

Title:

Fajardo vs. Alvarez: A Case of Unauthorized Legal Practice and Influence Peddling

Facts:

Teresita P. Fajardo, the Municipal Treasurer of San Leonardo, Nueva Ecija, engaged the services of Atty. Nicanor C. Alvarez, a lawyer from the Legal Section of the National Center for Mental Health, to represent her in connection with criminal and administrative cases filed against her by the Office of the Ombudsman. The detailed chain of events revealed discrepancies between Teresita's and Atty. Alvarez's versions of their agreement and the services purportedly performed. Teresita claimed that Atty. Alvarez, instead of formally entering his appearance or preparing legal documents, promised to use his connections within the Office of the Ombudsman to dismiss her cases in exchange for hefty fees. She alleged making payments totaling P1,400,000. After the Ombudsman decided against Teresita, she demanded a refund, which Atty. Alvarez failed to give. Atty. Alvarez, on the other hand, claimed he was authorized to practice law privately and had performed various legal services, including filing motions and petitions, for which he was partially compensated.

Teresita filed a verified complaint against Atty. Alvarez with the Supreme Court, leading to an IBP investigation. The Commission on Bar Discipline of the Integrated Bar of the Philippines recommended his suspension for one year and ordered him to return part of the fees to Teresita, a decision later affirmed by the IBP Board of Governors.

Issues:

1. Whether Atty. Nicanor C. Alvarez was authorized to engage in private legal practice while employed in a government position.
2. The reasonableness of the attorney's fees charged by Atty. Alvarez under the principle of quantum meruit.
3. Whether Atty. Alvarez's actions constituted a violation of the Code of Professional Responsibility and the Lawyer's Oath.
4. The existence and the impact of Atty. Alvarez's alleged influence peddling within the Office of the Ombudsman.

Court's Decision:

The Supreme Court found Atty. Alvarez guilty of unauthorized practice of law and influence peddling. It held that although he had permission from his department head to engage in private practice, his actions, specifically representing a client in cases that conflicted with

the government's interest, violated the conditions of his authorization and ethical standards. Moreover, the Court found the fees charged to Teresita unreasonable and that Atty. Alvarez's promise of using connections to influence the outcome constituted unethical conduct. Atty. Alvarez was suspended from the practice of law for one year and was ordered to return P500,000.00 with legal interest to Teresita.

Doctrine:

The case reiterates the doctrine that government officials and employees who are given authorization to engage in private practice must not handle cases that conflict with the interest of the government. It also highlighted the ethical principle that lawyers must not promise or suggest the use of influence to resolve legal cases, adhering strictly to the merits of the case and the rule of law.

Class Notes:

- Unauthorized Practice of Law: A government employee engaged in private legal practice without adherence to restrictions violates ethical standards.
- Quantum Meruit: Attorney's fees must be reasonable and commensurate with the service provided.
- Influence Peddling: Promising or suggesting the use of influence to affect judicial or quasi-judicial proceedings is unethical and punishable.
- Legal and Ethical Sanctions: Violations of the Code of Professional Responsibility and the Lawyer's Oath can lead to suspension and the requirement to return unearned fees.

Historical Background:

This decision underscores the judiciary's commitment to maintaining ethical standards within the legal profession, particularly concerning the private practice of government-employed lawyers and the prohibition of influence peddling. It reflects the ongoing efforts to uphold integrity, professionalism, and public trust in the legal system of the Philippines.