

The Lawyers' Fund for Client Protection  
of the State of New York

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**ANNUAL REPORT**  
**OF THE**  
**BOARD OF TRUSTEES**  
**FOR**  
**CALENDAR YEAR 2003**

Submitted to the  
Judges of the Court of Appeals  
and the  
State Comptroller  
pursuant to the provisions of

General Order of the Court of Appeals dated November 16, 1981

# Table of Contents

Foreword.....	3	Awards of Reimbursement in 2003.....	12
Dedication.....	3	Ineligible Claims, 1982 to 2003 .....	12
Special Recognition.....	4	Claims Pending, December 31, 2003 .....	12
History and Purpose of Law Client Protection in New York.....	5	Recommendations.....	13
The Board of Trustees.....	6	Alcohol and Substance Abuse in the Legal Profession .....	13
The Staff of the Lawyers' Fund.....	6	Bar Examinations & Legal Education .....	13
Liaison and Coordination with the Appellate Divisions.....	7	Disbarment for Conversion .....	13
Revenue of the Lawyers' Fund.....	7	Confidentiality in Lawyer Disciplinary Proceedings.....	13
Awards and Disbursements.....	7	Bank Notices to Fiduciaries.....	13
Restitution Revenue and Litigation.....	7	Thefts by Suspended, Disbarred and Bogus Lawyers.....	14
Judicial Precedents.....	7	Escrow Thefts in Real Property Transactions .....	14
Public Information and Consumer Education.....	8	Interest on Down Payments Held in Escrow..	14
Processing of Applications for Reimbursement.....	8	Escrow Accounts of Suspended and Disbarred Lawyers .....	14
Judicial Review of Rejected Claims.....	8	Interim Suspensions and Restraining Escrow Funds.....	15
Unearned Legal Fees.....	9	Multijurisdictional Practice and Pro Hac Vice Rules .....	15
Theft of Personal Injury Settlements.....	9	Afterword.....	15
Thefts in Real Property Transactions.....	9	Statistical Tables.....	16
Losses in Investment Transactions.....	9	Appendix.....	18
The Dishonored Check Reporting Rule.....	10	NY State Finance Law Sec. 97-t.....	18
Dead Lawyers and Missing Clients.....	10	NY Jud Law Sec. 468-b.....	18
Claims Filed and Processed.....	11	Selected Case Law Involving the Lawyers' Fund.....	18
Claims Filed and Alleged Losses, 1982 to 2003 .....	11	Article 78 Proceedings .....	19
Filings by Category of Client Loss 1982 to 2003 .....	11	Lawyers' Fund Publications .....	19
Claims Filed in 2003 .....	11	Trustees' Regulations (22 NYCRR 7200, et seq.).....	20
Awards of Reimbursement, 1982 to 2003.....	11	Lawyers Involved in Awards Since 1982.....	25
Lawyers Involved in Awards, 1982 to 2003.....	12		

## Foreword

This is the 21<sup>st</sup> Annual Report of the Board of Trustees of the Lawyers' Fund for Client Protection. This report concentrates on the activities and operations of the Lawyers' Fund for the 2003 calendar year.

The Lawyers' Fund was established in 1981 in order to maintain the integrity and protect the good name of New York's legal profession by reimbursing law client losses caused by the dishonest conduct of attorneys in our State. The Fund began business on April 1, 1982.

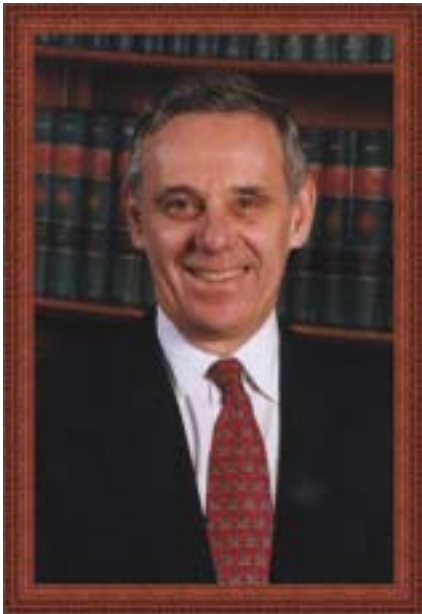
***The Trustees' experience in over two decades has reinforced our firm belief that the vast majority of lawyers in New York State are honest and caring for their clients and deserving of their trust.*** The dishonest conduct and resulting client losses reimbursed by the Fund are attributable to substantially less than one-third of one percent of New York's lawyer population.

These few dishonest lawyers can cause substantial harm. Since 1982, the Lawyers' Fund has awarded \$103 million to 5,593 eligible law clients. In 2003, there were 165 awards granted totaling \$5.7 million. These losses were caused by 63 now suspended, disbarred or deceased lawyers, 37 of whom appear for the first time in 2003.

The Trustees remain grateful for their opportunity to serve the Court of Appeals, the bar in New York and the public. The Trustees also remain committed to not only the reimbursement of law client losses but to the implementation of measures that will protect legal consumers and prevent losses from occurring. We therefore again set forth recommendations in this report aimed at improving our system of justice while enhancing the level of protection afforded to law clients in New York State.

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## Dedication



**Hon. Joseph W.  
Bellacosa**

We are honored to dedicate this Annual Report to Joseph W. Bellacosa, Associate Judge of the Court of Appeals from 1987-99.

In the critical formative days of the Lawyers' Fund, then known as the Clients' Security Fund, we were fortunate to benefit from the wisdom and support of Judge Bellacosa who was then the Chief Clerk and Counsel to the Court of Appeals. As our liaison with the Court, Judge Bellacosa attended the 1981 charter meeting of the Trustees and shepherded a fledgling Fund through difficult policy and administrative issues. His guidance helped establish the Fund's close relationship with the Court of Appeals, the Judiciary and the State Comptroller while wisely preserving the independent status of the Fund.

Throughout his distinguished career as Chief Clerk of the Court of Appeals, Chief Administrative Judge, Law School Dean and Professor, and Associate and Senior Associate Judge of the Court of Appeals, Judge Bellacosa has been a stalwart friend to the Lawyers' Fund. Judge Bellacosa's concern for legal consumers, members of

the legal profession and the Fund culminated in his appointment by Chief Judge Judith Kaye in 1999 as Chair of the Commission on Alcohol and Substance Abuse in the Legal Profession, better known as the "Bellacosa Commission". His dual conviction that all members of the legal profession share responsibility for the well-being of their colleagues as well as the harmful consequences of substance abuse within the legal community led to the establishment of the Lawyer Assistance Trust. Judge Bellacosa's leadership resulted in the Trust's focus on education and intervention in efforts to combat substance abuse and mitigate harm to members of the legal profession and their clients.

Judge Bellacosa's legal career and accomplishments epitomizes the goals of the Lawyers' Fund which are to champion the integrity and protect the good name of the legal profession, protect law clients and promote public confidence in New York's justice system.

The Trustees owe a debt of gratitude to Judge Joseph W. Bellacosa.

## Special Recognition

THE BOARD OF TRUSTEES OF THE LAWYERS' FUND PROUDLY RECOGNIZES THE GENEROUS ACT OF PUBLIC SERVICE DISPLAYED BY THE ATTORNEYS LISTED BELOW WHO HAVE ASSISTED CLAIMANTS IN RECEIVING AWARDS OF REIMBURSEMENT IN 2003:

### **BROOME COUNTY**

Stephen S. Weintraub, Esq.

### **ERIE COUNTY**

Phillip Brothman, Esq.  
Brian W. Downey, Esq.  
John F. Leone, Esq.  
Gross, Shuman, Brizdle  
& Gilfillan, P.C.

### **KINGS COUNTY**

Jeffrey Ehrlich, Esq.  
Thomas A. Pepe, Esq.

### **ONONDAGA COUNTY**

Scott A. Lickstein, Esq.  
Newman & Lickstein  
Michelle C. Marans, Esq.

### **NASSAU COUNTY**

Joseph Ardito, Esq.  
Kenneth A. Gray, Esq.  
Kevin J. Kiley, Esq.  
Gerald P. Lewis, Esq.  
William M. Thomas Jr., Esq.

### **NEW YORK COUNTY**

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Finkelstein & Virga, P.C.  
Barry P. Fox, Esq.  
John Fulco, Esq.  
Salon Marrow Dyckman  
Johnathan C. Lerner, Esq.  
Abraham & Lerner  
John J. Reddy, Esq.  
Bekerman & Reddy, P.C.  
Sheldon Schwartz, Esq.

### **QUEENS COUNTY**

Thomas J. Adams, Jr., Esq.  
Adams & O'Neill  
David I. Insanally, Esq.  
Christopher Kulakis, Esq.  
Drew R. Lontos, Esq.  
Raul P. Meruelo, Esq.  
George J. Razis, Esq.  
Razis & Ross, P.C.  
John Spanakos, Esq.  
Gerald J. Sweeney, Esq.

### **ROCKLAND COUNTY**

Domenick Burrascano, Esq.

### **SARATOGA COUNTY**

John C. Mannix, Esq.

### **ST. LAWRENCE COUNTY**

David L. Welch, Esq.

### **SUFFOLK COUNTY**

H. John Bopp, Esq.  
Darrell J. Conway, Esq.  
Kenneth A. Deegan, Esq.  
Gary P. Field, Esq.  
Michele Goetz, Esq.  
R. Mark Hochberg, Esq.  
Schanker & Hochberg  
Lisa Clare Kombrink, Esq.  
Frank Ioppolo, Esq.  
Robert Mastrantonio, Esq.  
Michael F. Perrotta, Esq.  
Seymour Pienkny, Esq.  
Mark Rosenberg, Esq.  
Arthur E. Shulman, Esq.

### **WESTCHESTER COUNTY**

Joseph C. Heinzmann, Esq.  
Speiser & Heinzmann  
Michael A. Meltzer, Esq.  
Meltzer & Pravetz, LLP  
Paul T. Vink, Esq.

