Supreme Court E-Library



However, the Director of Forest Development qualifies his conformity to the compromise agreement that the same is subject to "the requirements of existing and applicable forest policies, laws and regulations."

The Solicitor General, on the other hand, stresses that the said compromise agreement should not bind the Office of the President and the Secretary of Natural Resources who are not parties in these two cases.

**WHEREFORE**, THE COMPROMISE AGREEMENT EXECUTED ON JANUARY 27, 1978 BETWEEN PETITIONERS AND THE PRIVATE RESPONDENTS IN THESE TWO CASES IS HEREBY APPROVED, AND THE PARTIES ARE ENJOINED TO ABIDE BY AND TO COMPLY WITH THE TERMS THEREOF.

THE SAID COMPROMISE AGREEMENT SHALL NOT BIND THE OFFICE OF THE PRESIDENT AND THE SECRETARY OF NATURAL RESOURCES AND SHALL ALWAYS BE SUBJECT TO THE REQUIREMENTS OF THE APPLICABLE FOREST LAWS, POLICIES AND REGULATIONS.

THESE TWO CASES ARE HEREBY DISMISSED, CLOSED AND TERMINATED. NO COSTS.

*Teehankee (Chairman), Santos, Fernandez,* and *Guerrero, JJ.*, concur.

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**FIRST DIVISION**

[G.R. No. L-39958. May 11, 1978]

**JESUS D. JUREIDINI**, *petitioner, vs.* **THE COURT OF APPEALS and NAZARIO CLARENCE JUREIDINI, represented by his mother LUZ RODRIGUEZ**, *respondents.*

Supreme Court E-Library



## SYLLABUS

1. **CIVIL LAW; COMPROMISE AND SETTLEMENT; AGREEMENT; COURT APPROVAL.** — A compromise agreement will be approved by the court where it is not contrary to law, morals, public order or public policy, and provides for the full satisfaction of a party's claim against the other.

2. **ID.; ID.; ATTORNEY'S FEES; CLAIM THEREFOR CANNOT PREVENT APPROVAL OF COMPROMISE AGREEMENT; REMEDY OF LAWYER.** — Lawyers' rights to fees from their clients cannot have a standing higher than the rights of the clients or parties themselves and may not be invoked by the lawyers themselves as a ground for disapproving or otherwise holding in abeyance the approval of the compromise agreement, which is not contrary to law, morals, public order or public policy since said rights can be enforced in the proper court in an appropriate proceeding in accordance with the Rules of Court.

3. **ID.; ID.; PETITION FOR INTERVENTION; EFFECT AND DENIAL THEREOF.** — A petition for intervention cannot prevent the approval of a compromise agreement entered into by and between the parties litigants and the same will be denied where the claim of the intervenor can be properly ventiliated before the proper court in a separate proceeding and where it will unduly delay and prejudice the adjudication of the rights of the parties-litigants.

## APPEARANCES OF COUNSEL

*Tañada, Sanchez, Tañada & Tañada* and *Felipe G. Tacan* for petitioner.

*Fernandez, Arroyo, Acsay, Barin, & Ortile, S. Villaluz Law Office* and *Luisito S. Villanueva* for private respondent.

## D E C I S I O N

**MAKASIAR, *J.*:**

Within the extended period for petitioner to file his brief in the above-entitled case, private respondent, thru his counsel,

Supreme Court E-Library



Atty. Luisito Villanueva, simultaneously filed before this Court, on August 5, 1976, an amicable compromise agreement and an appearance, both dated August 2, 1976, furnishing a copy thereof to each of the counsel of record of petitioner, and to Attys. Estanislao A. Fernandez, Arroyo, Acsay, Barin and Ortile and Sisenando Villaluz Law Office, Suite 804 JMT Bldg., Ayala Avenue, Makati, Metro Manila, counsel for private respondent (pp. 381, 383-385, rec.). The amicable compromise agreement which was signed by Nazario Clarence Jureidini, private respondent, assisted by his counsel, Luisito S. Villanueva, and by Jesus D. Jureidini, petitioner, assisted by his counsel, Conrado V. Sanchez and Felipe G. Tac-an, and verified under oath before Hon. Melecio A. Genato, Presiding Judge, Branch I, Court of First Instance of Misamis Occidental at Oroquieta City, runs as follows:

"AMICABLE COMPROMISE AGREEMENT

"COME NOW the parties, assisted by their respective counsels, and to this Honorable Court, respectfully submit this AMICABLE COMPROMISE AGREEMENT to be made as basis for the Decision in the above entitled case, to wit:

"1. That private respondent Nazario Clarence Jureidini is now of legal age and is not suffering from any incapacity to enter into a contract, and that he has entered into this agreement in his own personal capacity;

"2. That the parties have agreed to settle and terminate this Case No. G.R. No. L-39958 before this Honorable Court, including the case under CA-G.R. No. 40441-R, Court of Appeals, and Civil Case No. OZ (118), Court of First Instance, Branch II, Misamis Occidental;

"3. That for and in consideration of this amicable compromise agreement, the parties have agreed that petitioner Jesus D. Jureidini shall pay, as in fact he has already paid, to private respondent Nazario Clarence Jureidini the amount of ONE HUNDRED THOUSAND PESOS (₱100,000.00) Philippine Currency;

"4. That private respondent Nazario Clarence Jureidini does hereby acknowledge receipt, to his entire satisfaction, of the aforesaid sum of ONE HUNDRED THOUSAND PESOS (₱100,000.00), Philippine Currency, from petitioner;

Supreme Court E-Library



"5. That by virtue of this agreement, private respondent Nazario Clarence Jureidini does hereby renounce, repudiate, waive and quitclaim, now and forever, in favor of petitioner Jesus D. Jureidini, whatever rights, interests, claims, title, and participations he has in the estate, real, personal and/or whatever nature, left by the deceased Nazario S. Jureidini;

"6. That the parties do hereby agree to waive, relinquish and abandon whatever claims and counterclaims they have against each other in the aforesaid cases.

"WHEREFORE, it is respectfully prayed that judgment be rendered in accordance with this Amicable Compromise Agreement, without costs.

"*At Oroquieta City (for Manila), August 2, 1976.*

"(SGD) NAZARIO CLARENCE JUREIDINI
Private Respondent
*Plaridel, Misamis Occidental*

(SGD) JESUS D. JUREIDINI
Petitioner
*Ozamis City*

"WITH OUR ASSISTANCE:

"(SGD) LUISITO S. VILLANUEVA
Counsel for Private Respondent
Calamba, Misamis Occidental
PTR No. 3395909
January 2, 1976
Calamba, Mis. Occ.
TAN No. 2638380-2

CONRADO V. SANCHEZ
and
FELIPE G. TAC-AN
Counsel for Petitioner
By:
(SGD) FELIPE G. TAC-AN
Oroquieta City
PTR No. 7791769 T-
*Jan. 13/76*
Oroquieta City
TAN No. 1556-436-2"

Acting on the aforequoted compromise agreement, Attys. Estanislao A. Fernandez, Arroyo, Acsay, Barin and Ortile and Sisenando Villaluz Law Office, filed with this Court on August 19, 1976, a manifestation and motion stating, among other things: (a) that the appearance of Atty. Luisito S. Villanueva as counsel for respondent Nazario Clarence Jureidini is without their

Supreme Court E-Library



knowledge and consent; and (b) that they have no knowledge, intervention or inkling of the amicable settlement executed by and between the petitioner and aforesaid respondent, with prayer that they be given thirty (30) days from August 19, 1976 within which to file the necessary comment, pleading or motion with respect to said amicable settlement, and pending the filing of such comment, any action on the agreement be held in abeyance.

The Court, per Its resolution of September 1, 1976 required: (1) the movants to furnish Atty. Villanueva with a copy of said manifestation and motion and to submit to this Court proof of such service, both within five (5) days from notice thereof; and (2) Atty. Villanueva to comment thereon within ten (10) days from receipt of said copy.

On October 5, 1976, Atty. Luisito S. Villanueva filed his comment to manifestation and motion, stating among other things —

"2. That the private respondent Nazario Clarence Jureidini sometime on August 2, 1976, engaged the legal services of the undersigned for the purpose of drafting, preparing and participating in the execution of the amicable settlement which said private respondent and the petitioner had already arrived at and concluded, as a matter of fact, the monetary consideration mentioned in the Amicable Compromise Agreement had already been paid prior to August 2, 1976, par. 3, of the Amicable Compromise Agreement:

"3. That the undersigned had inquired from the private respondent as to whether his previous counsel or counsels has knowledge of the said settlement, and the latter informed the former that he has not engaged and contracted the services of any counsel at any time, however, he declared that his mother did, but their legal services were already fully compensated, and that he further declared that he wants and desires to engage a counsel of his own choice;

