

Committee Opinion
February 25, 1984

LEGAL ETHICS OPINION 541

FEE ARRANGEMENTS – COLLECTIONS.

It is not improper for a law firm, which represents a creditor in the collection of delinquent accounts on an hourly fee basis with a monthly billing, to apply to the client's legal fee account attorney's fees received out of judgments in which attorney's fees were awarded, when (1) said attorney's fees are not actually paid to the client, (2) the client pays any balance due remaining after the application of the collected fees to its accounts, and (3) in the case of the collection of attorney's fees in excess of the amount actually billed, the overage is credited towards the client's next monthly billing. [See DR:3-102]

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