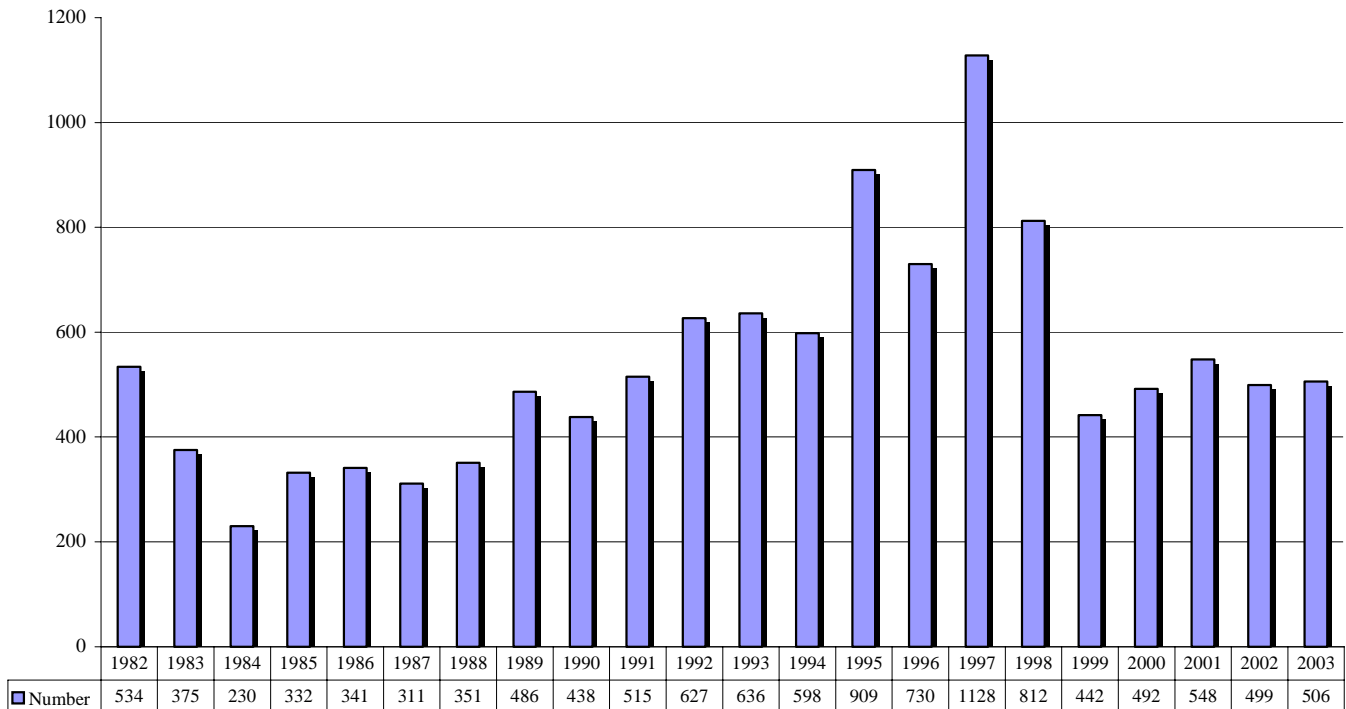
### **NEW JERSEY**

Philip M. Colicchio, Esq.  
Taylor & Colicchio  
Gabriel F. Gonzalez, Esq.  
Giantomasi Bross & Oliveira  
Robert W. Keddie, III, Esq.  
Taylor, Colicchio &  
Silverman  
Thomas LaConte, Esq.  
Merrill M. O'Brien, Esq.

### **PENNSYLVANIA**

Susan Kay Candiello, Esq.

## Number of Claims Filed 1982-2003



## History and Purpose of Law Client Protection in New York

The concept of law client protection was founded in New Zealand in 1929. In the 1960's, bar associations in New York State began law client reimbursement programs. Due to inadequate financing, these associations appealed to the Court of Appeals and the New York court system which embraced the responsibility for operating a statewide client reimbursement program.

The Lawyers' Fund, originally known as The Clients' Security Fund, was created by Chapter 714 of the Laws of 1981, effective June 1, 1981. The Fund is an independent public trust administered by a Board of Trustees appointed by the Court of Appeals. Section 97-t of the State Finance Law provides for the establishment of the Fund and for the management of its assets as a special revenue fund by the State Comptroller.

The administration of the Fund is governed by Section 468-b of the Judiciary Law. The Fund's regulations for administration and claims procedures are published in Title 22 of the Official Compilation of Codes, Rules and Regulations of the State of New York (22 NYCRR Part 7200, *et seq.*). The Appendix includes section 97-t of the State Finance Law, section 468-b of the Judiciary Law, and the Trustees' Regulations.

Section 468-b of the State Judiciary Law and the Fund's Regulations state that the Fund's mission is to maintain the integrity and protect the good name of the legal profession, protect law clients from dishonest conduct in the practice of law, and promote public confidence in the administration of justice in New York State.

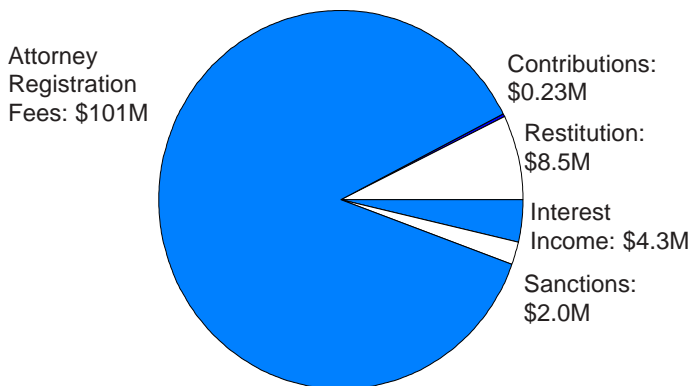
*"On behalf of my wife and myself, I wish to thank you, the Board of Trustees and all concerned in helping us recover [our] funds. We are overwhelmed with gratitude at how quickly this matter was resolved...actually, the stature of the [legal] profession has been elevated in our eyes when we realized how much was done to help us regain what, for a time, we thought was lost" - Message from a Claimant, 2003.*

The Trustees' primary focus is the reimbursement of losses caused by the dishonest conduct of attorneys who were admitted to the practice of law in New York State. Losses reimbursed by the Fund include the theft of estate and trust assets, escrow deposits in real property transactions, settlements in personal injury litigation, debt collection receipts, money embezzled in investment transactions within an attorney-client relationship and the practice of law, and unearned fees paid in advance to lawyers who falsely promise their legal services.

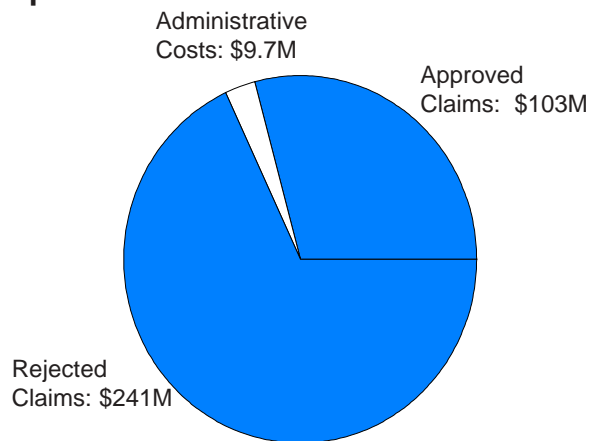
Other Fund activities include the publication of materials to educate lawyers and clients in order to avoid loss situations; programs to assist lawyers in complying with their fiduciary and escrow obligations; and recommendation of court rules to prevent client losses from occurring.

## The Fund's Finances Since 1982

### Revenue Sources:



### Claims and Operations:



## The Board of Trustees

The Fund is administered by a Board of Trustees who are appointed by the Court of Appeals and serve renewable three-year terms. They receive no compensation for their services. Since December 1, 1981, the composition of the Board has consisted of five members of the bar and two business and community leaders.

The Trustees elect from their membership a Chairman, Vice-Chairman and a Treasurer to serve as the Fund's officers. The Fund's Executive Director serves as the Fund's Chief Administrative Officer and the Board's Secretary and Counsel.



**Eleanor Breitel Alter** of Manhattan has served as Chairman of the Board of Trustees since 1985. She is a partner in the Manhattan law firm of Kasowitz, Benson, Torres & Friedman. Mrs. Alter is a graduate of the University of Michigan and the Columbia University Law School (1964). She was first appointed to the Board of Trustees in 1983. The Chairman's current term expires on November 30, 2004.



**Bernard F. Ashe** of Delmar, Albany County, is Vice-Chairman of the Board. Mr. Ashe is a former General Counsel to New York State United Teachers. He is a graduate of Howard University and the Howard University School of Law (1961). Mr. Ashe is a charter member of the Board. His current term expires on November 19, 2005.



**Nancy Burner** of Setauket, Suffolk County, is a solo practitioner and elder law attorney. She is a graduate of the State University at Stony Brook and Hofstra University School of Law (1988). Ms. Burner was appointed to a three-year term of office on December 10, 2002.



**Charlotte G. Holstein** of Syracuse is a civic leader, founder and Executive Director of F.O.C.U.S. Greater Syracuse, a community interest group. She is a graduate of Brockport State University (1946) and the 1998 recipient of an honorary degree, Doctor of Humane Letters, from LeMoyne College in Syracuse. Mrs. Holstein was appointed to the Board on December 1, 2001. Her present term expires on November 30, 2004.



**Charles Joseph Hynes** of Brooklyn is the District Attorney of Kings County. He is a graduate of St. John's University and its School of Law (1961). Mr. Hynes was first appointed to the Board of Trustees in 1982. His present term expires on November 30, 2006.



**Theresa B. Mazzullo** of Rochester, Monroe County, is President and a Principal of EPIC Advisors, Incorporated, a retirement plan administration firm. Mrs. Mazzullo, the Fund's Treasurer, is a graduate of Spring Hill College and Stonier Graduate School of Banking (1994). She was appointed to a three-year term of office as Trustee on December 10, 2002.



**Eric A. Seiff** of the Bronx is a partner in the Manhattan law firm of Seiff, Kretz & Abercrombie. Mr. Seiff is a graduate of Yale University and the Columbia University Law School (1958). Mr. Seiff is also a charter member of the Board. His present term expires on November 30, 2006.

Former members of the Board of Trustees include the Hon. Judith S. Kaye, Chief Judge of the State of New York (1981-1983); Joseph Kelner, Esq. of Manhattan (1981-1982); Anthony R. Palermo, Esq. of Rochester (1981-1990); John F. X. Mannion of Syracuse (1981-1992); Ray W. Manuszewski of Cheektowaga (1981-2002); Theodore D. Hoffmann of Hicksville (1990 to 2002); and Shirley B. Waters of Rome (1992 to 2001).

## The Staff of the Lawyers' Fund

The Board of Trustees appoints the Fund's staff. In 2003, the staff consisted of Timothy J. O'Sullivan, Executive Director and Counsel; Michael J. Knight, Deputy Counsel; Ray Wood, Investigator; Sue Gartley, Administrative Secretary; and Jahnel Hall-Worthen, Secretary.



*Timothy J. O'Sullivan*



*Michael J. Knight*



*Ray Wood*



*Sue Gartley*



*Jahnel Hall-Worthen*

## Liaison and Coordination with the Appellate Divisions

The four Appellate Divisions of the Supreme Court have each designated an Associate Justice to serve as a liaison with the Fund. In 2003, the Liaison Justices were Justices Milton L. Williams of the First Department; David S. Ritter of the Second Department; Anthony J. Carpinello of the Third Department; and Henry J. Scudder of the Fourth Department.

Disciplinary proceedings before the Appellate Divisions must be completed before final determinations are rendered in claims. The Fund therefore coordinates investigative efforts with Attorney Grievance Committees in the four judicial departments. Section 7200.15 of the Trustees' Regulations provides that all shared information involving complaints against lawyers is sealed and confidential in accordance with section 90 of the Judiciary Law.

