



Republic of the Philippines
 Supreme Court
 Manila

THIRD DIVISION

**VERA LAW (DEL ROSARIO
 BAGAMASBAD &
 RABOCA),**

A.C. No. 13986
(Formerly CBD Case No. 12-3681)

Complainant,

Present:

- versus -

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

ATTY. EDITHA R. HECHANOVA,
 Respondent.

Promulgated:
 FEB 26 2025
 Misl DC Batt

X-----X

DECISION

GAERLAN, J.:

We remind the members of the bar that once a lawyer-client relationship is established, lawyers owe a fiduciary duty to their client. A client’s trust is sacred and must remain unsullied by doubt or unfaithfulness. To abide by such duty is not only a mark of personal fidelity but a reflection of the integrity of the legal profession.

Before this Court is a verified Complaint¹ filed by the partnership Del Rosario Bagamasbad & Raboca (VERA LAW) against respondent Atty. Editha R. Hechanova (Hechanova), praying for Hechanova’s disbarment for violation of the Code of Professional Responsibility (CPR).

¹ Rollo, pp. 2-10.

A

Factual Antecedents

Complainant VERA LAW, formerly known as V.E. Del Rosario & Associates, is a partnership created and registered under the laws of the Philippines.² The partnership has used VERA LAW as its service name.

Hechanova joined VERA LAW in 1991 as an associate lawyer.³ After six years of working at the firm, she was admitted into the partnership in 1997 and was assigned as the partner-in-charge of the firm's Intellectual Property (IP) Department.⁴ Accordingly, the partnership Del Rosario Hechanova Bagamasbad & Raboca was formed.⁵

In its Complaint dated December 19, 2012, VERA LAW claims that despite the trust and confidence it reposed on Hechanova, the latter purportedly used VERA LAW's contacts, office time, and resources in order to promote herself in preparation for her eventual departure from the firm.⁶

While still a partner of the firm, Hechanova allegedly committed the following acts detrimental to the interest of the partnership:

6.1. On August 2005, respondent registered with the Securities and Exchange Commission (SEC) a company now known as "HECHANOVA & CO., INC.," a business entity that directly competes with complainant since the primary purpose of which, among others, is "to act as agents, resident agents, patent agents, trademark agents and copyright agents" (Annex C);

6.2. On February 2005, respondent registered her name "Editha Hechanova" with the Intellectual Property Office (IPO) as a service mark for legal services (Annex D).

6.3. On September 2005, respondent executed a Contract of Lease (Annex E) for an office space at the Chemphil Building, Pasay Road, Makati City, in preparation for her eventual transfer. To date, respondent still holds office thereat under the firm name Hechanova Bugay & Vilches.⁷

VERA LAW claims that it conducted an administrative investigation on December 9, 2005, where Hechanova was given the opportunity to explain her actions. Thereafter, however, or between December 10 and 11, 2005, she allegedly recruited two senior lawyers of her department, Atty. Jennifer D.

² *Id.* at 399, Position Paper.

³ *Id.* at 332.

⁴ *Id.*

⁵ *Id.* at 420.

⁶ *Id.* at 2, Complaint.

⁷ *Id.* at 4.

Fajelagutan (Fajelagutan) and Atty. Bernadette B. Tocjayao (Tocjayao), to join her new firm.⁸

On December 12, 2005, VERA LAW's remaining partners voted to expel Hechanova from the partnership.⁹ Hechanova then went to the premises of VERA LAW and packed her belongings. On her way out of the office, she allegedly announced that she will be able to get Honda, one of VERA LAW's clients, and invited Fajelagutan and Tocjayao to join her.¹⁰

The Complaint also states that files, including the powers of attorney of several clients, were taken by Hechanova and that she requested clients to sign new powers of attorney, making her the sole attorney-in-fact instead of VERA LAW. She purportedly changed VERA LAW's usual template on powers of attorney and designated herself as the authorized representative or resident agent of the firm's clients. VERA LAW also maintains that Hechanova maligned VERA LAW by informing the latter's clients that since she is leaving, the firm had no other competent lawyers who can handle their IP-related matters.¹¹

In the Complaint, VERA LAW prays for Hechanova's disbarment for acting in violation of Canons 3, 8 and 8.02 of the CPR when she made false, misleading, and disparaging statements against the firm, and used its resources to promote herself and to poach its clients. According to VERA LAW, one such client was Havaianas which was the firm's client since 2003 and whose account was handled by Hechanova while she was still in the partnership.¹²

VERA LAW also identified two instances where Hechanova allegedly violated Canon 15, Rule 15.03 of the CPR which prohibits the representation of conflicting interests. First, Hechanova opposed Gourdo's Inc.'s application for the Calphalon mark and logo despite the fact she was previously Gourdo's Inc.'s counsel and resident agent when she was with VERA LAW. Second, prior to severing her professional relationship with Amalgamated Specialties Corporation (AMSPEC), Hechanova represented Newell Rubbermaid, Inc., Newell Rubbermaid Asia Pacific, Ltd., Newell Australia Pty. Ltd., Berol Corporation and Sanford L.P. (Newell et al.), all oppositors of AMSPEC in Civil Case No. 08-073.¹³

⁸ *Id.* at 4-5.

⁹ *Id.* at 5.

¹⁰ *Id.*

¹¹ *Id.* at 5-6.

¹² *Id.* at 7.

¹³ *Id.* at 6.

P

After filing several motions for extension, Hechanova filed a verified Answer in compliance with the Order of the Integrated Bar of the Philippines - Commission on Bar Discipline (IBP-CBD) dated December 21, 2012.

In her Answer, Hechanova countered VERA LAW's allegations and offered a different version of the events.

Hechanova claims that she was unceremoniously removed from the partnership at the instance of other partners, namely, Virgilio Del Rosario, Valeriano Del Rosario, Julius N. Raboca (Raboca) and Salvador Bagamasbad (Bagamasbad),¹⁴ without any administrative investigation.¹⁵ She also claims that the resignation letters of the employees in the IP Department was maliciously lumped together with her trademark application by the Del Rosario brothers as they wanted to get rid of her.¹⁶

She claims that she was denied her just share in the assets and income of the partnership, prompting her to file a case with the Regional Trial Court (RTC) of Makati City, docketed as Case No. 07-092, for the dissolution of the partnership, accounting of income, and liquidation and distribution of the partnership assets, funds and properties.

Hechanova further insists that VERA LAW, in order to vex her, instigated its client AMSPEC to file a disbarment case against her. In relation to the disbarment case, however, she notes that AMSPEC has executed a Motion to Withdraw/Dismiss Complaint dated October 7, 2009.¹⁷

In her Answer, Hechanova vehemently denied having used the resources of VERA LAW to promote herself or to make false, misleading and disparaging statements against the firm. She also denied encroaching upon the professional practice of VERA LAW by "poaching" the latter's clients.¹⁸ For Havaianas, in particular, she recalls that at the time of filing her Answer, her firm did not handle a trademark prosecution for Sao Paoio Alpargatas SA (SPASA), the owner of Havaianas trademark.¹⁹ She maintains that from the point of view of SPASA, VERA LAW was not its exclusive agent and that SPASA had the right to appoint any agent.²⁰ She also argues that after she has left VERA LAW, "it is not unreasonable to expect for clients to seek her out in order to avail of the

¹⁴ *Id.* at 97.

