

DISTRICT OF COLUMBIA COURT OF APPEALS

Makins v. District of Columbia

838 A.2d 300 (D.C. 2003) · No. 02-SP-241 · Decided December 18, 2003

SUMMARY

The District of Columbia Court of Appeals answered a certified question concerning whether a client is bound by an in-court settlement negotiated by an attorney without the client's actual authority to settle. The court held that, when the client is absent from a court-ordered settlement proceeding, the attorney must have actual authority to bind the client to the settlement; apparent authority is insufficient. A dissent would have applied ordinary agency principles permitting enforcement based on apparent authority.

CASE DETAILS

COURT	District of Columbia Court of Appeals
WRITING FOR THE COURT	Nebeker, Senior Judge; Terry, Associate Judge; Ruiz, Associate Judge
JURISDICTION	District of Columbia
DECIDED	December 18, 2003
DOCKET	02-SP-241
DISPOSITION	other
PROCEDURAL POSTURE	The United States Court of Appeals for the District of Columbia Circuit certified a question of District of Columbia law concerning whether an attorney could bind an absent client to an in-court settlement based on apparent authority when the attorney lacked actual authority.
STANDARD OF REVIEW	The court answered a certified question of law; it did not review the federal district court's factual finding or resolve the conflicting testimony regarding actual authority.
PRECEDENTIAL VALUE	Published precedential opinion answering a certified question of District of Columbia law.
PARTIES	Brenda Elaine Makins v. District of Columbia, et al.

TOPICS

- civil procedure
- contracts
- title vii
- retaliation
- employment discrimination

PRACTICE AREAS

civil procedure

contracts

employment law

civil rights

QUESTIONS PRESENTED

1. Under District of Columbia law, may an attorney bind an absent client to a settlement reached at a court-ordered, in-court settlement proceeding when the attorney lacks actual authority but has led the opposing party to believe that the client agreed to the settlement terms?

HOLDINGS

1. A client is not bound by a settlement agreement negotiated by the client's attorney at an in-court proceeding when the client was absent unless the client granted the attorney actual authority to reach the settlement.

KEY QUOTATIONS

“For reasons set forth below, we hold that a client is not bound by a settlement agreement negotiated by her attorney at an in-court proceeding when the client was not present absent actual authority granted to the attorney to reach the settlement.” (301)

“We hold that, while attorneys must have some inherent procedural and tactical authority on behalf of clients, for in-court settlement proceedings that attorneys for the parties are ordered to attend, the client must give actual authority to settle the case in the client's absence.” (303)

“We are unwilling to extend the power of settlement by way of apparent authority to attorneys who attend settlement negotiations under order of the court when their client is not present to validate the agreement.” (306)

FACTUAL BACKGROUND

Makins brought a Title VII action against the District of Columbia after being discharged from the Department of Corrections. At a court-ordered settlement conference, Makins was absent but available by telephone, and her attorney negotiated an agreement under which she would receive \$99,000 and have her personnel records changed from discharged to resigned in exchange for dismissal of her claims. Makins later refused to sign the written settlement, asserting that reinstatement or return of her job was a condition of settlement. The federal district court assumed that the attorney lacked actual authority but enforced the agreement based on apparent authority.

PROCEDURAL HISTORY

Makins sued the District of Columbia under Title VII. During a court-ordered settlement conference, her attorney negotiated settlement terms in her absence. Makins refused to sign the written agreement, and the federal district court granted the District's motion to enforce the settlement on the ground that the attorney had apparent authority. The D.C. Circuit certified the governing District of Columbia law question to the District of Columbia Court of Appeals.

DISPOSITION

other

CASES CITED

- Bronson v. Borst, 404 A.2d 960 (D.C. 1979)
- Ashley v. Atlas Manufacturing Co., 7 F.R.D. 77 (D.D.C. 1946), *aff'd*, 166 F.2d 209 (1947)
- Navajo Tribe of Indians v. Hanosh Chevrolet-Buick, Inc., 106 N.M. 705, 749 P.2d 90 (1988)
- Feltman v. Sarbov, 366 A.2d 137 (D.C. 1976)
- Drazin v. Jack Pry, Inc., 154 A.2d 553 (D.C. 1959)
- Sigal Construction Corp. v. Stanbury, 586 A.2d 1204 (D.C. 1991)
- Management Partnership, Inc. v. Crumlin, 423 A.2d 939 (D.C. 1980)
- Goozh v. Capitol Souvenir Co., 462 A.2d 1140, 1142 (D.C. 1983)
- Brown v. Brown, 343 A.2d 59, 61 (D.C. 1975)
- Fennell v. TLB Kent Co., 865 F.2d 498 (2d Cir. 1989)
- Hayes v. National Service Industries, 196 F.3d 1252 (11th Cir. 1999)
- Capital Dredge & Dock Corp. v. Detroit, 800 F.2d 525 (6th Cir. 1986)
- Auvil v. Grafton Homes, Inc., 92 F.3d 226, 230 (4th Cir. 1996)
- Glekas v. Boss & Phelps, Inc., 437 A.2d 584, 587 (D.C. 1981)