## Revenue of the Lawyers' Fund

The biennial attorney registration fee required of every practicing attorney is the Fund's principal source of revenue.

**The Lawyers' Fund does not, as many believe, receive any financing from the Interest on Lawyer Account (IOLA) program. No tax dollars are spent on the Fund.** Section 468-a of the Judiciary Law allots \$60 of each \$350 registration fee to the Lawyers' Fund. Since April 1, 1993, the Legislature has annually supplemented this \$60 portion with additional revenues from the biennial registration fee.

In addition to the attorney registration fee, the Fund's other sources of revenue include restitution recovered from dishonest lawyers and other liable parties; interest from investments in the State Comptroller's Short-Term Investment Pool (STIP); sanctions and contributions. Since 1982, the Fund has received \$100.8 million from attorney registration fees; \$8.5 million in restitution; \$4.3 million in interest income; \$2.1 million in judicial sanction revenue; and \$231,000 in contributions from lawyers and the public.

The Fund's revenues are annually appropriated to the Board of Trustees by the State Legislature as one component of the Judiciary Budget. For the 2004-2005 fiscal year which commences April 1, 2004, the Trustees have requested appropriations of \$9 million for awards of reimbursement.

## Awards and Disbursements

Since 1982, the Fund has received a total revenue of \$116 million. As of December 31, 2003, a total of \$103 million in awards have been granted by the Fund. The cost of administering the Fund in 2003 totaled \$498,000. Over the Fund's 21 years, 92 cents out of every \$1 in revenue received has been directly applied towards the payment of awards of reimbursement. The Fund ended 2003 with \$5.5 million in revenue in the state treasury.

## Restitution Revenue and Litigation

The Trustees have a fiduciary responsibility to pursue the recovery of restitution in order to supplement the Fund's finances. Despite the fact that dishonest lawyers who steal from clients are generally insolvent, the Fund has recovered a total of \$8.5 million in restitution since 1982. This revenue was collected from dishonest lawyers, their estates, and from pursuing collateral sources civilly liable for underlying losses. Section 468-b of the Judiciary Law authorizes the Fund to seek restitution in its own right, and by securing subrogation and assignment agreements with claimants who have received reimbursement awards.

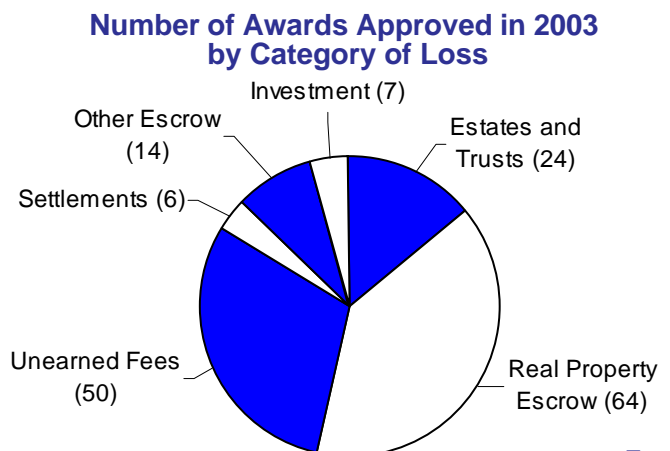
The New York State Attorney General's Office represents the Lawyers' Fund in restitution and other litigation in collaboration with the Fund's legal staff. Since 1999, the Fund has financed the payroll expense of an Assistant Attorney General who is assigned full-time to the Fund's restitution litigation. This arrangement is economical and beneficial to the Fund and its staff. Previously, the Fund was responsible for a 22 percent collection fee on each recovery pursuant to section 18 of the State Finance Law.

Assistant Attorney General Richard L. Rodgers served as the Fund's litigation counsel in 2003. The Trustees are grateful to Assistant Attorney General Rodgers for his excellent representation of the Fund in our restitution efforts.

Other members of the Department of Law who assisted the Fund in litigation in 2003 include Assistant Attorney Generals Stephen M. Kirwin and Stephen M. Nagle and Assistant Solicitor General Evelyn Tenenbaum. The Trustees are indebted to these dedicated individuals for their professionalism and advocacy skills.

## Judicial Precedents

The Fund's restitution litigation has established important judicial precedents in the areas of consumer protection, the enforcement of the Trustees' creditor rights, and the Uniform Commercial Code. The Appendix includes a selected history of case law from the Fund's litigation.



## Public Information and Consumer Education

The Trustees encourage public information about the Lawyers' Fund. Responsible public information efforts promote public confidence in the integrity of the legal profession and the administration of justice in New York State.

The Trustees' publicity efforts have included the production of an informational brochure, in English and Spanish, describing the Fund, its jurisdiction and procedures. Other publicity projects have been radio, television, and newspaper interviews as well as commercially produced public service announcements appearing on television and in legal and law school publications. The Trustees and staff address professional and civic service organizations, participate in state and national client protection conferences, and are active members of the National Client Protection Organization, Inc., a membership corporation of individuals and funds which serves as an educational resource for the client protection field. Awards of reimbursement and other Fund activities are featured in statewide press releases as well as in articles for bar association newsletters and other periodicals.

Educational publications by the Fund for legal consumers and members of the bar have included editions of *A Practical Guide to Attorney Trust Accounts and Recordkeeping*, as well as *Know Your Escrow Rights*; *Know Your Escrow Rights: The Lawyers' Edition*; *Attorney Trust Accounts: The Video*; *What's A Power of Attorney? Answers for New Yorkers*; *Avoiding Grief With A Lawyer — A Practical Guide*; and an *Appendix of CLE Materials*.

Since 1997, the Fund has maintained a web site on the internet : [www.nylawfund.org](http://www.nylawfund.org) . This site contains information on the Lawyers' Fund; frequently asked questions on the Fund and its procedures; the Trustees' Regulations; reimbursement claim forms; recent Annual Reports; consumer publications and press releases; addresses and telephone numbers of Attorney Grievance Committees; and a roster of the nation's client protection funds.

## Processing of Applications for Reimbursement

Prospective applicants to the Fund receive a two-page application form, instructions on how to file a claim, the Fund's informational brochure describing the Fund's operations, and a copy of the Trustees' procedural regulations.

Filed claims are assigned an identifying number, acknowledged, reviewed and investigated by a staff member. Claims are screened to establish *prima facie* eligibility. If an alleged loss does not appear to qualify for reimbursement, the Executive Director will dismiss a claim with a written explanation to the claimant. Claimants who allege a misappropriation of money or property in the practice of law must report their losses

to the appropriate Attorney Grievance Committee and District Attorney and cooperate with these agencies in their investigations. Lawyers accused of dishonest conduct are provided notice with a copy of the claim and supporting papers and have the opportunity to respond to the claimant's allegations.

It is generally not necessary that a claimant with the Fund be represented by counsel. The Trustees though encourage claimants to seek guidance from lawyers to address practical and legal problems which arise from losses. Lawyers in New York State continue to be generous in public service by assisting claimants with the Fund. Nearly half of all claimants have attorneys assist them with their applications, without legal fee. In addition, Court rules and the Fund's Regulations prohibit lawyers from charging or accepting legal fees for assisting claimants, except with the prior approval of the Board of Trustees. (See, 22 NYCRR 603.24, 691.24, 806.16, 1022.35 and 22 NYCRR 7200.14).

***Court rules prohibit lawyers from charging or accepting legal fees for assisting claimants, except with the prior approval of the Board of Trustees.***

*Schettino v. Alter*, 140 A.D.2d 600 (2d Dep't 1988) encourages the bar's participation in work

of the Lawyers' Fund. In *Schettino*, the Appellate Division, Second Department, determined that the Fund is a quasi-judicial agency, and that all participants in its proceedings, claimants and lawyers, are absolutely immune from defamation liability.

The Trustees meet quarterly to render determinations in claims and address administrative issues. Section 468-b of the Judiciary Law provides the Trustees with sole discretion to determine the merits of claims. This statute also authorizes the Trustees to fix the amount of an award of reimbursement and the terms and conditions for awards. The Trustees await the completion of disciplinary proceedings involving the accused lawyer before reviewing a claim for reimbursement and in appropriate cases, the conclusion of criminal proceedings against the accused attorney before rendering determinations.

Approved awards are paid by the State Comptroller, usually in a lump sum, upon receipt of an award voucher certified jointly by the Chairman, Treasurer and the Executive Director.

## Judicial Review of Rejected Claims

Since 1982, the Fund has rendered determinations in 11,668 applications for reimbursement. Awards of reimbursement have been approved in 5,593 claims. The remaining 6,075 claims were determined to be ineligible after the claimants failed to provide satisfactory evidence of eligible losses. Only seven claimants denied reimbursement have brought legal action against the Fund pursuant to Article 78 of the Civil Practice Law and Rules. All seven of these judicial challenges were dismissed when courts held that there was a rational basis for the Trustees' determinations.



## Unearned Legal Fees

Since 1982, thirty-six percent of all claims filed with the Fund have sought reimbursement of legal fees allegedly unearned. The typical “unearned retainer” award is about \$4,000. While small in comparison to other loss categories, the time and effort required in investigating legal fee claims is substantial.

To qualify for reimbursement, the Trustees must find “dishonest conduct” in a claim. Evaluating legal fee claims requires a difficult sorting of evidence of legal work actually provided apart from issues of malpractice, neglect and breach of contract. These difficulties are often compounded by the absence of written retainer agreements, time sheets, law client files, and the accused lawyer’s refusal to cooperate.

In 1990, the Trustees amended their Regulations to adopt the criminal-law concept of “larceny by false promise” as a species of dishonest conduct in fee claims that can result in an award of reimbursement from the Fund. This codification is set forth in section 7200.8 (e) of the Trustees’ Regulations. Dishonest conduct includes an attorney’s misrepresentation, or false promise, to provide legal services in exchange for the advance payment of a legal fee.

## Theft of Personal Injury Settlements

Claims alleging theft of personal injury settlements by forgery are experienced by Funds nationwide. In these claims, a dishonest lawyer settles a client’s action without authority by forging the client’s signature on a general release. Losses were facilitated by a well-intentioned industry practice to issue settlement drafts payable jointly to the law client and attorney without notice of payment to the law client.

In 1988, the Trustees recommended a payee notification rule that has proven to be highly effective in deterring and detecting this type of loss. The Insurance Department “Regulation 64” notice requires liability insurers and their agents to provide law clients with written notice of payment whenever a third-party liability claim is settled for \$5,000 or more. (11 NYCRR 216.9). Since September 1988, Regulation 64 has reduced losses and claims to the Fund involving the forgery and theft of personal injury settlements. A by-product of Regulation 64 is a shift of liability for forgery losses to banks which improperly honor forged endorsements on negotiable instruments.

New York’s Regulation 64 has been approved as a Model Rule for attorney disciplinary systems by the American Bar Association. Variations of Regulation 64 have been adopted in the following ten states: California, Connecticut, Delaware, Georgia, Kansas, Maryland, Nebraska, New Jersey, Pennsylvania and Rhode Island. Eleven states have the regulation under study.