¹⁵ *Id.* at 105.

¹⁶ *Id.* at 106.

¹⁷ *Id.* at 97-98.

¹⁸ *Id.* at 109.

¹⁹ *Id.* at 110.

²⁰ *Id.* at 111.

A

same competent, effective and efficient service she has previously rendered them while she was still at V[ERA LAW].”²¹

As to her trademark application for the name EDITHA HECHANOVA, she explains that this was inspired by the trademark application for the name of Jennifer Lopez and that this was never kept as a secret. She recalls having asked a paralegal to prepare the said trademark application and for the same to cover the services “training and education.” She allegedly did not notice that the paralegal included “legal services” in the said application.²² Even if legal services was included in the application, she insists that she has the right to exploit her name and that this should not be considered disloyalty to the firm.²³

Hechanova also denies having an outside law practice while she was still part of VERA LAW. She avers that in all her dealings, she has never made it appear that she was practicing on her own or apart from the partnership.²⁴

She admits, however, that she caused the registration of the company “Editha Hechanova & Co., Inc.” under SEC Registration No. CS200514220 on August 19, 2005. She insists, however, that the company does not compete with the business of VERA LAW as it was formed to manage their internet business, Cyberlink, and to provide bookkeeping services. She then justifies why she amended the primary purpose of the company to include being “agents, resident agents, patent agents, trademark agents, and copyright agents” as follows:

When VERA illegally expelled Respondent on December 12, 2005, she fought feelings of anxiety, fear of what the future could bring. **She focused her energy and thought of possible means to organize her practice the shortest possible time, which would allow her to do the work she knows best and would give the potential clients some assurance of stability, and the easiest and more effective way was to change the nature of the business of the company she set up with her sisters and friends, by amending its primary purpose to include being agents for trademarks, patents and copyrights which can be done by specialists as well.** At the time of her expulsion, the only persons who could assist Respondent in building her business and profession was herself, her two sisters, and the staff of Cyberlink who were computer science graduates and some relatives. She immediately filed for amendment of the articles of said company by shortening the name to Hechanova & Co., Inc. and changing its business purpose, which amendment was approved by the SEC on January 6, 2006.²⁵
(Emphasis in the original)

²¹ *Id.* at 102.

²² *Id.* at 105–106.

²³ *Id.* at 103.

²⁴ *Id.* at 103.

²⁵ *Id.* at 104.

She also denies the allegation that the Contract of Lease at the Chemphil Building was prejudicial to VERA LAW. She claims that it was initially for the operation of Cyberlink. But when she was expelled from the partnership, she immediately set up her own practice and made the Cyberlink location the new office of Hechanova & Co., Inc.²⁶

As to the accusation that she took client or office files with her, she avers that all the files she took when she left on December 12, 2005 were examined by Atty. Priscila Branzuela and Minda Maliwat, the Administration Manager. She then admits that before leaving the office, she asked Attys. Fajelagutan and Tocjayao if they would like to join her. She claims that in her meeting with Fajelagutan on December 11, 2005, she “never offered Atty. Fajelagutan a job, or anything other than her need for understanding.” She, however, does not deny that she asked Fajelagutan to sign a Non-Disclosure Undertaking.²⁷

On the allegation that she made changes in the special powers of attorney (SPA), she denies that this was done to set up her law practice:

As far as Respondent recalls, [VERA LAW] did not have a standard power of attorney. When the Intellectual Property Code was promulgated in 1998, the power of attorney was revised to include the appointment of a resident agent required by the IP rules. The name of Respondent was stated in the power of attorney to comply with said requirements, and also because she was actually doing the work of prosecuting the applications. **The power of attorney did not name her alone as the authorized person but any other lawyers of the law firm Del Rosario Hechanova Bagamasbad & Raboca. This belies the claim of Complainant that the change in the power of attorney was to set up a law practice.** From 1998 to 2005 is a good eight (8) years. Shouldn't this be more indicative of wanting to belong? Besides all revenues generated by this authorization all went to the firm.²⁸ (Emphasis supplied)

As for the Calphalon mark and logo, Hechanova claims that she did not violate Canon 15.03 by opposing the application of Gourdo's Inc. She recalls that when she was with VERA LAW, the SPAs executed by Gourdo's Inc. on behalf of VERA LAW was limited to the following marks and applications:

- a. WORLD MARKET & Device (Annex “I”, Complaint);
- b. Gourdo's World Market and World Market (Annex I- A, Complaint);
- c. Avea (Annex “F”, Complaint); and

²⁶ *Id.* at 105.

²⁷ *Id.* at 107--108.

²⁸ *Id.* at 108.

d. Cost You Less, GOURDO'S and Sleepcare (Annex "K", Complaint).²⁹

Thus, she argues that the Calphalon mark and logo was never covered by the professional relationship between VERA LAW and Gourdo's Inc.³⁰

Likewise, she avers that she did not violate Canon 15.02 by acting as counsel for Newell et al. against AMSPEC in Civil Case No. 08-073.³¹ She denies that there was ever an attorney-client relationship between her and AMSPEC, even when she was the head of the IP & IT Division of VERA LAW.³²

During the May 21, 2013 hearing, Hechanova raised a point of clarification as to the personality of the complainant, noting that two partners have already severed their relationship with VERA LAW. Hechanova then filed a Motion for Clarification and Point of Order dated May 30, 2013 (Motion for Clarification).³³

In the said Motion, Hechanova claims that the body of the Complaint and its supporting documents failed to disclose the true identity of the complainant. She points out that at the time the Complaint was filed before the IBP-CBD, the firm Del Rosario, Bagamasbad and Raboca was no longer an existing legal entity, considering the withdrawal from the partnership by Virgilio Del Rosario and Bagamasbad on or before May 31, 2012. Furthermore, she contends that while Raboca stated in his verification that the complaint was being filed on behalf of the firm Del Rosario & Raboca, there is no record of any resolution authorizing him to file the complaint. She thus contends that since the verification executed by Raboca is fatally defective, there was no valid complaint filed against her.³⁴

On June 18, 2013, VERA LAW filed a Comment on and/or Opposition on the Motion for Clarification. It argued that since the Motion for Clarification is in the nature of a Motion to Dismiss, it should be denied for being a prohibited pleading under the IBP Rules of Procedure on Bar Discipline. It also argued that inasmuch as disbarment proceedings involve no private interest and do not require strict compliance with civil or criminal procedure, the verification signed by Raboca, whether for himself, or on behalf of the complainant,

²⁹ *Id.* at 112.

³⁰ *Id.*

³¹ *Id.* at 113-116.

³² *Id.*

³³ *Id.* at 185-190.

³⁴ *Id.* at 185-190.

