praying that the Commission dismiss the Verified Complaint for utter lack of merit.²⁷

Report and Recommendation of the IBP-CBD

On November 3, 2021, the CBD rendered its Report and Recommendation²⁸ recommending the dismissal of the Verified Complaint for lack of merit. The CBD found that complainant was unable to demonstrate that respondent was indeed engaged to serve as his counsel. According to the CBD, absolutely telling was Enrique's reliance on the term "*de facto*" when

²² Id.

²³ Id. at 208.

²⁴ Id. at 209-211.

²⁵ Id. at 211-214.

²⁶ Id. at 253.

²⁷ Id.

²⁸ Id. at 249 – 254.

referring to Atty. Pizarra as his supposed counsel. The allegation that the representation was done without Enrique's knowledge is one that is usually advanced by a person insisting that a lawyer should not be performing the duties of any attorney or counsel, and not the other way around.²⁹

There being no attorney-client relationship to speak of, the CBD ruled that complainant was not in any position or capacity to demand anything from respondent within a professional context and, in a reciprocal manner, respondent was not under any obligation to render any service to complainant – especially considering the litigious relationship between Enrique and Atty. Pizarra's client, Anthony, which would have placed respondent squarely in a conflict of interest.³⁰

On March 18, 2022, the IBP Board of Governors (BOG) resolved to approve and adopt the CBD Report and Recommendation. The dispositive portion of the Resolution³¹ reads:

RESOLVED, to APPROVE and ADOPT, as it is hereby APPROVED AND ADOPTED, the Report and Recommendation of Investigating Commission to **DISMISS** the complaint against the Respondent for lack of merit.³²

No motion for reconsideration nor a petition for review has been filed by either party. Thus, the instant case.

Preliminarily, as a matter of procedure, it is well to note that a resolution of the IBP-BOG, arising from its review of the report of the IBP Investigating Commissioner, and which either recommends the dismissal of the complaint or the imposition of disciplinary action, shall be transmitted to the Court for final action.³³

Bar Matter No. (BM) 1645 dated October 13, 2015 amended Section 12 of Rule 139-B on the Review and Recommendation by the IBP-BOG, thus:

Sec. 12. Review and Recommendation by the Board of Governors.

a) Every case heard by an investigator shall be reviewed by the IBP Board of Governors upon the record and evidence transmitted to it by the Investigator with his report.

b) After its review, the Board, by the vote of a majority of its total membership, shall recommend to the Supreme Court the dismissal of the complaint or the imposition of disciplinary action against the respondent. The Board shall issue a resolution setting forth its findings and

²⁹ Id. at 253-254.

³⁰ Id. at 254.

³¹ Id. at 246.

³² Id.

³³ *Tan v. Atty. Alvarico*, A.C. No. 10933, November 3, 2020.

recommendations, clearly and distinctly stating the facts and the reasons on which it is based. The resolution shall be issued within a period not exceeding thirty (30) days from the next meeting of the Board following the submission of the investigator's report.

c) The Board's resolution, together with the entire records and all evidence presented and submitted, shall be transmitted to the Supreme Court for final action within ten (10) days from issuance of the resolution.

d) Notice of the resolution shall be given to all parties through their counsel, if any.³⁴

Therefore, BM 1645 did away with the procedure of filing a motion for reconsideration, as well as a petition for review of the resolution of the IBP-BOG.³⁵ In *Murray v. Atty. Cervantes*,³⁶ We have held that under Article VIII, Section 5(5)³⁷ of the 1987 Constitution, only this Court has the power to actually rule on disciplinary cases of lawyers, and to impose appropriate penalties. Rule 139-B merely delegates investigatory functions to the IBP. Thereafter, the IBP refers the recommended actions to this Court. Considering the IBP's limited competence in disciplinary cases, rulings on disciplinary cases attain finality and are enforceable only upon this Court's own determination that they must be imposed.

Our Ruling

We resolve to adopt the findings and recommendation of the IBP-BOG.

Enrique contends that Atty. Pizarra committed acts contrary to his duties as a lawyer by intentionally withholding from petitioner the full and complete information of the annulment of title case, as well as fraudulently conniving in the execution of a new contract of lease regarding the subject property. Specifically, Enrique prays that Atty. Pizarra be disbarred for violating Rules 1.01 and 1.02 of Canon I³⁸ of the CPR.

³⁴ Bar Matter No. 1645. Approved: October 13, 2015.

³⁵ *Tan v. Atty. Alvarico*, *supra*.

³⁶ 805 Phil. 278, 287 (2017).

³⁷ CONSTITUTION, ARTICLE VIII, SECTION 5 provides:

SECTION 5. The Supreme Court shall have the following powers:

x x x x

(5) Promulgate rules concerning the protection and enforcement of constitutional rights, pleading, practice, and procedure in all courts, the admission to the practice of law, the Integrated Bar, and legal assistance to the underprivileged. Such rules shall provide a simplified and inexpensive procedure for the speedy disposition of cases, shall be uniform for all courts of the same grade, and shall not diminish, increase, or modify substantive rights. Rules of procedure of special courts and quasi-judicial bodies shall remain effective unless disapproved by the Supreme Court.

³⁸ CANON 1 - A LAWYER SHALL UPHOLD THE CONSTITUTION, OBEY THE LAWS OF THE LAND AND PROMOTE RESPECT FOR LAW AND FOR LEGAL PROCESSES.

Rule 1.01 - A lawyer shall not engage in unlawful, dishonest, immoral or deceitful conduct.

Rule 1.02 - A lawyer shall not counsel or abet activities aimed at defiance of the law or at lessening confidence in the legal system.