## Thefts in Real Property Transactions

Since 1982, approximately one-third of all awards by the Fund have involved the theft of real property escrow funds. The Trustees have granted 1,520 awards reimbursing a total of \$33 million in these claims. A common loss in this category involves the theft of a down payment escrow in the purchase and sale of real property.

The Trustees continue to attempt to sensitize clients, lawyers and real estate agents to the importance of realty escrows. At the Trustees’ recommendation, the Legislature added a new Article 36-c to the General Business Law, effective January 1, 1991, which codifies fiduciary obligations to segregate and safeguard contract deposits in special bank accounts. The statute requires that each contract of purchase and sale identify the escrow agent and the bank where the down payment is to be deposited pending the closing. The Trustees have also produced and printed a consumer guide called **Know Your Escrow Rights**, with an annotated version for lawyers called **Know Your Escrow Rights: The Lawyer’s Edition**.

## Losses in Investment Transactions

When establishing the Fund, the State Legislature made clear that reimbursement was intended for losses arising within the practice of law and which occur within an attorney-client relationship. Section 468-b of the Judiciary Law defines “dishonest conduct” as the misappropriation or wilful misapplication of **clients’** (emphasis supplied) money, securities, or other property by an attorney. Therefore, losses caused by a lawyer’s breach of fiduciary obligations outside an attorney-client relationship and the practice of law are not eligible for reimbursement.

The Trustees carefully scrutinize claims involving investment transactions with lawyers. The Trustees have adopted the following policy guidelines in order to fully explain to claimants the eligibility of claims involving these types of losses:

*“The Trustees will consider for payment only those claims arising out of an attorney-client relationship. Investment advice given by the claimant’s attorney, although such advice may result in the loss of claimant’s money, is not, in and of itself, a ground for seeking reimbursement from the Fund.*”

*Claims arising out of investments may be considered for payment, however, when the attorney is in the possession of the claimant’s money, which the attorney has obtained by virtue of an attorney-client relationship with the claimant, when the attorney advises the claimant to invest the money in a business or other venture, and the attorney then misappropriates the claimant’s money.*

*Ordinarily, interest on investments will not be reimbursed. Unless a claimant establishes otherwise, all payments received on an investment will be considered to be return of principal and will be deducted from the claimant's initial investment with the attorney in order to determine, for Fund purposes, the claimant's reimbursable loss."*

The Trustees also apply a "but for" test in evaluating investment losses. Under this test, a loss is eligible if the Board finds that the loss would not have occurred "but for" dishonest conduct within an attorney-client relationship.

In 21 years, the Fund has received 1,223 claims alleging \$127 million in losses in investment transactions with lawyers. Only 326 of these claims have been approved providing total reimbursement of \$14.5 million.

### **The Dishonored Check Reporting Rule**

A dishonored check drawn upon an attorney's special, trust or escrow account is a clear warning sign of the possible misuse of client funds. Clients too often accept an excuse offered by a dishonest attorney. This forbearance enables a dishonest lawyer to manipulate and conceal the misuse of other clients' funds.

In 1989, the Trustees proposed to the Administrative Board of the Court that a form of the ABA's model overdraft reporting rule be implemented by court rule in New York State. After discussion with representatives of the New York State Bankers and Bar Associations, the Appellate Divisions promulgated necessary rule changes effective January 1, 1993.

The "Bounced Check Rule" (22 NYCRR 1200.46(b)(1), (2); Part 1300) requires that a lawyer maintain funds belonging to another person incident to the lawyer's practice of law in a special account separate from the lawyer's business, personal or other accounts. These separate fiduciary accounts must be designated as an "Attorney Special Account", or an "Attorney Trust Account", or an "Attorney Escrow Account". Lawyers may only use banks which have agreed to report dishonored checks on these accounts. Nearly all banking institutions in New York State participate in this reporting rule.

The Lawyers' Fund serves as a clearinghouse in this client protection program. A bounced check notice on a reportable account is sent to the Fund's office. If not withdrawn due to bank error, the Fund later forwards the notice to the appropriate attorney disciplinary committee for investigation. Over 5,000 bounced check reports with a total face amount in excess of \$117 million have been processed. The majority of bounced check notices result from innocent deficiencies in law office banking practices, not dishonest conduct. In these cases, the rule has served an educational role for the bar by alerting practitioners to the accounting, banking and recordkeeping requirements of the Lawyer's Code of Professional Responsibility.

The Dishonored Check Reporting Rule is a proven loss prevention and detection device. Since 1993, approximately 140 lawyers have been identified and disciplined for misusing client funds by bounced check reports.

### **Dead Lawyers and Missing Clients**

Disciplinary Rule 9-102 (e) of the Lawyer's Code of Professional Responsibility provides that only an attorney admitted to practice law in New York State shall be an authorized signatory on an attorney's trust, escrow or special account. The limitation is intended to protect law clients from the misuse of their money. Difficulties though arise when a sole practitioner dies without a successor signatory.

*"I am most grateful and appreciative of your efforts on my behalf."  
- Message from Claimant, 2003*

In 1994, at the Trustees' suggestion, the Appellate Divisions amended court rules by adding Disciplinary Rule 9-102 (g) which permits a Justice of the Supreme Court to designate a successor signatory for a deceased attorney's trust, escrow or special account. A Court may now direct that money from a deceased attorney's client funds account be disbursed to persons who are entitled thereto, or deposited with the Lawyers' Fund for safeguarding.

A problem also existed with law client escrow funds which were unclaimed or owed to missing clients. At the Trustees' suggestion, Disciplinary Rule 9-102 (f) was amended to prevent the escheat of these funds to the State as abandoned property. This court rule provides that if escrow funds are unclaimed or owed to a client who is missing, an application can be made for a court order directing that the money be deposited with the Lawyers' Fund for safeguarding and disbursement to persons entitled thereto. The Fund's staff attempts to locate these clients to return deposits. As of December 31, 2003, a total of 639 deposits were received by the Fund totaling \$1.2 million. Staff successfully located 80 clients and restored \$228,000 to them.

## Claims Filed and Processed

### Claims Filed and Alleged Losses, 1982 to 2003

Since 1982, 11,840 claims have been filed with the Lawyers' Fund. These claims have alleged \$406 million in total losses. The lowest number of claims filed in any one year was 230 in 1984. In 1997, the record number of 1,128 claims were filed.

### Filings by Category of Client Loss, 1982 to 2003

Claims filed with the Lawyers' Fund are classified into the following eight categories: (1) trusts and estates; (2) real property escrow funds; (3) debt collection proceeds; (4) settlements in litigation; (5) other escrow transactions; (6) a lawyer's refusal to refund unearned legal fees; (7) embezzlements in investment transactions with law clients; and (8) a miscellaneous category of "other" for other claims.

By category, the largest number of claims seek reimbursement of unearned legal fees. Since 1982, the Fund has received 4,258 claims involving legal fees, or 36 percent of all claims filed. The second largest category of filed claims alleges losses in real property transactions. The Fund has received 2,405 claims in this category, approximately 20 percent of all filed claims.

The largest alleged dollar losses are in claims alleging losses from investment transactions with lawyers: \$127 million or 33 percent of all alleged losses in filed claims. Losses alleged in real property thefts follow: \$83 million or 21 percent of all reported losses. Approximately 19 percent of all alleged losses involve thefts from estates and trusts. These claims have alleged \$72 million in losses.

## Claims Filed in 2003

In 2003, there were 506 claims filed with the Fund alleging \$17.4 million in losses. The largest category of claims filed sought reimbursement of legal fees. Of the 506 filed claims, 158 (31%) involved legal fees. Investment claims alleged the largest losses totaling \$4.2 million followed by real property escrow losses at \$4.1 million.

### Awards of Reimbursement, 1982 to 2003

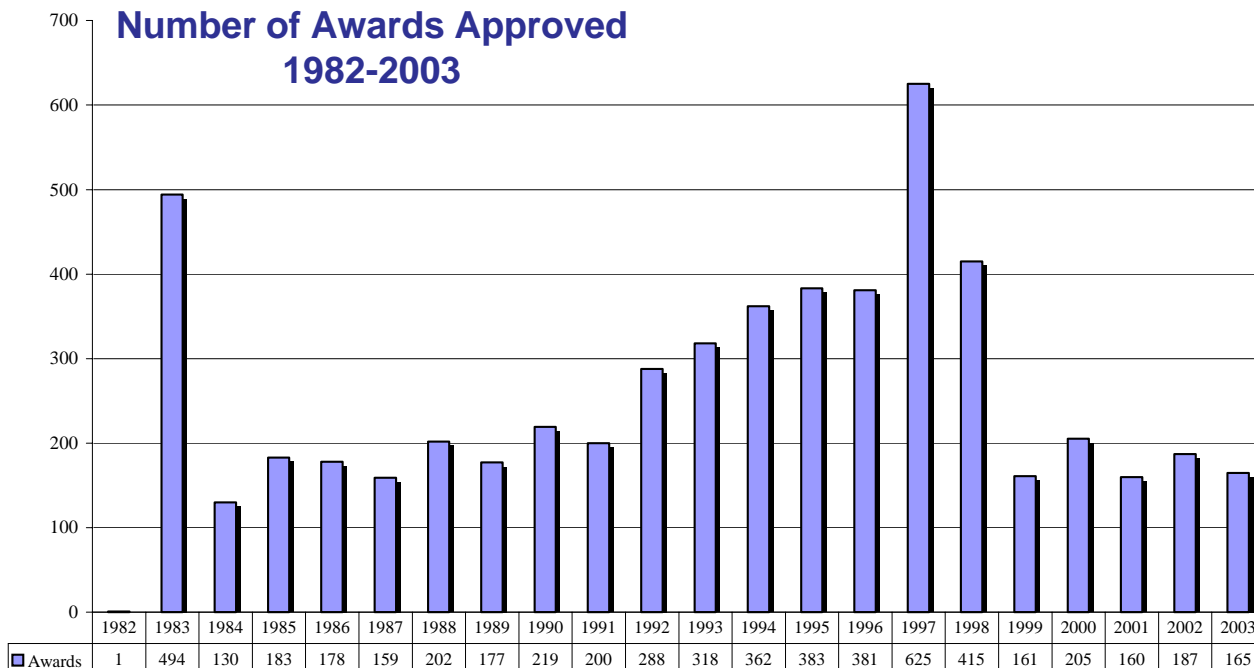
Since 1982, the Fund has approved 5,593 awards of reimbursement restoring \$103 million to eligible law clients. On average, since 1982, 87 percent of all eligible claimants have received full restitution. Since 1986, 98 percent of eligible claimants were fully reimbursed.

By category, the largest number of awards approved are for unearned legal fees. There have been 1,614 awards, or 29 percent of all awards, involving legal fees. The second largest category of reimbursement awards involve real property escrows. Since 1982, there have been 1,520 awards in this category constituting 27 percent of all awards.

