

ETHICS ADVISORY PANEL  
OPINION #94-1 REQUEST #448  
Issued February 23, 1994

The inquiring attorney represented two clients in a personal injury action. Settlement was made with the Insurance Company for a third party defendant to the satisfaction of the clients and a contingent fee was received by the attorney. The attorney then entered into settlement negotiations with an additional Insurance Company. An offer of settlement was made. The inquiring attorney advised the clients to accept the offer. The clients refused, dismissed the inquiring attorney and engaged new counsel. The inquiring attorney believes he/she is entitled to claim an attorney's lien in an amount equal to his/her contingent percentage of the offers refused by the clients inasmuch as he/she believes that the clients unreasonably refused to accept the settlement offer and discharged the inquiring attorney without justification.

The issue posed by this inquiry is addressed by General Informational Opinion #4 (Issued May 23, 1991). The Panel opined in that Opinion that the proper measure of recovery of damages by a discharged lawyer is the reasonable value of services performed for that client prior to discharge, citing Lake v. Winfield Fuller Co., 173 A.2d 119, 54 R.I. 358 (1938); Lisker v. Monti, 60 A.2d 485, 74, R.I. 310 (1948).

The inquiring attorney is therefore advised that he/she may seek to recover an amount based on the reasonable value of services he/she performed prior to being discharged by the clients.