"4. That having known the private respondent Nazario Clarence Jureidini to be of legal age and that he was not suffering from any incapacity to enter into a contract, and further knowing that the contract he will enter into is not contrary to law, morals or public policy, the undersigned accepted the request of private respondent to be his counsel in the execution of the said Amicable Compromise Agreement and its consequent approval by this Honorable Court:

Supreme Court E-Library



"5. That consequently, on the same date of August 2, 1976, when the Amicable Compromise Agreement was entered into by the parties in the City of Oroquieta, the undersigned formally filed his appearance with this Honorable Court, with the consent and authority of the private respondent as may be shown therein. x x x"

In reply to the foregoing comment of Atty. Luisito S. Villanueva, Attys. Estanislao Fernandez, Arroyo, Acsay, Barin and Ortile filed on November 4, 1976 a motion to hold in abeyance approval of the compromise agreement, stating, among other things, that the compromise agreement "is not only immoral and entered (into) in bad faith by petitioner and private respondent but also patently unconscionable, inequitous and an unjust action to the prejudice of all the lawyers who had rendered legal services since 26 March 1976," and that "even assuming Nazario Clarence Jureidini did not enter into any contract with the attorneys of record, he *cannot* disregard the legal services rendered in his behalf and for which he has wholly benefited," and praying further that a commissioner be appointed to receive the evidence for attorney's fees and to approve the same as charging lien on the Testate Estate of Nazario Jureidini.

Considering the reply of Attys. Estanislao Fernandez, Arroyo, Acsay, Barin and Ortile to the comment of Atty. Luisito S. Villanueva to the former's manifestation and motion dated August 19, 1976, this Court in its Resolution dated November 10, 1976, required private respondent Nazario Clarence Jureidini to file his rejoinder to said reply within ten (10) days from notice thereof. A copy of this resolution of November 10, 1976, addressed to private respondent Nazario Clarence Jureidini at Plaridel, Misamis Occidental was returned to this Court with the information that addressee is no longer residing at Plaridel, Misamis Occidental. Accordingly this Court, in a resolution dated January 26, 1977, resolved: (a) to advise Atty. Estanislao Fernandez, *et al.*, that the aforesaid respondent is no longer residing at his last known address; and (b) to require aforesaid counsel to inform this Court within five (5 ) days from notice, of the present address of aforesaid respondent Nazario Clarence Jureidini. Complying with the immediately preceding resolution,

Supreme Court E-Library



Atty. Estanislao Fernandez, *et al.*, informed this Court that the present address of private respondent Nazario Clarence Jureidini is as follows:

> Nazario Clarence Jureidini
> c/o Luz Rodriguez
> No. 339 Younger Street
> Balut, Tondo, Manila.

Acting on the compliance by counsel for respondent Nazario Clarence Jureidini aforesaid, this Court resolved on February 28, 1977, to send to respondent at the above given address, the resolution of this Court dated November 10, 1976 requiring him to file rejoinder to the reply of Atty. Estanislao Fernandez, *et al.*

For failure of private respondent Nazario Clarence Jureidini to file a rejoinder to the reply of Atty. Estanislao Fernandez, *et al.*, to the comment of Atty. Luisito S. Villanueva to the former's manifestation and motion dated August 19, 1976, within the period which expired on March 19, 1976, the Court resolved on May 10, 1977 to require aforesaid respondent: (a) to show cause why he should not be held in contempt for such failure; and (b) to comply with the resolution of November 10, 1976 requiring said rejoinder, both within ten (10) days from notice thereof.

For willful disregard of the resolution of this Court of May 20, 1977 which required private respondent Nazario Clarence Jureidini to show cause why he should not be held in contempt of court for having failed to file a rejoinder to the reply dated November 3, 1976 of Attys. Estanislao Fernandez, Arroyo, Acsay, Barin and Ortile and to comply with the resolution of November 10, 1976 requiring said rejoinder both within the period which expired on June 9, 1977, the Court adjudged said respondent Jureidini guilty of contempt of court and ordered the issuance of a warrant for his imprisonment at the detention cell of the National Bureau of Investigation until he shall have complied with this Court's resolutions. Forthwith, this Court issued on the same day an "Order of Arrest and Commitment," commanding

Supreme Court E-Library



the Director, National Bureau of Investigation, Taft Avenue, Manila, "to arrest Nazario Clarence Jureidini who is said to be found at No. 339 Younger Street, Balut, Tondo, Manila (c/o Luz Rodriguez) x x x and to commit him to the detention cell of the NBI where he shall be detained and safely kept until he has fully complied with the resolutions of this Court x x x."