The largest dollar amount of awards approved by the Fund are in real property escrows. These awards account for \$32.9 million or 32 percent of all reimbursement awards. The second largest dollar amount of awards involve thefts from estates and trusts: \$29.4 million or 28.6 percent of all awards.

*"I think if it was not for your organization which gave us hope of [recovering our] money, we would have been devastated. You will never know how important that 'Ray of hope' was." - Message from a Claimant, 2003*

### Number of Awards Approved 1982-2003



## Lawyers Involved in Awards, 1982 to 2003

Only 748 former members of the bar have been responsible for the 5,593 awards granted by the Fund in 21 years. This is an increase of 37 dishonest lawyers from 2002. A list of lawyers involved in awards is provided in the Appendix. Most thefts involve sole practitioners, the majority of which are male and middle-aged.

The apparent causes of misconduct by these lawyers is often traced to alcohol or drug abuse. Other causes are marital, professional and medical problems. Gambling and economic problems from the lawyer's practice or outside commercial activities also often contribute to misconduct.

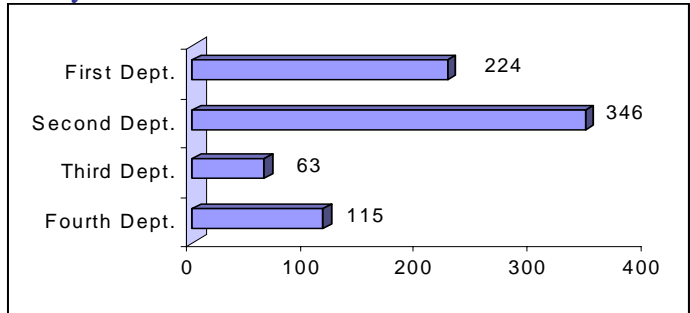
The geographic distribution of these 748 former lawyers among the state's judicial departments is represented in the bar graphs to the right:

### Awards of Reimbursement in 2003

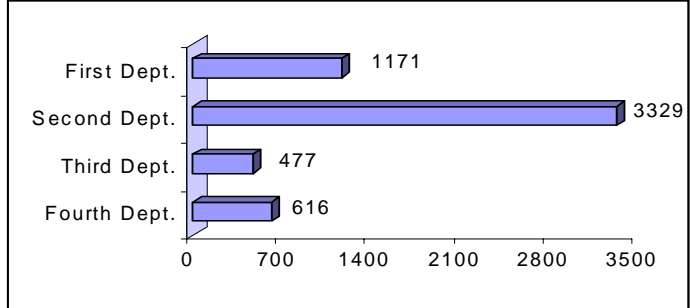
In 2003, the Trustees approved 165 awards, a decrease of 22 from the awards granted in 2002. However, awards in 2003 totaled \$5.8 million as compared to the \$5.7 million paid the year before. As in 2002, all but three claimants received full reimbursement for their eligible loss. The awards ranged between \$140 and \$300,000. The median client loss, and award, was \$10,000, up from \$8,761 in 2002.

Awards in 2003 were attributable to to dishonest conduct by 63 now suspended, dibarred or deceased lawyers. Of these, 26 were respondents in awards from prior years and the names of 37 dishonest lawyers appear for the first time in 2003 awards.

## Lawyers Involved in All Awards Since 1982



## Distribution of Awards Since 1982



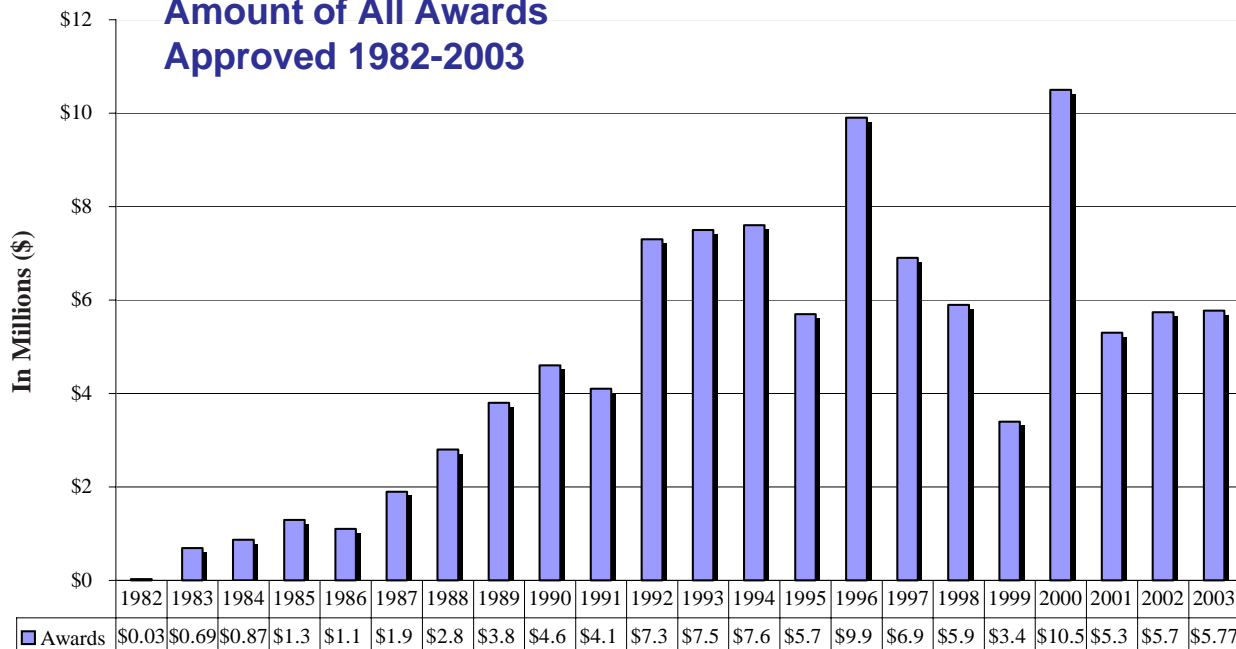
## Ineligible Claims, 1982 to 2003

In 21 years, the Fund has rendered 11,668 determinations in claims. Of these 11,668 claims, 6,075 (52%) were found to be ineligible for reimbursement. Alleged losses in these rejected claims exceed \$241 million.

## Claims Pending, December 31, 2003

The Fund ended 2003 with 232 pending claims. This is an increase of only three claims from the 229 claims pending on December 31, 2002. These 232 pending claims allege total losses of \$14.6 million. The Fund's exposure on these pending claims, adjusted for the \$300,000 maximum limit on awards, is \$10.3 million.

## Amount of All Awards Approved 1982-2003



## Recommendations

Each year, the Trustees recommend changes in policy and legal practice to protect legal consumers from dishonest conduct in the practice of law. This is in furtherance of the statutory responsibility of the Lawyers' Fund to maintain the integrity and protect the good name of the legal profession as well as promote public confidence in the administration of justice in New York State.

### **Alcohol and Substance Abuse in the Legal Profession**

The Trustees have witnessed the economic and emotional harm suffered by law clients of lawyers with alcohol and substance abuse problems. Over the Fund's 21 years, a large percentage of the Fund's awards have resulted from misconduct attributed to these addictions.

The Trustees fully support the Lawyer Assistance Trust and its mission to marshal statewide resources and raise awareness to the prevention and early treatment of alcohol and substance abuse among lawyers, judges and law students. The Trustees encourage grant programs for substance abuse prevention projects and agree with the Trust's focus on the vital role law schools can play in identifying and preventing substance abuse.

### **Bar Examinations & Legal Education**

The Trustees continue to recommend that the State Board of Law Examiners test candidates for the New York bar examination for knowledge and competence with respect to a lawyer's fiduciary obligations to safeguard and account for law clients' money and property as required by Disciplinary Rule 9-102 of the Lawyer's Code of Professional Responsibility. The necessary knowledge and skills to properly administer client trust funds as fiduciaries or escrow agents should be taught in law school and enhanced through the bar examination and New York's Continuing Legal Education program. The Trustees firmly believe that our system of legal education should prepare students and lawyers for this vital aspect of lawyering.

### **Disbarment for Conversion**

The Trustees again recommend a consistent, firm statewide disciplinary policy imposing disbarment for a lawyer who injures clients by converting escrow funds. This clear, evenhanded penalty will deliver a strong message to victims, the public and lawyers about the administration of justice in our State. The Trustees are grateful to the Appellate Divisions and their disciplinary staff for including orders of restitution in disbarment proceedings involving clear cases of lawyer theft. This important use of the provisions of the Judiciary Law has proven to be beneficial to victims and the Lawyers' Fund.

### **Confidentiality in Lawyer Discipline Proceedings**

Section 90 of the Judiciary Law provides that lawyer discipline proceedings shall be "deemed private and confidential", and that all "papers, records and documents" be sealed unless the court sustains the charges of misconduct lodged against the respondent lawyer.

Confidentiality should not remain in disciplinary proceedings when a court has probable cause that a lawyer has stolen law client funds. The Trustees' experience over twenty-one years has demonstrated that dishonest lawyers can and do exploit the laws of confidentiality to conceal dishonest and criminal activity.

The Trustees also recommend that court rules and policies statewide require that the local District Attorney be notified whenever an attorney disciplinary committee has evidence of a larceny by a lawyer in the practice of law. A lawyer who steals should not be shielded from criminal prosecution by confidentiality.

### **Bank Notices to Fiduciaries**

The Trustees' experience in claims involving the theft of estate or trust assets has shown that these types of losses can be concealed when someone other than the fiduciary controls the bank account and receives the monthly bank statements.

The laws of New York should require that the named fiduciary for an estate or trust be provided with a copy of the estate's monthly bank statement. This simple step would discourage and detect thefts. Absent legislative action, the Trustees propose a court rule be adopted to prohibit lawyers from depositing fiduciary monies in banking institutions that do not agree to forward copies of bank statements to legal fiduciaries of estates and trusts. This rule could be patterned after the Dishonored Check Reporting Rule.

*It remains that the vast majority of New York's legal professionals are honest and caring and observe the highest standards of integrity when entrusted with law client money and property.*

## Recommendations

### Thefts by Suspended, Disbarred and Bogus Lawyers

The unauthorized practice of law is a misdemeanor crime under New York's penal laws but is seldom prosecuted. Attorney disciplinary committees lack the resources to monitor suspended or disbarred lawyers. These shortcomings in law enforcement encourage the illegal practice of law and exploitation of the public.

The Office of Court Administration maintains an Official Register of Attorneys, which assigns to each lawyer a unique identification number. The Trustees recommend a court rule to require every lawyer to endorse his or her Attorney Registration Number on each pleading the lawyer files with a court or a court agency. That simple endorsement will provide a cost-free and reliable opportunity to verify the credentials of persons who represent themselves to be licensed to practice law in New York State.

The Trustees also support legislation to authorize the state attorney general to pursue criminal prosecutions for the unauthorized practice of law. This additional enforcement of the penal laws will serve to protect the public and deter the illegal practice of law.

