

Getting a Bonus from Client

Has anyone ever had a client pay more than their agreed upon invoice/fee as a bonus for doing a good job? How did you handle it? Send the difference back?

I have gotten one. In my case, there was a note attached thanking me for the great service and saying I could use the extra for a special treat. So, I knew it was not a mistake. If there were no note enclosed, I would reach out to client to make sure there was no mistake. After all, it's nice to hear that positive feedback in person. I did get some cookies once from a pro bono client and that was almost as good as a check.

Ed Burcham, Kentucky

It happens sometimes. Just send an email asking the client to verify that they intended to pay a bonus.

Bert Krages, Oregon

Yeah, I don't really see any ethical issues here, as long as you verify the client actually intended to pay a bonus and didn't think you were legally owed that money.

From what I've read about this issue the main problem that arises is when the "gift" is actually a disguised form of compensation for services and intended to create a quid pro quo. Obviously, form/proportion of gift matters as well (an extra \$5,000 for acquiring a \$1,000,000 judgment is probably fine; someone trying to pay you an extra \$5,000 for successfully getting them through a No Assets Chapter 7 Bankruptcy is going to be heavily scrutinized).

A rule with this that I think has served me well is "I never acquire more than the client." This situation can arise with a case that settles for a relatively small amount. If I get a \$3,000 settlement but I've billed

\$1,500 of legal services, I will usually chop \$500 or so off my bill to ensure the client is getting the lion's share of their settlement. I send a letter explaining what I did and

why I did it. Clients seem ready to follow me to the Gates of Hell armed with a water pistol after I do this.

Bryce Davis, Florida

It's happened. It's a bonus or a tip or whatever. Thank them. Be happy you did a job well done. Keep it. Remember, it's not a "gift". It's income.

David Shulman

I just got Sara Lee.

Reta McKannan, Alabama

I had a client who went to India on business, and when he returned, he gave me an assortment pack of tea (he knows I drink a lot of tea). I thanked him kindly, and did not report that to the IRS. I had another client who looked at my bill and said "That's not right." Before I could respond, justifying the total (it was an estate, we'd had some problems, and the bill was not a small one), she said "You've not billed everything." I assured her I thought it was fair, but as she wrote a check, she said "I'm giving you more, because this bill is too little." Granted, it was a a good sized estate.. she was the residuary beneficiary, we'd already paid all other bequests, but it was quite a surprise. I did deposit that into the operating account and included it in regular income when I next filed taxes.

Laurie Axinn Gienapp, Massachusetts

I too have gotten "tipped" by a client, who said that he loved working with me and that my fees were "much more reasonable" than South Florida attorneys and thought he should give me more. I thanked him and adjusted my bill in my accounting system to account for the additional payment. It is income. He modified the amount, and I accepted, just as if I had unilaterally reduced his fee.

We often get cookies and fruit from current and former clients, which is lovely, but we don't account for that other than a thank-you card.

Cynthia V. Hall, Florida

Yes, but not in money form. A family law client came by to pay her final balance on her bill after we wrapped up her case, but she also brought me a nice basket with a couple bottles of wine along with some nice cheeses and crackers, and a thank-you note. I thought it was a really nice gesture, and my wife and I enjoyed the hell out of that wine and cheese.

Oh, and I also once got a \$50 gift card to a family of local restaurants, one of which is across from my office and my favorite place to get a beer after work.

Ryan Phillips, South Carolina

If intentional, they are making a gift and it is rude to refuse. Thank the client, bank the money in your business account and move on.

Darrell G. Stewart, Texas

Reason # 875 why I'm happy to be a solo.

A client of the firm where I worked and I were talking and somehow got to magnified bathroom mirrors. She said she happened to have an extra that she didn't need and would I like to have it. I politely declined. Her next appointment she brought it in for me. Knowing my boss, I took it to him and asked whether I could keep it. After much thought (I kid you not), he okayed it but not without some stern comments. This was just too precious as he always accepted client gifts.

Deb Matthews, Virginia

Sex has not been mentioned.

A happy divorce client wanted to go directly to bed after her successful court hearing.

Had to decline, of course.

Rob V. Robertson, Texas

Your work was done. All you had to do was print out a quick termination of representation letter . . .

I joke. I joke.

Andy Simpson, U.S. Virgin Islands

Thanks Rob, for putting a whole new spin on the word "bonus"...