4

substantially complied with Rule 139-B, Section 1 of the Revised Rules of Court.³⁵

After a series of hearings and exchanges of pleadings, an Order was promulgated on January 14, 2014, by Commissioner Pablo S. Castillo, declaring that the Complaint cannot be ordered dismissed. The Commissioner also held that the Motion for Clarification shall remain on record as it raised some issues that may facilitate the investigation.³⁶

In compliance with IBP-CBD Order dated March 12, 2014³⁷, VERA LAW filed its Mandatory Conference Brief on March 24, 2014,³⁸ while Hechanova filed her Amended Mandatory Conference Brief on March 31, 2014.³⁹ The April 10, 2014 Order of the IBP-CBD declared the result of the Mandatory Conference held, with notice of continuance for submissions and markings of documents.⁴⁰ The continuance lasted up to November 24, 2015, when parties agreed to terminate the mandatory conference. Thereafter, the IBP-CBD directed the parties to file their respective position papers.⁴¹ VERA LAW filed its position paper on December 4, 2015,⁴² while Hechanova filed her position paper on December 8, 2015.⁴³

On December 28, 2015, a Report and Recommendation was submitted for this case. On February 25, 2016, Resolution No. XXII-2016-162 was issued, which reads:

*RESOLVED, to remand the report and recommendation of the Investigating Commissioner to the Commission on Discipline for improvement considering that the Investigating Commissioner failed to specify the finding of facts and bases for his recommendation. Thereafter, it will be re-submitted to the Board for deliberation and approval[.]*⁴⁴

On May 2, 2016, VERA LAW, through Raboca, moved for the dismissal of the case, with prejudice. In the said Motion to Dismiss, VERA LAW states that the matter was “a result of a misunderstanding and/or misappreciation of facts.” Thus, with the conformity of the majority of the former partners of the

³⁵ *Id.* at 232-236.

³⁶ *Id.* at 306-308.

³⁷ *Id.* at 312.

³⁸ *Id.* at 313-317.

³⁹ *Id.* at 319-330.

⁴⁰ *Id.* at 332-394.

⁴¹ *Id.* at 395.

⁴² *Id.* at 398-415.

⁴³ *Id.* at 541-579.

⁴⁴ *Id.* at 1205.

D

firm Del Rosario Bagamasbad & Raboca, Raboca manifested his withdrawal of the complainant and moved for its dismissal.⁴⁵

Report and Recommendation of the IBP-CBD

On September 20, 2022, the IBP-CBD issued a Report and Recommendation denying the Motion to Dismiss filed by VERA LAW and recommending the suspension of Hechanova from the practice of law for three years.⁴⁶

On the motion to dismiss, the Commissioner ruled that the same cannot be granted in view of Rule 138-B, as amended, Section 5:⁴⁷

No investigation shall be interrupted or terminated by reason of the desistance, settlement, compromise, restitution, withdrawal of the charges, or failure of the complainant to prosecute the same, unless the Supreme Court motu proprio or upon recommendation of the IBP Board of Governors, determines that there is no compelling reason to continue with the disbarment or suspension proceedings against the respondent. [Amendment pursuant to Supreme Court Resolution dated May 27, 1993 re Bar Matter Nq. 356]

As to the main issues of the case, the IBP Commissioner found that Hechanova has taken lightly Canons 3, 8, and 8.02 of the CPR and totally disregarded Canon 15.03 or the rule against conflict of interests. The IBP-CBD made the following recommendation:

In view of the foregoing, it is hereby recommended that the Complaint be declared partly with merit, and Respondent be **suspended** from the practice of law for **three (3) years** with a stern warning that a repetition of the same or similar acts shall be dealt with more severely.

RESPECTFULLY SUBMITTED.⁴⁸ (Emphasis in the original)

On June 19, 2023, the IBP Board of Governors passed a *Resolution* reducing the three-year suspension imposed by the IC to a one-year suspension with a stern warning:

⁴⁵ *Id.* at 1198 -1199.

⁴⁶ *Id.* at 1203-1220.

⁴⁷ *Id.* at 1215.

⁴⁸ *Id.* at 1219.

0

RESOLUTION NO. CBD-XXV-2023-06-57

RESOLVED, to MODIFY, as it is hereby MODIFIED, the Report and Recommendation of the Investigating Commissioner (IC) which found a violation of the “conflict of interest” rule but after taking into account that this is the first infraction on her part and that the 3-year penalty being recommended by the IC appears too harsh, to recommend instead the imposition upon respondent Atty. Editha R. Hecahnova of the penalty of SUSPENSION from the practice of law for a period of ONE (1) YEAR with a STERN WARNING that a repetition thereof or the commission of a similar act shall be dealt with more severely.⁴⁹ (Emphasis and italics in the original)

Thereafter, the IBP-CBD transmitted to this Court the Notice of Resolution of the IBP Board of Governors and the records of the case for its final disposition.⁵⁰

The Issues

For this Court’s consideration are the following issues:

1. Whether the Complaint should be dismissed in view of: a) its purported defects; and b) the motion to dismiss filed by the complainant.
2. Whether Hechanova violated Canons 3, 8 and 8.02 of the CPR.
3. Whether Hechanova violated Canon 15.03 prohibiting representation of conflicting interests.

The Ruling

Disbarment is intended to preserve the nobility and honor of the legal profession by purging unbecoming members of the bar. It is the most severe form of disciplinary action for those who fail to measure up to the high ethical standards of the legal profession.

We have stressed time and again that disbarment is imposed with great caution as its consequences are beyond repair.⁵¹ It should be resorted to only in cases where the lawyer demonstrates an attitude or course of conduct wholly inconsistent with approved professional standards.⁵² The power to disbar or

⁴⁹ *Id.* at 1201–1202.

⁵⁰ *Id.* at 1200.

⁵¹ *De Ere v. Rubi*, 378 Phil. 377, 383–384 (1999) [Per J. Panganiban, Third Division].

⁵² *Dela Cruz v. Diesmos*, 528 Phil. 927, 933 (2006) [Per Austria-Martinez, First Division].

suspend ought always to be exercised on the preservative and not on the vindictive principle, with utmost caution and only for the most weighty reasons.⁵³

Guided by the foregoing tenets, We modify the penalty imposed by the IBP on Hechanova.

But before We resolve on the merits, We first address the arguments raised by Hechanova on why this Court should dismiss the present Complaint.

The Complaint was validly instituted

Hechanova questions the legal personality of the entity which filed the complaint. She points out that

- a. The Partner's Resolution that [Raboca] attached to his complaint is dated **04 May 2012** (but notarized only on 12 November 2012);
- b. Such Partner's Resolution is executed by Virgilio Del Rosario, Valeriano Del Rosario, Salvador Bagamasbad and Julius Raboca ---to the knowledge of Respondent, the partners comprising the firm of *Del Rosario Bagamasbad and Raboca*; and
- c. There is no attached partner's resolution from a firm known as *Del Rosario & Raboca*.⁵⁴ (Emphasis and italics in the original)

With the support of records from the SEC, Hechanova claims that the firm Del Rosario Bagamasbad and Raboca was no longer an existing legal entity at the time that the Complaint was filed before the IBP-CBD. She then draws attention to the fact that when the Complaint was filed on December 20, 2012, Raboca stated in his verification that the complaint was being filed on behalf of Del Rosario & Raboca—and not Del Rosario Bagamasbad and Raboca as stated in the caption of the pleading.