### Escrow Thefts in Real Property Transactions

Thirty-three percent of awards approved in 2003 reimbursed \$1.9 million in thefts of real property escrows. Since 1982, approximately 27 percent of all awards (\$32.9 million) involve thefts in the sale and purchase of real property.

These losses typically occur in residential transactions, and often involve the theft of the buyer's down payment by the seller's attorney. These losses can be sizeable, especially downstate where the standard down payment is 10 percent of the purchase price.

Regulatory measures could offer protection from the thefts of escrow money in real property transactions. The Department of Law protects escrow accounts in condominium and cooperative conversions. The Trustees believe similar regulatory measures could be adopted to protect home buyers and sellers from the theft of down payment escrows. The Trustees also recommend that legal consumers in real estate transactions be provided with educational material concerning their escrow rights. This should assist in monitoring escrow funds and the detection and prevention of losses.

*"I will never forget what you all have done for us. For the first time in a long time I have something I never thought I would get back. Hope." - Message from a Claimant, 2003*

### Interest on Down Payments Held in Escrow

Section 778-a of the General Business Law requires that down payments in the purchase and sale of residential real property be safeguarded in special bank accounts, and that a contract identify the escrow agent and the bank where the down payment is to be deposited.

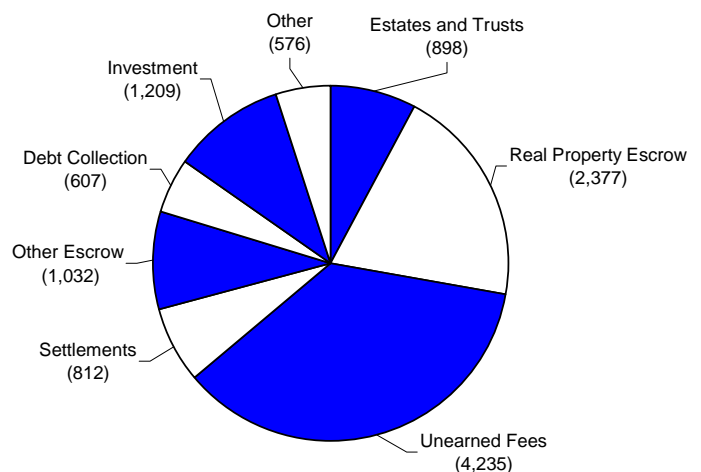
The statute permits escrow agents to use a non-interest bearing bank account. The Trustees recommend that this statute be amended to require interest-bearing accounts and permit interest be paid or credited to the buyer, unless the contract provides otherwise. The Trustees believe that a party, and their lawyer, will be more vigilant in these escrow transactions if vested with an economic interest in the form of bank interest.

### Escrow Accounts of Suspended and Disbarred Lawyers

Present court rules in New York make no specific provision for the transfer or protection of law client escrow funds and property in possession of members of the bar who are suspended or disbarred for professional misconduct. The Trustees are concerned that law client assets are not adequately safeguarded when it is clear that they may be in danger if left under the control of a lawyer who has lost his or her license to practice law for serious misconduct.

The Trustees recommend the enactment of clear and precise court rules directing a suspended or disbarred lawyer to transfer client funds and property, prohibiting further use of attorney escrow accounts and restraining escrow account funds in jeopardy. These measures will protect the interests of legal consumers.

### Number of Claims Filed Since 1982 by Category of Loss: 11,840 Claims



## Recommendations

### Interim Suspensions and Restraining Escrow Funds

Court Rules in New York State allow for the temporary suspension of an attorney when there is a judicial finding that the attorney is guilty of professional misconduct immediately threatening the public interest. The temporary suspension remains in effect until the consideration of disciplinary charges against the attorney.

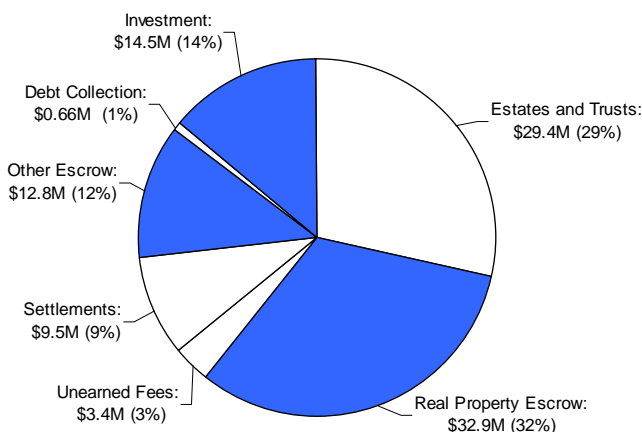
The Trustees propose that these court rules be augmented by granting discretion to the Appellate Divisions to restrain attorney escrow accounts of lawyers who are determined to be a public threat. This client protection measure will safeguard client funds which are likely in jeopardy.

### Multijurisdictional Practice and Pro Hac Vice Rules

Bar leaders in New York State are considering multijurisdictional practice of law and whether lawyers should be granted the privilege to practice in states where they are not admitted to the bar. The Trustees are concerned about the impact multijurisdictional practice of law will have on legal consumers, the Lawyers' Fund and our disciplinary system.

The Trustees recommend that any changes in court rules which permit out-of-state attorneys to practice law in New York State should also require that they contribute financially to our State's disciplinary system and the Lawyers' Fund. If the Lawyers' Fund and our disciplinary system will be called on to assume liability for potential misconduct by foreign attorneys, it is only fair that out-of-state attorneys authorized to practice law here share in the responsibilities all New York attorneys bear in our justice system.

### Amount of Awards Approved Since 1982 by Category of Loss: \$103 Million



## Afterword

The Trustees' experience over 21 years has demonstrated that the vast majority of New York's lawyers are honest and caring and observe the highest standards of integrity when entrusted with law client money and property. The handful of lawyers who are responsible for the incidents of dishonest conduct in the practice of law represent a tiny percentage of the bar's total membership.

The Trustees once again wish to gratefully acknowledge the kindness and support of our colleagues in public service upon whom we greatly rely. Our special thanks is again extended to:

- The Clerk of the Court of Appeals and his associates for their wise counsel as the Fund's liaison to the Judges of the Court;
- The Office of Court Administration for their unfailing support, the efficient collection of our revenue, technical assistance in budgeting and administration;
- The staffs of New York's Attorney Grievance Committees for their continued assistance and cooperation in investigating claims, securing restitution orders in disciplinary proceedings, and the compassion and support they provide to victims of dishonest lawyers;
- The Attorney General and his assistants for their expert legal counsel;
- Assistant District Attorneys for their efforts to secure restitution or orders of restitution for victims of dishonest conduct in the criminal justice process; and
- The Office of the State Comptroller for the prudent investment of the Fund's assets, and the prompt processing and payment of awards and other expenses from the Fund's special revenue account.

*"This letter is to thank you and the Trustees for reviewing my case and awarding me the money I paid to (my lawyer)... This has renewed my faith in the legal profession." - Message from a Claimant, 2003*

## Statistical Tables

All Losses Reported Since 1982					Losses Reported in 2003 Claims				
Category of Client Loss	Number of Claims	Percent of All Claims	Amount of Loss Alleged	Percent of All Losses	Category of Client Loss	Number of Claims	Percent of All Claims	Amount of Loss Alleged	Percent of All Losses
Estates & Trusts	904	7.6%	\$72,349,371	18.6%	Estates & Trusts	35	6.9%	\$2,216,215	12.8%
Real Property Escrow	2,405	20.3%	\$82,698,002	21.3%	Real Property Escrow	127	25.1%	\$4,134,973	23.8%
Unearned Fees	4,258	36.0%	\$17,512,669	4.5%	Unearned Fees	158	31.2%	\$735,287	4.2%
Settlements	814	6.9%	\$21,011,762	5.4%	Settlements	20	4.0%	\$633,809	3.7%
Other Escrow	1,035	8.7%	\$45,354,011	11.7%	Other Escrow	56	11.1%	\$2,146,718	12.4%
Debt Collection	607	5.1%	\$2,072,478	0.5%	Debt Collection	2	0.4%	\$11,185	0.1%
Investment	1,223	10.3%	\$126,822,803	32.6%	Investment	35	6.9%	\$4,235,646	24.4%
Other	594	5.0%	\$20,631,724	5.3%	Other	73	14.4%	\$3,236,451	18.7%
<b>Totals</b>	<b>11,840</b>	<b>100%</b>	<b>\$388,452,820</b>	<b>100%</b>	<b>Totals</b>	<b>506</b>	<b>100%</b>	<b>\$17,350,284</b>	<b>100%</b>

Client Losses in All Awards Since 1982						
Category of Client Loss	Number of Awards	Percent of All Awards (#)	Amount of All Awards	Percent of All Awards (\$)	Client Losses Involved	Percent of All Losses Reimbursed
Estates & Trusts	624	11.2%	\$29,437,630	28.6%	\$50,177,754	58.7%
Real Property Escrow	1,520	27.2%	\$32,945,493	32.0%	\$36,608,393	90.0%
Unearned Fees	1,614	28.9%	\$3,350,356	3.3%	\$3,375,456	99.3%
Settlements	448	8.0%	\$9,468,530	9.2%	\$10,015,227	94.5%
Other Escrow	613	11.0%	\$12,766,601	12.4%	\$19,522,848	65.4%
Debt Collection	448	8.0%	\$661,184	0.6%	\$716,184	92.3%
Investment	326	5.8%	\$14,449,147	14.0%	\$19,094,509	75.7%
<b>Totals</b>	<b>5,593</b>	<b>100%</b>	<b>\$103,078,941</b>	<b>100%</b>	<b>\$139,510,371</b>	

Client Losses in 2003 Awards						
Category of Client Loss	Number of Awards	Percent of All Awards (#)	Amount of All Awards	Percent of All Awards (\$)	Client Losses Involved	Percent of All Losses Reimbursed
Estates & Trusts	24	14.5%	\$1,971,465	34.1%	\$2,027,410	97.2%
Real Property Escrow	64	38.8%	\$1,894,943	32.8%	\$1,894,943	100%
Unearned Fees	50	30.3%	\$230,024	4.0%	\$230,024	100%
Settlements	6	3.6%	\$410,666	7.1%	\$410,666	100%
Other Escrow	14	8.5%	\$641,190	11.1%	\$641,190	100%
Debt Collection	0	0%	\$0	0%	\$0	0%
Investment	7	4.2%	\$625,971	10.8%	\$625,971	100%
<b>Totals</b>	<b>165</b>	<b>100%</b>	<b>\$5,774,259</b>	<b>100%</b>	<b>\$5,830,204</b>	



## Statistical Tables

Errata: Awards in 1994 should read \$7.6 million.

The total amount of all awards should be \$102.7 million.

