

DIGEST OF ETHICS ADVISORY PANEL
Opinion #88-25, Request #33

An attorney seeks Panel advice as to whether he has any duty to an insurance company that has a contractual relationship with his client.

The attorney advises the Panel that his client was involved in a motor vehicle accident which damaged the client's car and caused the client personal injuries. The attorney further advises the Panel that he has just received a sum of money as a settlement in satisfaction of his client's claim against the defendant. His client's collision insurance carrier originally paid for repairs to the client's car but has never contacted the attorney for reimbursement, nor asserted any subrogation rights.

The Panel takes the position that the attorney has no duty to the collision insurance carrier with regard to the disbursement of the settlement funds. It is proper for the attorney to release the funds directly to the client. The Panel adds, however, that the attorney may wish to explain to the client that his collision insurance carrier may be looking for reimbursement of some or all of its expenses, and that if that is the case the client may deal directly with his insurer.

Ethics Advisory Panel advice is protective in nature. There is no requirement that an attorney abide by a Panel opinion, but if he or she does, he or she is fully protected from any charge of impropriety.