Hechanova then argues that since the verification in this case is fatally defective, there is no valid complaint against her.⁵⁵ Citing the IBP Rules of Procedure, she contends that cannot be made to defend against an entity that is non-existent since a case before the IBP can only be commenced by a verified complaint.⁵⁶

⁵³ *Santamaria v. Toientino*, 875 Phil. 558, 568 (2020) [Per J. Delos Santos, Second Division].

⁵⁴ *Rollo*, p. 186.

⁵⁵ *Id.* at 185--190.

⁵⁶ *Id.* at 186.

This Court agrees with Hechanova's observations that the firm Del Rosario Bagamasbad and Raboca was no longer an existing legal entity at the time that the subject Complaint was filed before the IBP-CBD. In fact, as early as May 31, 2012, Valeriano Del Rosario and Raboca had already reported to the SEC the dissolution of the firm, as seen in the Amended Partnership Agreement of Del Rosario and Raboca.⁵⁷ The records show the amendment of the partnership agreement was approved by the SEC on December 7, 2012.⁵⁸ Thus, the firm Del Rosario Bagamasbad and Raboca was legally non-existent at the time the disbarment case against Hechanova was filed.

This is not to say, however, that Hechanova is defending herself against a ghost. The complaint against her could have been filed by any person, including any of the lawyers from the dissolved partnership of Del Rosario Bagamasbad and Raboca. Canon VI, Section 2 of A.M. No. 22-09-01-SC or the Code of Professional Responsibility and Accountability⁵⁹ (CPRA) states:

SECTION 2. *How Instituted.* — **Proceedings for the disbarment, suspension, or discipline of lawyers may be commenced** by the Supreme Court on its own initiative, or upon the filing of a verified complaint by the Board of Governors of the IBP, or **by any person**, before the Supreme Court or the IBP. However, a verified complaint against a government lawyer which seeks to discipline such lawyer as a member of the Bar shall only be filed in the Supreme Court. (Emphasis supplied)

In VERA LAW's Memorandum of Authorities and Motion to Expunge dated October 23, 2013,⁶⁰ Raboca manifested before the IBP-CBD that he represents not only VERA LAW but also himself as a complainant in this case.⁶¹ Thus, the Complaint may be considered as instituted by Raboca, who caused the preparation of complaint for and behalf of VERA LAW, notwithstanding the fact that the caption of the pleading names the firm Del Rosario Bagamasbad and Raboca as its complainant.

Relative to the defective verification, this Court excuses the same. A defect in the verification affects only the form but not the substance of the

⁵⁷ *Id.* at 192-216.

⁵⁸ *Id.* at 192.

⁵⁹ On April 11, 2023, the Court *En Banc* unanimously approved A.M. No. 22-09-01-SC which repealed, among others, Rule 139-B of the Rules of Court. Section 1 of the General Provisions of A.M. No. 22-09-01-SC states that it "shall be applied to all pending and future cases, except to the extent that in the opinion of the [Court], its retroactive application would not be feasible or would work injustice, in which case the procedure under which the cases were filed shall govern."

⁶⁰ *Rollo*, pp. 285-288.

⁶¹ *Id.* at 288.

P

submission.⁶² In *Russel v. Ebasan*,⁶³ We held that the requirement of a verification is simply a condition affecting the form of pleadings and non-compliance therewith is neither jurisdictional nor does it render the pleading fatally defective. As applied here, the alleged defect in the verification is excusable and does not justify a dismissal of the petition.

It is well to remember that proceedings for disbarment are not in any sense a civil action where there is a plaintiff and the respondent is a defendant.⁶⁴ Disciplinary proceedings involve no private interest and afford no redress for private grievance. They are undertaken for the sole purpose of public welfare and the preservation of courts of justice from the official ministrations of persons unfit to practice law.⁶⁵ In *Tajan v. Cusi, Jr.*,⁶⁶ We held:

The complainant or the person who called the attention of the court to the attorney's alleged misconduct is in no sense a party, and has generally no interest in the outcome except as all good citizens may have in the proper administration of justice. The court may therefore act upon its own motion and thus be the initiator of the proceedings, because, obviously the court may investigate into the conduct of its own officers. Indeed it is not only the right but the duty of the Court to institute upon its own motion, proper proceedings for the suspension or the disbarment of an attorney, when from information submitted to it or of its own knowledge it appears that any attorney has so conducted himself in a case pending before said court as to show that he is wanting in the proper measure of respect for the court of which he is an officer, or is lacking in the good character essential to his continuance as an attorney. This is for the protection of the general public and to promote the purity of the administration of justice.⁶⁷ (Citation omitted)

Therefore, inasmuch as an administrative disbarment proceeding involves no private interest and is a purely public concern, We hold that the Complaint was validly instituted by Raboca, whether on his behalf or on behalf of VERA LAW.

Motion to Dismiss is a prohibited pleading in disbarment proceedings

On May 2, 2016, Raboca, on behalf of VERA LAW, moved for the dismissal of the case, with prejudice, stating that the matter was “a result of a misunderstanding and/or misappreciation of facts.”

⁶² *Seares, Jr. v. Gonzales-Alzate*, 698 Phil. 596, 604 (2012) [Per J. Bersamin, First Division].

⁶³ 633 Phil. 384, 391 (2010) [Per J. Nachura, Third Division].

⁶⁴ *Tajan v. Cusi, Jr.*, 156 Phil. 128, 134 (1974) [Per J. Antonio, Second Division].

⁶⁵ *Laurel v. Delute*, 880 Phil. 474, 491 (2020) [Per Curiam, En Banc].

⁶⁶ 156 Phil. 128 (1974) [Per J. Antonio, Second Division].

⁶⁷ *Id.* at 134-135.

It is settled that a complainant's desistance in an administrative case is irrelevant in determining the fitness of a member to remain in the Bar.⁶⁸ As such, desistance or withdrawal of charges, which may be embodied in a motion to dismiss, is looked with disfavor in disbarment proceedings.

In *Yumul-Espina v. Tabaquero*,⁶⁹ We explained that:

Disbarment proceedings are *sui generis*. Their main purpose is mainly to determine the fitness of a lawyer to continue acting as an officer of the court and as participant in the dispensation of justice. Hence, the underlying motives of the complainant are unimportant and of little relevance.

We have consistently looked with disfavor upon affidavits of desistance filed in disbarment proceedings. Administrative proceedings are imbued with public interest. Hence, these proceedings should not be made to depend on the whims and caprices of complainants who are, in a real sense, only witnesses.⁷⁰

Not only is the complainant's desistance irrelevant on account of disbarment proceedings being *sui generis*. In such proceedings, no investigation shall be interrupted or terminated by reason of the desistance, settlement, compromise, restitution, withdrawal of the charges or failure of the complainant to prosecute the case.