This error has been corrected in the print version of the Annual Report

Claims Activity Since 1982																							
	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	Totals
Claims Filed	534	375	230	332	341	311	351	486	438	515	627	636	598	909	730	1,128	812	442	492	548	499	506	11,840
Losses Alleged (In Millions \$)	\$3.2	\$5.4	\$6.1	\$5.3	\$5.1	\$5.7	\$10.8	\$14.1	\$15.8	\$28.3	\$25.2	\$25.4	\$25.5	\$36.8	\$29.9	\$40.8	\$24.3	\$15.9	\$20.5	\$22.6	\$21.8	\$17.4	\$405.9
Claims Approved	1	494	130	183	178	159	202	177	219	200	288	318	362	383	381	625	415	161	205	160	187	165	5,593
Actual Losses (In Millions \$)	\$0.1	\$1.5	\$1.9	\$2.5	\$1.3	\$2.0	\$3.8	\$6.3	\$4.8	\$5.8	\$13.5	\$12.4	\$10.4	\$8.9	\$13.7	\$9.1	\$6.8	\$3.7	\$14.2	\$5.3	\$5.9	\$5.8	\$137.7
Awards (In Millions \$)	\$0	\$0.7	\$0.9	\$1.3	\$1.1	\$1.9	\$2.8	\$3.8	\$4.6	\$4.1	\$7.3	\$7.5	\$73.6	\$5.7	\$9.9	\$6.9	\$5.9	\$3.4	\$10.5	\$5.3	\$5.7	\$5.8	\$168.7
Lawyers Involved	1	13	26	43	26	24	36	26	38	44	38	52	45	60	38	39	29	28	49	28	28	37	748
% Losses Reimbursed	50%	46%	46%	52%	85%	95%	74%	60%	96%	71%	54%	60%	73%	64%	72%	76%	87%	92%	74%	100%	98%	99%	
% Client Fully Reimbursed	0	74%	65%	39%	91%	99%	99%	98%	96%	94%	95%	94%	94%	98%	94%	98%	99%	99%	97%	100%	98%	98%	
Claims Disallowed	33	201	105	73	164	120	119	169	186	360	253	384	247	366	439	620	522	383	329	383	281	338	6,075
Total Dispositions	34	695	235	256	342	279	321	346	405	560	540	702	610	749	820	1,245	937	544	534	543	468	503	11,668
Claims Pending Dec. 31	500	180	175	251	250	282	312	452	485	440	526	460	449	609	579	462	337	235	193	198	229	232	
Losses Alleged in Pending Claims (In Millions \$)	\$2.9	\$4.6	\$7.4	\$8.5	\$9.5	\$10.2	\$15.3	\$18.0	\$23.9	\$32.0	\$30.1	\$24.2	\$27.3	\$43.5	\$46.9	\$46.6	\$18.0	\$16.1	\$10.2	\$11.1	\$13.7	\$14.6	
Exposure on Pending Claims (In Millions \$)	\$1.7	\$1.6	\$2.3	\$2.7	\$3.5	\$5.2	\$6.3	\$9.8	\$15.1	\$14.9	\$16.0	\$13.9	\$15.2	\$24.4	\$25.1	\$17.4	\$11.3	\$11.6	\$8.3	\$9.2	\$10.2	\$10.3	
Fund Balance (In Millions \$)	\$1.8	\$1.4	\$2.1	\$1.3	\$4.4	\$3.3	\$5.1	\$4.2	\$3.6	\$2.8	\$3.4	\$1.8	\$2.4	\$3.4	\$2.5	\$2.1	\$6.6	\$6.3	\$3.4	\$4.1	\$5.4	\$5.5	

## Appendix

### NY State Finance Law Sec. 97-t

§§ 97-t. Lawyers' fund for client protection of the state of New York.

1. There is hereby established in the custody of the state comptroller a special fund to be known as the "lawyers' fund for clients protection of the state of New York".
2. The full amount of the allocable portion of the biennial registration fee collected pursuant to the provisions of section four hundred sixty-eight-a of the judiciary law and such other monies as may be credited or otherwise transferred from any other fund or source, pursuant to law, including voluntary contributions, together with any interest accrued thereon, shall be deposited to the credit of the lawyers' fund for client protection of the state of New York. All deposits of such revenues not otherwise required for the payment of claims as hereinafter prescribed shall be secured by obligations of the United States or of the state having a market value equal at all times to the amount of such deposits and all banks and trust companies are authorized to give security for such deposits. Any such revenues in such fund, may be invested in obligations of the United States or of the state, or in obligations of the principal and interest on which are guaranteed by the United States or by the state.

### NY Jud Law Sec. 468-b

§§ 468-b. Clients' security fund of the state of New York.

1. The court of appeals shall appoint a board of trustees to administer the lawyers' fund for client protection of the state of New York established pursuant to section ninety-seven-t of the state finance law. Such board shall consist of seven members. Of the trustees first appointed, three shall be appointed for a term of three years; two for a term of two years; and two for a term of one year. As each such term expires, each new appointment shall be for a term of three years. The court of appeals may require such reports or audits of the board as it shall from time to time deem to be necessary or desirable.
2. The board shall have the power to receive, hold, manage and distribute the funds collected hereunder for the purpose of maintaining the integrity and protecting the good name of the legal profession by reimbursing, in the discretion of the trustees to the extent they may deem proper and reasonable, losses caused by the dishonest conduct of attorneys admitted to practice in this state. For purposes of this section, the term "dishonest conduct" shall mean misappropriation or wilful misapplication of clients' money, securities, or other property, by an attorney admitted to practice in this state.
3. The board of trustees shall adopt regulations for the administration of the lawyers' fund for client protection of the state of New York and the procedures for presentation, consideration, allowance and payment of claims, including the establishment of a maximum limitation for awards to claimants.
4. The board of trustees shall have the sole discretion to determine the merits of claims presented for reimbursement, the amount of such reimbursement and the terms under which such reimbursement shall be made. Such terms of reimbursement shall require that the claimant execute such instruments, take such action or enter into such agreements as the board of trustees shall require, including assignments, subrogation agreements and promises to cooperate with the board of trustees in making claims against the attorney whose dishonest conduct resulted in the claim.

5. The board of trustees shall serve without compensation but shall be entitled to receive their actual and necessary expenses incurred in the discharge of their duties.
6. The board of trustees may employ and at pleasure remove such personnel as it may deem necessary for the performance of its functions and fix their compensation within the amounts made available therefor.
7. The board of trustees shall be considered employees of the state for the purpose of section seventeen of the public officers law.
8. All payments from the lawyers' fund for client protection of the state of New York shall be made by the state comptroller upon certification and authorization of the board of trustees of said fund.
9. Acceptance of an award of reimbursement from the lawyers' fund for client protection shall, to the extent of such award, (a) subrogate the fund to any right or cause of action that accrued to the claimant as a consequence of the dishonest conduct that resulted in the claimant's award and (b) create a lien in favor of the fund that shall attach to any money asset that is designated to be paid to the claimant from, or on behalf of, the attorney who caused the claimant's loss. If the fund fully reimburses the claimant's loss, as determined by the board of trustees, the lien shall be in the amount of the fund's award. If the claimant's loss exceeds the fund's award, the lien shall not extend to the claimant's right to recover additional restitution from the attorney for the claimant's unreimbursed loss. In the event of a recovery by the fund, a claimant shall be entitled to any money recovered in excess of the fund's award of reimbursement to the claimant.

### Selected Case Law Involving the Lawyers' Fund

*Clients' Security Fund v Grandeau, et al.*, 72 N.Y.2d 62 (1988). The Court of Appeals recognized the legal standing and scope of the Fund's right to pursue restitution claims. The Court sustained the Fund's right, as subrogee of reimbursed law clients, to pursue the law partner of a dishonest lawyer for negligence in supervising the management of the law partnership.

*Lawyers' Fund v. Bank Leumi Trust Company, et al.*, 94 N.Y.2d 398 (2000). Clarified the right of the Lawyers' Fund to recover more than it paid on a claim, and the amount of the drawee's liability on a check which is negotiated bearing a forged payee endorsement.

*Clients' Security Fund v. Goldome*, 148 Misc. 2d 157 (Sup. Ct., Monroe Co. 1990) Fund granted summary judgment for the face amount of a law client's forged check. The defendant bank was denied standing to challenge the Trustees' exercise of discretion in reimbursing a theft which occurred after a lawyer's disbarment.

*Lawyers' Fund for Client Protection v. Manufacturers Hanover*, 153 Misc. 2d 360 (Sup. Ct., Albany Co. 1991), Clarified issues of common law by holding that an attorney in a debt collection engagement has no apparent authority to endorse the client's signature on the check that pays the debt. The defendant bank was held strictly liable to the Lawyers' Fund as the client's subrogee.

## Appendix

### Selected Case Law Involving the Lawyers' Fund (Cont'd)

*Matter of Estate of Sheridan*, 149 Misc. 2d 519 (Surr. Ct., Yates Co. 1991) Recognized the Fund's capacity to assert the "sovereign's prerogative right" under common law to priority as a creditor. The Lawyers' Fund, in its capacity as an agency of the State of New York, was entitled to priority over all other non-secured creditors of a dishonest lawyer's estate. (see also, *Mtr. of Estate of Zimmerman*, No. 272547 (Surr. Ct., Nassau Co. 1996), and *Rowley v. Besse*, No. 836-93 (Sup. Ct. Albany Co. 1997)).

*Lawyers' Fund for Client Protection v Dime Savings Bank*, No. 24711/99 (Sup. Ct., Nassau Co. 2001), *aff'd*, 294 A.D.2d 337 (2d Dep't 2002). Held that the Fund could proceed with causes of action in negligence and breach of contract against a dishonest lawyer's depository bank for its failure to provide the Fund with notices of dishonored checks drawn upon the lawyer's escrow account.

For other case law involving the Lawyers' Fund refer to the following decisions: (1) *Lawyers' Fund for Client Protection v. Gateway State Bank*, 239 A.D.2d 826 (3<sup>d</sup> Dept. 1997); (2) *Lawyers' Fund for Client Protection v. Gateway State Bank*, 181 Misc. 2d 660 (Sup. Ct. Albany Co. 1999); (3) *Lawyers' Fund for Client Protection v. Gateway State Bank*, 273 A.D. 2d 565 (3d Dep't 2000); (4) *Fergang v. Flanagan*, 174 Misc.2d 790 (Sup. Ct., Nassau Co., 1997), *aff'd* 259 A.D. 2d 598 (2d Dep't 1999) (5) *Lawyers' Fund v. Chemical Bank*, 246 A.D.2d 403 (1<sup>st</sup> Dept. 1998); (6) *Lawyers' Fund v. Bank Leumi Trust Co., et al.*, 286 A.D.2d 836 (3<sup>rd</sup> Dept. 1998); (7) *Matter of Natale*, 211 A.D.2d 36 (2d Dept' 1995); and (8) *Matter of Dussault*, 215 A.D.2d 843 (3d Dep't 1995).

