

Digest of Ethics Advisory Panel
Opinion #91-81, Request #207
Issued December 6, 1991

An attorney seeks Panel advice as to the proper course of action in a collection case in which a conflict exists between the guidelines of the Commercial Law League of America (CLLA) and a written agreement between the collection agency and the creditor. The collection agency states that it is entitled to have its fee deducted from the proceeds but the CLLA indicates that where a fee dispute exists, the agency's fee should be put in escrow.

With respect to the issues raised, the Panel takes the position that:
1) the attorney cannot deduct the collection agency's fee from the amount which the creditor is entitled to receive and 2) the total amount collected and due the creditor should be remitted to it each month, notwithstanding the guidelines of the CLLA, until the fee dispute is resolved, perhaps by an interpleader action.