Rule 139-B, Section 5 of the Rules of Court provides:

Sec. 5. *Service or dismissal*. —

No investigation shall be interrupted or terminated by reason of the desistance, settlement, compromise, restitution, withdrawal of the charges or failure of the complainant to prosecute the same, unless the Supreme Court *motu proprio* or upon recommendation of the IBP Board of Governors, determines that there is no compelling reason to continue with the disbarment or suspension proceedings against the respondent. (Emphasis and italics supplied)

Furthermore, the IBP Rules of Procedure on Bar Discipline, as well as Canon VI, Section 10 of the CPRA also prohibits the filing of a motion to dismiss in administrative disbarment proceedings.

⁶⁸ *Fontanilla v. Quial*, A.C. No. 10019, December 2, 2019 [Notice, Third Division].

⁶⁹ 795 Phil. 653 (2016) [Per J. Jardeleza, Third Division].

⁷⁰ *Id.* at 658–659.

VERA LAW is well aware of this rule as the complainant has even cited it in its pleadings before the IBP-CBD:⁷¹

1.2. A[s] admitted by Respondent, Sec. 2, Rule III of the IBP Rules of Procedure on Bar Discipline prohibits the filing of a motion to dismiss in administrative disbarment proceedings, to wit:

“RULE III
PLEADINGS, NOTICES AND APPEARANCES

SECTION 1. Pleadings. The only pleadings allowed are verified complaint, verified answer and verified position papers and motion for reconsideration of a resolution.

SEC. 2. Prohibited Pleadings. The following pleadings shall not be allowed, to wit:

- a. **Motion to dismiss the complaint or petition;**
- b. Motion for a bill of particulars;
- c. Motion for new trial;
- d. Petition for relief from judgment;
- e. Supplemental pleadings.”

1.3. Consequently, any prohibited pleading filed in any administrative disbarment proceeding must be stricken off the records and disregarded by this Honorable Commission.⁷² (Emphasis supplied)

Why VERA LAW knowingly filed a prohibited pleading and prayed for the dismissal of its Complaint after years of litigation is a matter that this Court will not extrapolate on. Nevertheless, independently of the VERA LAW’s decision to desist, the administrative case must proceed for the reasons explained above.

Thus, We now come to the merits of the complaint.

Hechanova violated of Canon II, Section 2 of the CPRA

VERA LAW argues that Hechanova violated Canons 3 and 8 for committing the following acts: 1) making false, misleading and disparaging statements about VERA LAW; 2) changing the template wording of VERA LAW’s SPA, making herself the exclusive attorney-in-fact of the clients instead of VERA LAW or any of its lawyers; 3) registering her name with the IPO as a service mark without the consent and authorization of VERA LAW while she

⁷¹ *Rollo*, pp. 232-234.

⁷² *Id.* at 233.

D

was a partner of the firm; and 4) registering “Hechanova & Co. Inc.” with the SEC while still a partner of VERA LAW, to unduly compete with the latter.⁷³

VERA LAW also contends that Hechanova violated Canon 8.02 for her alleged act of poaching the firm’s clients during and after her expulsion as a partner.⁷⁴

As to the making of false, misleading and disparaging statements, Hechanova argues that VERA LAW has presented no statement from its former clients stating that she made representations or circulated gossip that led these clients to terminate their attorney-client relationship with VERA LAW.⁷⁵

As mentioned earlier, she also denies changing the template wording of VERA LAW’s SPA, claiming, among others, that VERA LAW did not have a standard power of attorney.⁷⁶ When confronted with the third allegation, Hechanova reasoned that her secretary made the mistake of classifying the application for legal services and for training and education. She also explained that she caused the registration of her name to protect the right to use the surname of her husband for whatever legal actions.⁷⁷ While she admits her registration of “Hechanova & Co. Inc.” with the SEC while still a partner of VERA LAW, she claims that it was formed to manage their internet business⁷⁸ and it was the illegal act of expulsion by VERA LAW which pushed her to use it to engage in legal services, notwithstanding that it competed with VERA LAW.⁷⁹ Hechanova also denies poaching VERA LAW’s clients. She counters that a client has the right to choose their own lawyer.⁸⁰

At the outset, We emphasize that in disbarment cases, the burden of proof rests upon the complainant. Lawyers enjoy the presumption of innocence until the contrary is proved.⁸¹

The case against the respondent must be established by substantial evidence before this Court can exercise its disciplinary powers.⁸² Substantial evidence is defined under Rule 133, Section 6 of the 2019 Amendments to the 1989 Revised Rules on Evidence as “that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion.”

⁷³ *Id.* at 316–317.

⁷⁴ *Id.* at 317.

⁷⁵ *Id.* at 557.

⁷⁶ *Id.* at 108.

⁷⁷ *Id.* at 429.

⁷⁸ *Id.* at 104.

⁷⁹ *Id.* at 560.

⁸⁰ *Id.* at 179.

⁸¹ *Yumul-Espina v. Tabaquero*, 795 Phil. 653, 660 (2016) [Per J. Jardeteza, Third Division].

⁸² *Perdigon v. Bautista, Jr.*, A.C. No. 11916, September 2, 2020 [Notice, Second Division].

Canon VI, Section 32 of the CPRA also provides for the quantum and burden of proof in administrative cases, viz.:

SECTION 32. *Quantum and burden of proof.* — In administrative disciplinary cases, **the complainant has the burden of proof to establish with substantial evidence the allegations against the respondent.** Substantial evidence is that amount of relevant evidence which a reasonable mind might accept as adequate to justify a conclusion. (Emphasis supplied)

To recall, VERA LAW accused Hechanova of violating Canon 5 of the CPR which demands that lawyers, in making known their legal services, shall use only true, honest, fair, dignified and objective information or statements of facts.

While the exact wording of this provision in the CPR was not retained in the CPRA, the latter nevertheless mandates that lawyers shall not make false representations or statements. Furthermore, a lawyer shall be liable for any material damage caused by such false representations or statements.⁸³

CANON 8 of the CPR, on the other hand, requires lawyers to conduct themselves with courtesy, fairness and candor toward their professional colleagues. While this provision was also not replicated *in toto* in the CPRA, the CPRA likewise directs lawyers to act with courtesy, civility, fairness, and candor towards fellow members of the bar.⁸⁴

In this case, VERA LAW failed to prove that Hechanova violated Canons 3 and 8 of the CPR as its insinuations against Hechanova were unsupported by substantial evidence. There is no record, apart from VERA LAW's allegations, that Hechanova has spread malicious information against the firm to compel the clients to end their attorney-client relationship with it. No evidence has been offered to support the accusation that Hechanova made representations or circulated gossip that prejudiced VERA LAW in order to promote her own legal practice.

Neither was there substantial evidence that Hechanova changed the template wording of VERA LAW's SPA to make herself the exclusive attorney-in-fact of the latter's clients. The SPAs presented in evidence similarly read as follows:

⁸³ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon II, Sec. 11.

⁸⁴ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon II, Sec. 2.

**POWER OF ATTORNEY & APPOINTMENT
OF RESIDENT AGENT**

TO THE DIRECTOR OF TRADEMARKS:

GOURDO'S INC.