On January 12, 1978, Sr. NBI Agent Jesus S. Caragan of the National Bureau of Investigation returned to this Court the order of arrest and commitment, UNSERVED, with the information that subject cannot be located at the aforementioned address and his present whereabouts are not known.

While this Court, in the meantime, was awaiting compliance by private respondent Nazario Clarence Jureidini of the resolution of November 10, 1976, one Manuel T. Cortez of Ozamis City filed before this Court a petition for intervention praying, *inter-alia*, that he be allowed to intervene and file his claim against the private respondent for all his financial aid extended to him during the pendency and prosecution of his claim in the trial court and in the Court of Appeals against the Testate Estate of Nazario Jureidini; and that the approval of petitioner's compromise agreement entered into with private respondent Nazario Clarence Jureidini be held in abeyance until he shall have been duly heard, attaching thereto a copy of a memorandum of agreement, which was executed between him and Luz Rodriguez, for herself and as guardian *ad litem* of private respondent Nazario Clarence Jureidini, on March 7, 1974. Among other things, said memorandum of agreement provides that to reimburse Cortez for the expenses incurred to prosecute and defend the case including the professional fee of her lawyer, together with the interest charged thereon, the parties (petitioner and Luz Rodriguez) agreed that in the event this case is finally terminated and won. Luz Rodriguez would pay Cortez:

"ONE-HALF (1/2) PORTION OF THE TOTAL SHARE OF THE FIRST PARTY OF THE MONIES, PROPERTIES AND ALL OTHER KINDS OR NATURE WHATSOEVER ADJUDICATED TO THE FIRST PARTY, including damages awarded and interests due thereon as based and

Supreme Court E-Library



computed in the final promulgation of the decision in said Civil Case mentioned herein."

The questions that now arise are:

1. May the rights of lawyers to the fees due them for services rendered their client be invoked as a ground for holding in abeyance the approval of a compromise agreement entered into by the client and his adversary?

2. May a petition for intervention filed by an alleged financier of one of the parties-litigants in a case be entertained by this Court at this stage of the proceedings, and if so, may the pendency thereof be invoked as a ground for holding in abeyance a compromise agreement entered into by and between the parties-litigants?

WE answer these questions in the negative.

1. The matter of attorney's fees, if any, due Attys. Estanislao Fernandez, Arroyo, Acsay, Barin and Ortile from private respondent Nazario Clarence Jureidini cannot have a standing higher than the rights of the clients or the parties themselves. Hence, lawyers' rights to fees from their clients may not be invoked by the lawyers themselves as a ground for disapproving or otherwise holding in abeyance the approval of the compromise agreement, which is otherwise not contrary to law, morals, public order or public policy. The lawyers concerned can enforce their rights in the proper court in an appropriate proceeding in accordance with the Rules of Court, but said rights may not be used to prevent the approval of the compromise agreement (*Jesalva, et al. vs. Hon. Bautista and Premier Productions, Inc.*, 105 Phil. 348, 352).

2. With respect to the petition for intervention, WE deny the same, not only because the claim of the intervenor can be properly ventilated before the proper court in a separate proceeding, but also because it will unduly delay and prejudice the adjudication of the rights of the parties-litigants in the case at bar.

Supreme Court E-Library



The compromise agreement hereinabove reproduced is not contrary to law, morals, public order or public policy, and provides for the full satisfaction of respondent's claim against the petitioner.

**WHEREFORE**, THE AMICABLE COMPROMISE AGREEMENT DATED AUGUST 12, 1976 IS HEREBY APPROVED, AND THE PARTIES ARE HEREBY DIRECTED TO ABIDE BY AND COMPLY WITH THE TERMS THEREOF.

THIS CASE IS HEREBY CLOSED AND TERMINATED. NO COSTS.

*Teehankee (Chairman), Santos, Fernandez*, and *Guerrero, JJ.*, concur.

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**FIRST DIVISION**

[G.R. No. L-41753. May 11, 1978]

**JOSE V. HERRERA**, *petitioner*, *vs.* **HONORABLE COURT OF APPEALS, HON. GUARDSON R. LOOD, in his capacity as Presiding Judge of Branch VI, Court of First Instance of Rizal, PURA KALAW LEDESMA, METROPOLITAN BANK AND TRUST CO., INC.**, *respondents*.

**SYLLABUS**

**REMEDIAL LAW; ACTIONS; DISMISSAL ON GROUND OF COMPROMISE.** — Where the parties filed a motion to dismiss the case on the ground that they have already amicably settled their differences as shown by an attached decision of the lower court predicated on a "Motion for Judgment Based on Compromise," said motion to dismiss will be granted.