David A. Rubin, Missouri

WHAT? No spoiler alert? You just gave away the plot of roughly half of the episodes of L.A. Law!

Brian H. Cole, California

I have had a client send me a porcelain angel figurine, about 6 months after we worked together with a note that said "I saw this and thought you because you are an angel". Wow, that was touching and lovely.

I had a client give me a thank you gift of a gift certificate for a night at the Claremont Hotel [<http://www.fairmont.com/claremont-berkeley/>] with a spa package included! This was after a contentious employment litigation case where I was second chair to my partner. This was from 1 of 10 plaintiffs we represented. There was a lovely thanks for everything note.

Best thing, my partner gave me his too! More of a couple's thing to do than a solo, he said. While it was nice to be called an "angel", this one was fantastic.

I had a client send me a check for an hour's time even after I told her I would not charge her for the additional work done.

Thanks for the trip down the memory lane of the lovely side of clients, Jonathan!

Elizabeth C.A. Johnson, California

Tips and thank you cards and special unexpected gestures are welcome and tend to be remembered more than any fee you earned. I still have a comforter crocheted by a client I'd represented twenty-five years ago that I still wrap myself up in when things are going poorly.

It's a mitzvah. A blessing. A gift and validation in a field where one can forget what feeling appreciated really feels like sometime.

Accept the gift graciously, pass a reciprocal kindness to another who might need and appreciate the uplift as well.

James P. Moriarty, Iowa

With the caveat that I'm not a lawyer (you knew) when I was still at Roland Schorr we often did projects where we told clients that at the end of the project we would send them an invoice and they should pay what they thought the work was worth. If they felt it wasn't worth what we were billing them they could adjust.

The assumption was that a dissatisfied client would pay less; which rarely happened as it turns out. In at least one case, though, the client surprised us by choosing to pay more. We accepted it with a thank you.

Disclaimer: Still never been a lawyer at Microsoft or any other company

Ben M. Schorr, Washington

I say thank you.

Paul Hogan, California

The strangest (and sweetest) business gift I ever received was several years ago right after our twins were born. One night just before Christmas the door bell rang and the kids ran up to the door. No one was there so they called me up to the door.

There was a large wrapped box with a note, do not open until Christmas. The whole family puzzled over our mystery gift for the next week.

On Christmas morning that was the first gift to be opened. It was a nice microwave oven. My wife turned to me and goes, "Jim, that was so nice of you and so exciting for the family!" I hesitated a moment and then 'fessed up. I didn't do it.

We never did find out who did it. I think it was one of two or three builder clients. They never admitted it. It was a special gift for a special year. I had lost my job that year, opened my solo practice and our twins were six months old. I had two older children. It had been a tough year.

Jim Pardue, North Carolina

Thanks everyone for sharing your stories. My client confirmed that the check was intentional and correct and he was grateful for the work done. I thanked him and then deposited it into my operating account as supplemental income as several suggested.

Lisa A. Mariotti, Alaska

Jim –

What a great story. Thanks for the smile.

Ryan Phillips

I showed up one day and there was a notebook filled with sports cards on my desk. Client was so happy with the work that she left part of her husband's collection. I worked for another attorney at the time. He was the one who put it on my desk.

Mitchell P. Goldstein, Virginia

I had a nice gift certificate to a restaurant. Its nice when people say thank you. (Without taking off their clothes...)

David A. Rubin

I got a framed poem extolling my virtues from a grateful client for whom I won a major plaintiff's verdict in an employment discrimination case.

I continued to represent the client in a follow-on case when the employer continued to discriminate/retaliate. Client fired me after we had a disagreement about client's ability to dictate who I could represent and then proceeded to file an eleven count, 60-70 page grievance against me with grievances that included decisions I made during the first (majorly successful) trial that dismissed \$91 of her overall claim (for very sound strategic reasons), allegedly without her consent.

Exhibit 1 to my response was the poem.

(Exhibit 2 was client's email to me stating that although client preferred to keep the claim for \$91, if I thought it made strategic sense to dismiss it, I could do so.)

That poem was a valuable gift!

Andy Simpson

Perhaps she meant it as a success fee to you for doing a great job. I'd tell her I noticed the extra amount and ask what she intended. I coach on delegation and outsourcing for solos and small firms developing their overall strategy plan. There are times when I ask for a success fee in addition to my regular fees because the client will reap ongoing savings and I want to participate in the value I generated.

DIna Eisenberg