KLG Building Delbros Avenue corner V. De Leda Street Bo. Ibayo,
Parañaque City

hereby appoints **EDITHA R. HECHANOVA** of Del Rosario Hechanova Bagamasbad & Raboca Law Office, or its partners or associate attorneys, all members in good standing of the Philippine Bar, with offices at Rosadel, 1011 Metropolitan Avenue, Makati City, Philippines as its lawful attorney to undertake on its behalf all necessary acts to secure/maintain the registration of the following trademark/s, and future trademarks of the company[.]⁸⁵ (Emphasis supplied)

A plain reading of the SPAs shows that Hechanova was not designated as the exclusive attorney-in-fact of VERA LAW's client. Apart from Hechanova, the SPAs authorized VERA LAW's partners and associate attorneys to undertake acts to secure or maintain the registration of the clients' trademarks. Therefore, this accusation against Hechanova is patently false.

As to the allegation that Hechanova poached VERA LAW's clients, this was similarly unsupported by substantial evidence.

RULE 8.02, Canon 8 of the CPR provides that a lawyer shall not, directly or indirectly, encroach upon the professional employment of another lawyer. Notably, this rule has been adopted and is reflected in Canon II, Section 24 of the CPRA, to wit:

SECTION 24. Encroaching or Interfering in Another Lawyer's Engagement; Exception. — A lawyer shall not, directly or indirectly, encroach upon or interfere in the professional engagement of another lawyer.

This includes a lawyer's attempt to communicate, negotiate, or deal with the person represented by another lawyer on any matter, whether pending or not in any court, tribunal, body, or agency, unless when initiated by the client or with the knowledge of the latter's lawyer. A lawyer, however, may give proper advice and assistance to anyone seeking relief against perceived unfaithful or neglectful counsel based on the Code.

⁸⁵ *Rollo*, p. 64.

Complainants have burden of proof to show the veracity of their allegations.⁸⁶ In this case, a perusal of the records reveal that VERA LAW failed to justify its claims. The fact that VERA LAW lost some of its clients could not be directly attributed to Hechanova's actions. Even if former clients of VERA LAW subsequently became clients of Hechanova's firm, that in itself is not substantial proof that Hechanova encroached upon the professional engagement of VERA LAW. Furthermore, the accusation that Hechanova took client files with her when she left the firm was also unsupported by evidence. Thus, We find that Hechanova did not violate Canon II, Section 24 of the CPRA.

As to the allegation that Hechanova failed to act with courtesy, fairness and candor towards her professional colleagues, VERA LAW substantially proved the same.

Canon II, Section 2 of the CPRA provides that:

SECTION 2. *Dignified Conduct.* — A lawyer shall respect the law, the courts, tribunals, and other government agencies, their officials, employees, and processes, and **act with courtesy, civility, fairness, and candor towards fellow members of the bar.**

A lawyer shall not engage in conduct that adversely reflects on one's fitness to practice law, nor behave in a scandalous manner, whether in public or private life, to the discredit of the legal profession. (Emphasis supplied)

As applied here, although registering her name with the IPO while still a partner at VERA LAW is not inconsistent with the duty to act with courtesy, civility, fairness, and candor, it nevertheless supports the suggestion that Hechanova was already preparing to leave VERA LAW prior to her expulsion. While that in itself is not an act of misconduct, it was substantially proven that the company she registered before leaving the firm was incorporated to eventually compete with VERA LAW after her departure.

Needless to say, her choice to leave the firm to pursue her own career is not the issue. What We find inconsistent with dignified conduct is her act of recruiting two senior lawyers from VERA LAW's IP department, Fajelagutan and Tocjayao, to join her new firm even while she was still a partner at VERA LAW. According to their respective affidavits, Fajelagutan was asked to sign a Non-Disclosure Undertaking during her meeting with Hechanova on December 11, 2005, and Tocjayao was made to promise "under the pain of death" that she will not disclose what transpired during her meeting with Hechanova sometime

⁸⁶ *Yumul-Espina v. Tabaquero*, 795 Phil. 653, 560 (2016) [Per J. Jardeleza, Third Division].

D

in October of the same year.⁸⁷ Both Fajelagutan and Tocjayao claim that it was during the said meetings that Hechanova invited them to be one of the partners in her firm. This proves that the offer was made clandestinely and in utter disregard of her duty to her colleagues at VERA LAW. Hechanova even admitted that before leaving VERA LAW, she asked Fajelagutan and Tocjayao if they would like to join her.⁸⁸

It is not beyond the imagination that Hechanova wielded her influence as head of the IP Department to poach the senior IP lawyers of VERA LAW to join her firm. Her denial, even when faced with the testimonies of Fajelagutan and Tocjayao, is characteristic of her lack of remorse for her actions. Being a partner of the firm and the head of the IP Department, she owed VERA LAW the highest level of honesty, courtesy and civility which she failed to exercise.

Dishonesty has been defined as the disposition to lie, cheat, deceive, defraud or *betray*; be untrustworthy; lacking in integrity, honesty, probity, integrity in principle, fairness and straightforwardness.⁸⁹ In this case, Hechanova's act of recruiting Fajelagutan and Tocjayao to join her firm surely amounts to a betrayal of the trust reposed in her by her colleagues.

Thus, We find that Hechanova violated of Canon II, Section 2 of the CPRA. She fell short of the strict ethical demands required from a member of the bar.

Hechanova violated the rule prohibiting representation of conflicting interests

To ensure that lawyers maintain utmost fidelity to their clients, Canon 15 and Rule 15.03 of the CPR prevents the representation of conflicting interests, thus:

Canon 15 — A lawyer shall observe candor, fairness and loyalty in all his dealings and transactions with his clients.

Rule 15.03 — A lawyer shall not represent conflicting interests except by written consent of all concerned given after a full disclosure of the facts.

⁸⁷ *Rollo*, pp. 33–36

⁸⁸ *Id.* at 107.

⁸⁹ *Saladaga v. Astorga*, 748 Phil. 1, 13 (2014) [Per J. Leonardo De Castro, *En Banc*].

D

After the repeal of the CPR, the proscription against conflict of interests is now found under Canon III, Section 13 in relation to Section 18 of the CPRA, viz.:

SECTION 13. *Conflict of Interest.* — A lawyer shall not represent conflicting interests except by written informed consent of all concerned given after a full disclosure of the facts.

There is conflict of interest when a lawyer represents inconsistent or opposing interests of two or more persons. The test is whether in behalf of one client it is the lawyer's duty to fight for an issue or claim, but which is his or her duty to oppose for the other client.

.....

SECTION 18. *Prohibition Against Conflict-of-Interest Representation; Former Clients.* — In relation to former clients, the following rules shall be observed:

(a) A lawyer shall maintain the private confidences of a former client even after the termination of the engagement, except upon the written informed consent of the former client, or as otherwise allowed under the CPRA or other applicable laws or regulations, or when the information has become generally known.

(b) A lawyer shall not use information relating to the former representation, except as the CPRA or applicable laws and regulations would permit or require with respect to a current or prospective client, or when the information has become generally known.

