

Committee Opinion
June 14, 1984

LEGAL ETHICS OPINION 586

LETTERHEAD – CLIENT UTILIZATION/
ATTORNEY’S FEES – CREDIT TO
CLIENT’S ACCOUNT.

It is improper for an attorney to allow his client to use his letterhead and a signature stamp for the purpose of sending to delinquent account holders a ten-day demand letter, whether or not the letter is a form previously approved by the attorney, and despite the fact that the attorney received no compensation for furnishing the letterheads and stamp.

It is not improper for an attorney to credit to his client's account attorney's fees received by court action, when the client is liable for remaining legal fees not covered by the credits at the end of the billing cycle, and when any excess amounts are credited to the client's next billing cycle and no portion of the attorney's fees collected by the attorney are actually forwarded to the client unless the payment is a direct reimbursement to the client for the cost of the legal service provided by the attorney. [DR:3-101(A), Opinion 80-26, New York City; Opinion 508, New Jersey; LE Op. 534, LE Op. 541]

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