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Are You Considering Suing Your Client for Unpaid Fees?

Clients do not pay fees because either because they can’t, they won’t or they never intended to in the first place. Inherent in each of these reasons for nonpayment are problems for the lawyer. If the client has no money, a judgment for fees may be uncollectible. If the client is dissatisfied, a counterclaim for legal malpractice is almost guaranteed, as well as a bar grievance. And if the client does not feel bound by legal obligations or the truth, the lawyer is in for a very rough ride.

The cause of nonpayment alone often presents reason enough to forego collection proceedings. Various claims professionals estimate that as much as 40% of lawsuits for fees result in legal malpractice counterclaims. If that does not deter you from considering a suit for unpaid fees, you should then evaluate the entire matter objectively from a legal and financial perspective before deciding to sue a client for fees.