(c) Unless the former client gives written informed consent, a lawyer who has represented such client in a legal matter shall not thereafter represent a prospective client in the same or related legal matter, where the prospective client's interests are materially adverse to the former client's interests. (Emphasis supplied)

As seen above, the CPRA has demarcated the line between the existence and non-existence of conflict of interests.⁹⁰ In doing so, it lays down the test to determine whether such conflict exists: “whether in behalf of one client it is the lawyer's duty to fight for an issue or claim, but which is his or her duty to oppose for the other client.”⁹¹

Even before the enactment of the CPRA, We have set forth this rule on conflict of interests as follows:

⁹⁰ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon III, Sec. 13.

⁹¹ *Id.*

There is conflict of interest when a lawyer represents inconsistent interests of two or more opposing parties. The test is “whether or not in behalf of one client, it is the lawyer’s duty to fight for an issue or claim, but it is his duty to oppose it for the other client. In brief, if he argues for one client, this argument will be opposed by him when he argues for the other client.” This rule covers not only cases in which confidential communications have been confided, but also those in which no confidence has been bestowed or will be used. Also, there is conflict of interests if the acceptance of the new retainer will require the attorney to perform an act which will injuriously affect his first client in any matter in which he represents him and also whether he will be called upon in his new relation to use against his first client any knowledge acquired through their connection. Another test of the inconsistency of interests is whether the acceptance of a new relation will prevent an attorney from the full discharge of his duty of undivided fidelity and loyalty to his client or invite suspicion of unfaithfulness or double dealing in the performance thereof.⁹² (Citations omitted)

With these precepts as guide, We now determine whether Hechanova violated this rule.

To recall, VERA LAW claims that there was clear violation because: first, Hechanova opposed Gourdo’s Inc.’s application for the Calphalon mark and logo notwithstanding the fact that she was the former counsel and resident agent of Gourdo’s, Inc; and second, she represented Newell et al. in Civil Case No. 08-073 against AMSPEC, prior to severing her professional relationship with AMSPEC.⁹³

In relation to the first claim, Hechanova counters that her attorney-client relationship with Gourdo’s Inc. was limited to the terms, product or mark indicated in the SPAs executed by Gourdo’s Inc. on behalf of VERA LAW. She argues that:

It is the practice in the intellectual property industry in the Philippines, and perhaps even in other jurisdictions, that the representation by a lawyer of his client is limited to the contents and powers specified in the power of attorney (POA) or special power of attorney (SPA). Beyond the terms, product or mark indicated in the POA or SPA, the lawyer has no power of representation because there is no such authority vested in him. Under such circumstances, the attorney-client relationship is construed to be limited to those terms, products or mark of which the services of the lawyer were retained.⁹⁴

⁹² *Hornilla v. Salunat*, 453 Phil. 108, 111–112 (2003) [Per J. Ynares-Santiago, First Division].

⁹³ *Rollo*, p. 317.

⁹⁴ *Id.* at 112.

4

Thus, she claims that there was no representation of conflicting interests because their professional relationship did not cover the trademark application for the Calphalon mark and logo which she admittedly opposed.⁹⁵

Hechanova's argument fails to convince.

As this Court previously exhorted, a lawyer is forbidden from representing a subsequent client against a former client when the subject matter of the present controversy is related, directly or indirectly, to the subject matter of the previous litigation in which he appeared for the former client.⁹⁶

In this case, the records show that on October 2004, Gourdo's Inc. appointed Hechanova as its agent and attorney-in-fact.⁹⁷ Her authority was subsequently reaffirmed on April and August 2005.⁹⁸ Thus, this Court finds irrelevant whether professional engagement of Hechanova with Gourdo's Inc. covered the trademark application for the Calphalon mark and logo. What is clear is that Hechanova opposed Gourdo's Inc.'s application for a mark and logo for which it claims ownership and that Gourdo's Inc. was Hechnova's former client, having handled the latter's trademark applications before the IPO.

As to the alleged practice in the intellectual property industry that a lawyer's representation of his client is limited to the contents and powers specified in the SPA, this Court notes that Hechanova failed to cite any convincing authority on the matter.

We reiterate that there is conflicting interests when a lawyer represents inconsistent or opposing interests of two or more persons.⁹⁹ It also exists if the acceptance of the new retainer will require the attorney to perform an act which will injuriously affect his or her first client. To represent an interest adverse to the first client prevents the lawyer from performing his duties with undivided fidelity and also invites suspicion of double dealing. As former counsel and resident agent of Gourdo's, Inc., it was Hechanova's duty to protect the latter's intellectual property claims. She, on the other hand, represented Calphalon Corporation and opposed Gourdo's, Inc.'s trademark application.¹⁰⁰

⁹⁵ *Id.*

⁹⁶ *Pormento, Sr. v. Pontevedra*, 494 Phil. 164, 179 (2005) [Per J. Austria-Martinez, Second Division].

⁹⁷ *Rollo*, p. 509.

⁹⁸ *Id.* at 510-511.

⁹⁹ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon III, Sec. 13.

¹⁰⁰ *Rollo*, pp. 66-84.

As for the second claim in relation to Newell et al. and AMSPEC, Hechanova admits that when she was still with VERA LAW, she prosecuted two trademark applications on behalf of Eberhard Faber and AMSPEC against Wallstreet Business Systems. She claims, however, that it was the licensor Eberhard Faber whom she represented. In the said applications, she recalls that she advised AMSPEC that it could not register the mark “MONGOL” as part of its own trademarks as it was Eberhard which owned the mark. However, AMSPEC later took an adverse position against Eberhard Faber and its successor-in-interest, by appropriating the mark “MONGOL.”¹⁰¹

She then denies that that there was ever an attorney-client relationship between her and AMSPEC, viz.:

Moreover, the attorney-client relationship between Respondent personally and AMSPEC has not been shown to exist. What Respondent knows is the very close relationship between AMSPEC and V[ERA LAW]. Even before Respondent joined V[ERA LAW], AMSPEC was already a client of the law office.

....

And even after Respondent joined Veralaw and became the Head of its Intellectual Property and Information Technology Department, it was upon Vicente’s children, Virgilio and Valeriano Del Rosario upon whom the AMSPEC referred its work. Any participation by the Respondent in this regard was simply perfunctory. In fact, in most instances, Respondent’s parts could have been performed by anyone else in the law firm.

Respondent is not the counsel of Complainant. She has not been engaged as such, and her obligation is limited to the position she had taken during the time that she was a member of Veralaw. Veralaw remains and continues to be the counsel of AMSPEC, as far as Respondent knows.

....

In all of Respondent’s years at Veralaw as head of the IP & IT Division, Respondent has yet to remember a time when AMSPEC discussed business secrets with her. Perhaps, as a director of AMSPEC, Atty. Valeriano Del Rosario VERALAW’s co-managing partner, received or had access to business secrets, but Atty. Del Rosario **never divulged any business secrets to the Respondent involving AMSPEC.**¹⁰² (Emphasis supplied)

The CPRA expressly provides that a lawyer-client relationship arises when the client consciously, voluntarily and in good faith vests a lawyer with

¹⁰¹ *Id.* at 114.