Complainant's claims are bereft of merit.

Attorneys enjoy the legal presumption that they are innocent of the charges against them until the contrary is proved, and that as officers of the court, they are presumed to have performed their duties in accordance with their oath.³⁹ In disbarment proceedings, the quantum of proof is substantial evidence and the burden of proof is on the complainant to establish the allegations in the complaint.⁴⁰ Substantial evidence is defined under Section 6, Rule 133 of the 2019 Amendments to the 1989 Revised Rules on Evidence⁴¹ as "that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion."⁴²

In the instant case, complainant failed to adduce substantial evidence that would establish an attorney-client relationship between him and Atty. Pizarra. Consequently, the duties of a lawyer to his or her client have not set in.

A written contract or retainer agreement is not an essential element in the employment of an attorney; a contract may be expressed or implied.⁴³ To establish a lawyer-client relationship, it is sufficient that the advice and assistance of an attorney is sought and received in any matter pertinent to his/her profession.⁴⁴ If a person, in respect to business affairs or troubles of any kind, consults a lawyer with a view to obtaining professional advice or assistance, and the attorney voluntarily permits or acquiesces with the consultation, then the professional employment is established.⁴⁵

The records of this case are wanting of proof that Enrique consulted respondent for legal advice, nor did Atty. Pizarra offer or render legal services in favor of complainant.

To recall, the bases for Enrique's claim that Atty. Pizarra acted as his so-called "*de facto*" lawyer are: (1) that respondent knew that petitioner was the only living registered and original owner of the subject property;⁴⁶ (2) that respondent is aware of his exact postal address and the office address of his "personal lawyer;"⁴⁷ and (3) that petitioner is the only person legally authorized to sign any type of contract with regard to the subject property.⁴⁸

³⁹ *Parungao v. Atty. Lacuanan*, A.C. No. 12071, March 11, 2020, citing *BSA Tower Condominium v. Reyes II*, 833 Phil. 588, 594 (2018).

⁴⁰ *Tan v. Atty. Alvarico*, *supra*.

⁴¹ A.M. No. 19-08-15-SC. Approved: October 8, 2019.

⁴² *Tan v. Atty. Alvarico*, *supra* note.

⁴³ *Quitazol v. Atty. Capela*, A.C. No. 12072, December 9, 2020.

⁴⁴ *Id.*

⁴⁵ *Sison v. Atty. Dumlao*, A.C. 11959, April 28, 2021, citing *Burbe v. Magulta*, 432 Phil. 840, 849 (2002).

⁴⁶ *Rollo*, p. 2.

⁴⁷ *Id.*

⁴⁸ *Id.* at 4.

Nowhere in the Verified Complaint did complainant state that he sought for the legal advice of Atty. Pizarra. Neither did Enrique mention that Atty. Pizarra specifically represented him in any case. In fact, Enrique admitted having a personal lawyer,⁴⁹ and that respondent appeared as counsel for the oppositors in a special proceedings case⁵⁰ filed before RTC Quezon City, Branch 84. In Enrique's letter⁵¹ addressed to GPI President Jose Go dated June 15, 2015, the same contained several names of counsels for Enrique. Notably, Atty. Pizarra's name was not included in the list. Likewise, in complainant's letter⁵² dated September 15, 2015 to GPI, respondent's name was evidently absent as well.

Moreover, a perusal of the records reveal that Atty. Pizarra did not enter any appearance on behalf of Enrique. On the contrary, respondent is the counsel of record of only Anthony and AZRI in the annulment of title case.⁵³

Verily, it is apparent that there was no attorney-client relationship between Enrique and Atty. Pizarra. The parties had no existing agreement for legal services, express or implied. As correctly observed by the IBP, Enrique's reliance on the term "*de facto*" and the contention that the supposed representation was done without his knowledge, only evince the fact that there is no professional relationship between the parties to begin with.⁵⁴

Therefore, Enrique was not in any position or capacity to demand legal services from Atty. Pizarra. It is true that lawyers are expected to keep the client informed of the status of his or her case, and shall respond within a reasonable time to the client's request for information.⁵⁵ Lawyers are required to observe a whole-hearted fealty to their client's cause.⁵⁶ However, for such obligations to arise, a lawyer-client relationship must first be established.

Indeed, a lawyer-client relationship begins from the moment a client seeks the lawyer's advice upon a legal concern.⁵⁷ From that moment on, the lawyer is bound to respect the relationship and to maintain the trust and confidence of the client.⁵⁸ Conversely, when there is no lawyer-client relationship, the lawyer has no obligation to inform a party, especially one whose interests are contrary to the counsel's actual client.

⁴⁹ Id. at 2.

⁵⁰ Docketed as SP. Proc. No. RQZN-13-05549.

⁵¹ *Rollo*, p. 37-38.

⁵² Id. at 39-40.

⁵³ Id. at 163-164.

⁵⁴ *Rollo*, p. 254.

⁵⁵ CODE OF PROFESSIONAL RESPONSIBILITY, CANON 18, RULE 18.04.

⁵⁶ *Aboy, Sr. v. Atty. Diocos*, A.C. No. 9176, December 5, 2019.


⁵⁷ *Constantino v. Atty. Aransazo, Jr.*, A.C. No. 9701, February 10, 2021.

⁵⁸ *Diongzon v. Mirano*, 793 Phil. 200, 206 (2016).

WHEREFORE, the Court **ADOPTS** and **APPROVES** the findings and recommendation of the Integrated Bar of the Philippines and resolves to **DISMISS** the complaint against **Atty. Jordan M. Pizarras** for lack of merit.

SO ORDERED.”

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court

146-I

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