¹⁰² *Id.* at 114–116.

0

the client's confidence for the purpose of rendering legal services, and the lawyer agrees to render such services.¹⁰³

As Hechanova herself admits, she was the head of the IP Department of VERA LAW and that she performed tasks in relation to the account of AMSPEC. This means that VERA LAW entrusted Hechanova to be one of the lawyers handling the account of AMSPEC. She even advised AMSPEC that it could not register the mark "MONGOL" as part of its own trademarks. Hence, it cannot be denied that there was a lawyer-client relationship between AMSPEC and Hechanova, which gave AMSPEC the confidence and security that Hechanova will protect and advance its interests. From the moment that a lawyer-client relationship begins, lawyers are bound to respect that relationship and to maintain the trust and confidence of their client.¹⁰⁴

The rule on conflict of interests, We emphasize, is anchored on the fiduciary obligation in a lawyer-client relationship.¹⁰⁵ Accordingly, it is irrelevant whether business secrets of AMSPEC have been divulged to Hechanova. The rule on conflict of interests covers not only cases in which confidential communications have been confided, but also those in which no confidence has been bestowed or will be used.¹⁰⁶

Therefore, this Court agrees with the findings of the IBP-CBD that Hechanova represented conflicting interests in violation of Canon 15, Rule 15.03 of the CPR, now Canon III, Sections 13 and 18 of the CPRA.

With the foregoing considerations, We go now to the proper penalty to be imposed.

We find Hechanova guilty of both simple misconduct for violating Canon II, Section 2 of the CPRA and of violating the rule on conflict of interests under Canon III, Sections 13 and 18 of the CPRA.

A violation of the rule on conflict of interests is treated either as a serious charge or a less serious charge, depending on the circumstances. Canon VI of the CPRA provides that intentional violation of this rule is categorized as a serious charge, while other violations of the same rule falls as a less serious charge.

¹⁰³ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon III, Sec. 3.

¹⁰⁴ *Diongzon v. Mirano*, 793 Phil. 200, 206 (2016) [Per J. Bersamin, First Division].

¹⁰⁵ *Bernardino v. Santos*, 754 Phil. 52, 67 (2015) [Per J. Leonen, Second Division].

¹⁰⁶ *Ang v. Marapao*, 920 Phil. 606, 615 (2022) [Per J. Dimaampao, First Division].

In this case, Hechanova knowingly and deliberately violated the prohibition. This is evidenced by the fact that she was the former counsel and resident agent of Gourdo's Inc. but she knowingly committed an act adverse to the interests of the latter. The same goes for her former client AMSPEC. After committing acts prejudicial to the AMSPEC, she denied the attorney-client relationship and insisted that her acts of lawyering for AMSPEC "could have been performed by anyone else in the firm."¹⁰⁷

Under Canon VI, Section 37 of the CPRA, if the respondent is found guilty of a serious offense, any or a combination of the following penalties may be imposed by the Court: (1) disbarment; (2) suspension exceeding six months; (3) revocation of notarial commission and disqualification as notary public for not less than two years; and (4) a fine exceeding PHP 100,000.00. On the other hand, if the respondent is found guilty of a less serious offense, any of the following sanctions, or a combination thereof, may be imposed: (1) suspension from the practice of law for a period within the range of one month to six months, or revocation of notarial commission and disqualification as notary public for less than two years; and (2) a fine within the range of PHP 35,000.00 to PHP 100,000.00. Furthermore, if one or more aggravating circumstances and no mitigating circumstances are present, the penalties of suspension or fine for a period or amount not exceeding double of the maximum prescribed may be imposed.¹⁰⁸

Considering that this is Hechanova's first offense, a mitigating circumstance shall be appreciated in her favor in accordance with Canon VI, Section 38 of the CPRA. However, this Court notes her lack of remorse which will be applied as an aggravating circumstance. Thus, the aggravating and mitigating circumstances shall offset each other.¹⁰⁹

In connection thereto, Canon VI, Section 40 provides the guidelines in meting out the penalties when multiple offenses are involved:

Section 40. *Penalty for multiple offenses.* — If the respondent is found liable for more than one (1) offense arising from separate acts or omissions in a single administrative proceeding, the Court shall impose separate penalties for each offense. Should the aggregate of the imposed penalties exceed five (5) years of suspension from the practice of law or P1,000,000.00 in fines, the respondent may, in the discretion of the Supreme Court be meted with the penalty of disbarment.

If a single act or omission gives rise to more than one (1) offense, the respondent shall still be found liable for all such offenses, but shall,

¹⁰⁷ *Rollo*, pp. 114–116.

¹⁰⁸ CODE OF PROF. RESPONSIBILITY AND ACCOUNTABILITY, Canon VI, Sec. 39.

¹⁰⁹ *Id.*

nonetheless, only be meted with the appropriate penalty for the most serious offense. (Emphasis supplied)

ACCORDINGLY, the Court finds respondent Atty. Editha R. Hechanova **GUILTY** of violating Canon II, Section 2 and Canon III, Sections 13 and 18 of A.M. No. 22-09-01-SC, or the Code of Professional Responsibility and Accountability. Considering the attendant circumstances, she is hereby meted out the following penalties for each offense:

- (a) For simple misconduct, Atty. Editha R. Hechanova is hereby **FINED** PHP 100,000.00;
- (b) For intentional violation of the rule on conflict of interests in relation to Gourdo's Inc., Atty. Editha R. Hechanova is **SUSPENDED** from the practice of law for a period of six months and one day; and
- (c) For intentional violation of the rule on conflict of interests in relation to Amalgamated Specialties Corporation, Atty. Editha R. Hechanova is **SUSPENDED** from the practice of law for a period of six months and one day.

Atty. Editha R. Hechanova is **WARNED** that a repetition of the same or similar offense in the future shall be dealt with more severely.

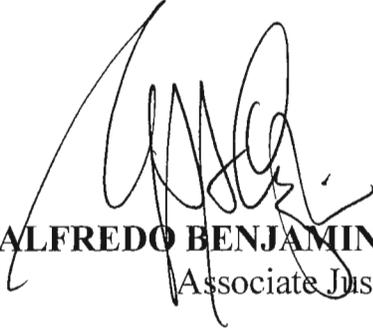
She is **DIRECTED** to file a Manifestation to the Court that her suspension has started, copy furnished all courts and quasi-judicial bodies where she has entered his appearance as counsel.

Let copies of this Decision be furnished to the Office of the Bar Confidant, to be appended to the personal record of Atty. Editha R. Hechanova, as an attorney-at-law; to the Integrated Bar of the Philippines; and to the Office of the Court Administrator for dissemination to all courts throughout the country for their guidance and information.

SO ORDERED.


SAMUEL H. GAERLAN
Associate Justice

WE CONCUR:



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



HENRI JEAN PAUL B. INTING
Associate Justice



JAPAR B. DIMAAMPAO
Associate Justice



MARIA FILOMENA D. SINGH
Associate Justice