### Article 78 Proceedings

*Matter of Tabak v. Lawyers' Fund*, 166 Misc. 2d 502 (Sup. Ct., Albany Co. 1995). Challenged the Trustees' determination that the alleged loss involved a default on a personal loan with the claimant's attorney, not dishonest conduct constituting a theft of law client money in the practice of law. In sustaining the Trustees' determination, the Court reviewed the Trustees' broad grant of discretion from the Legislature, their procedural regulations and their determination that the claimant had not provided satisfactory evidence of a reimbursable loss. The court held that the Fund's procedures provided adequate due process, that the Trustees' determination was supported by the record, and that it was neither arbitrary nor capricious.

*Matter of Bluth v. Lawyers' Fund*, No. 044062/97 (Sup. Ct., Kings Co. 1998), *aff'd* 259 A.D. 2d 543 (2d Dep't 1999). Held that the "The Lawyers' Fund . . . properly exercised its discretion in this proceeding" wherein the Trustees determined the claimant did not provide satisfactory evidence of an eligible loss in a real estate transaction with a lawyer who was disbarred for unrelated professional misconduct.

*Matter of Haskins v Lawyers' Fund*, No. 25544/1999 (Sup. Ct., Suffolk Co. 1999), *rev'd* , 286 A.D. 2d 440 (2d Dep't 2000). Reimbursement was denied when the Board determined that the claimant did not provide satisfactory evidence establishing that his loss resulted from a theft of escrow money, as opposed to the repayment of a loan to his attorney. The lower court annulled the determination of the Board. The Appellate Division, Second Department, reversed the Supreme Court on August 20, 2001 holding that "the determination by the board of trustees was not arbitrary or capricious."

*Matter of Beutz v. Lawyers' Fund*, 187 Misc 2d 359 (Sup. Ct. Albany Co. 2000). Affirmed determination of Trustees which denied reimbursement to a claimant who delivered monies to his lawyer in order to bribe public officials. The Court reviewed the Fund's thorough investigation of the claim and the ample opportunities provided to the claimant to establish eligibility of his loss. The Court determined that there was a rational basis for the Trustees concluding that the claimant's own criminal conduct substantially contributed to his loss.

*Matter of Plater v. Lawyers' Fund*, No. 7340-00 (Sup. Ct., Albany Co. 2000), *aff'd* 294 A.D.2d 719 (3d Dep't 2002), leave to appeal denied, \_\_\_N.Y.2d \_\_\_ (November 2002). The Fund administratively dismissed as an ineligible fee dispute the claim seeking reimbursement of legal fees paid for criminal defense. The Court dismissed the Article 78 petition and held that the Fund's determination "had a rational basis, and was not arbitrary, capricious or made in violation of lawful procedure."

*Matter of Saferstein*, No. 933/01 (Sup. Ct., Albany Co., 2001), *aff'd* 298 A.D.2d 726 (3d Dep't 2002), leave to appeal denied, \_\_\_N.Y. 2d \_\_\_(January 2003). The Trustees determined that the claimant's loss did not qualify for reimbursement since it appeared to result from a failed business loan, not dishonest conduct constituting a misappropriation of law client funds. The Article 78 Petition was dismissed as untimely. The Appellate Division, Third Department, affirmed holding that the judicial challenge was time barred, and that the Fund's determination was final and the statutory period for an Article 78 began to run on the date that the claimant signed for and received the Fund's letter stating that the denial of the claim was final.

*Matter of Weiss v Lawyers' Fund*, No. 4394-03 (Sup. Ct., Albany Co. 2003). Reimbursement was denied in claims seeking reimbursement of monies deposited with a lawyer for investments. In affirming the denial, the court held that the petitioner had failed to demonstrate that the Trustees' determinations were arbitrary, capricious, irrational or an abuse of discretion.

### Lawyers' Fund Publications

**A Practical Guide to Attorney Trust Accounts and Recordkeeping.** Now in its third edition, this guide for lawyers discusses disciplinary and court rules, statutes and bar association ethics opinions relating to attorney trust accounts and recordkeeping rules.

**Know Your Escrow Rights (1995)**, a plain-English guide to the law of escrow. This consumer pamphlet was prompted by the fact that nearly 30 percent of all client losses involve lawyers' misuse of escrow funds. **Know Your Escrow Rights** has been widely distributed in downstate counties where escrow losses occur most frequently. As a help to the bar, the Trustees published a companion pamphlet, **Know Your Escrow Rights: The Lawyers' Edition (1995)**, with citations to relevant cases, statutes and administrative regulations. Complimentary copies are provided, in bulk, to all bar associations and law schools in New York.

**Attorney Trust Accounts: The Video (1996)**. Produced with the New York State Bar Association. A 15-minute video that focuses on court rules and accounting standards that govern the fiduciary obligations of lawyers to maintain escrow and client trust accounts, IOLA bank accounts and law office record systems.

## Appendix

**What's A Power of Attorney? Answers for New Yorkers** (1996) Produced with the Government Law Center of the Albany Law School of Union University. A 12-page guide, in plain English and question and answer format, that addresses basic principles of law, fiduciary conduct and important changes in New York statutes that took effect on January 1, 1997. The pamphlet has been widely distributed to the senior citizen community, including 100,000 copies sponsored by the New York State Department of Law.

**Avoiding Grief With A Lawyer — A Practical Guide** (1998). This consumer brochure identifies possible sources of dispute in an attorney-client relationship, warning signs of troubles and problems, and ways to avoid and deal with them. The pamphlet has been distributed to bar associations, consumer protection agencies, legislative offices, and New York State public libraries. A special version of this consumer brochure was prepared for the Attorney General's Office and the New York State Unified Court System.

**Appendix of CLE Materials** (1999). New York's Mandatory Continuing Legal Education program requires that members of the bar acquaint themselves with the fiduciary and record-keeping obligations of lawyers when they are entrusted with money and property belonging to clients and escrow beneficiaries. To assist bar associations and educational institutions develop CLE seminars in this area of practice, the Lawyers' Fund published this 70-page compendium of applicable statutes, court rules, ethics opinions of bar associations, and practical advice for lawyers and law firms.

### **Trustees' Regulations (22 NYCRR 7200, et seq.)**

7200.1 Purpose of fund. The purpose of the Lawyers' Fund for Client Protection is to promote public confidence in the administration of justice and the integrity of the legal profession by reimbursing losses caused by the dishonest conduct of attorneys admitted and licensed to practice law in the courts of New York State.

7200.2 Organization. (a) The fund shall be administered by a board of trustees appointed by the Court of Appeals of the State of New York.

(b) The board of trustees shall consist of seven members. Of the trustees first appointed, three shall be appointed for terms of three years, two for a term of two years, and two for a term of one year. As each term expires, each new appointment shall be for a term of three years.

(c) The trustees shall serve without compensation, but shall be entitled to receive their actual and necessary expenses incurred in the discharge of their duties.

(d) The trustees shall from time to time elect from their membership a chairman, vice-chairman, treasurer and such additional officers as they deem necessary or appropriate.

(e) The trustees shall retain an executive director to serve as the chief administrative officer of the fund.

7200.3 Meetings. (a) The trustees shall meet at least four times each year at such locations, or in such manner, as the chairman shall designate. Special

meetings may be called by the chairman, and shall be called by the chairman upon the request of at least two trustees. Special meetings may be conducted by telephone conference. The chairman shall provide reasonable notice of all meetings.

(b) Four trustees shall constitute a quorum. A majority of the trustees present at any meeting of the board may exercise any power held by the trustees, except as otherwise provided in this Part.

7200.4 Powers of trustees. In the exercise of the authority granted the trustees, the trustees have the power to:

(a) receive, hold, manage and distribute 50 per centum of the monies collected pursuant to the provisions of section 468-a of the Judiciary Law and such other monies as may be credited or otherwise transferred from any other fund or source, pursuant to law, including voluntary contributions together with any interest accrued thereon. All deposits of such revenues not otherwise required for the payment of claims shall be secured and invested as required by the provisions of section 97-t of the State Finance Law;

(b) adopt regulations for the administration of the fund and procedures for the presentation, determination and payment of claims, including the establishment of a maximum limitation for awards to claimants;

(c) investigate claims for reimbursement of losses as the trustees deem appropriate using staff and other available resources;

(d) coordinate and cooperate with the Appellate Divisions of the Supreme Court in the investigation of claims;

(e) examine witnesses and, in accordance with the Provisions of the Civil Practice Law and Rules and the regulations of the trustees, administer oaths or affirmations and issue subpoenas;

(f) hold such hearings as the trustees deem appropriate;

(g) determine, in the trustees' sole discretion, the merits of claims presented for reimbursement, the amount of reimbursement to be awarded, the terms under which reimbursement shall be made and the order of payment;

(h) prosecute claims for restitution to which the fund may be entitled;

(i) engage in studies and programs for client protection and prevention of dishonest conduct in the practice of law;

(j) employ and at pleasure remove employees, legal counsel, agents and consultants, and fix their compensation within the amounts made available therefor;

(k) furnish the Court of Appeals with such reports and audits as the court may require; and

## Trustees' Regulations

(l) perform all other acts necessary or proper for the fulfillment of the purposes of the fund and its effective administration.

7200.5 Duties of officers. (a) The chairman shall preside at all meetings of the trustees, generally supervise the administration of the fund, and exercise such other functions and duties that the trustees may assign or delegate, or that are customary to the office of chairman.

(b) The vice-chairman shall assume the duties of chairman in the absence or disability of the chairman.

(c) The treasurer shall maintain the financial records of the fund and, jointly with the chairman, certify vouchers of the fund that authorize the State Comptroller to make payments to claimants.

(d) The executive director shall assist the trustees, supervise the implementation of regulations and policies of the trustees, coordinate the investigation of claims and prepare reports thereon, supervise staff, serve as secretary at meetings, and fulfill such other duties as may be assigned or delegated by the chairman or the trustees.

7200.6 Conflict of interest. A trustee with a past or present relationship with a claimant or the attorney whose alleged conduct is the subject of the claim shall disclose such a relationship to the trustees and, if the trustees deem appropriate, that the trustee shall not participate in any proceeding relating to such claim.

7200.7 Reports (a) On or before the first day of April each year, the trustees shall prepare an annual report of the activities and operations of the fund during the preceding year. The report shall be transmitted to the Court of Appeals, the Governor, the Legislature and the State Comptroller.

(b) The trustees may also issue periodic reports to the public concerning the activities and procedures of the fund.

7200.8 Eligible claims. (a) The trustees shall consider claims for reimbursement of losses caused by the dishonest conduct of attorneys admitted to practice in New York State, provided that:

(1) the dishonest conduct alleged in the claim constituted the wrongful taking of money, securities or other property belonging to a law client or other person who entrusted it with an attorney admitted to the practice of law in New York State;

(2) the dishonest conduct occurred in the practice of law by an attorney admitted to practice law in New York State;

(3) the claim is made directly by the client or other person, or their representative;

(4) the loss occurred or was discovered on or after June 1, 1981; and

(5) unless the trustees decide otherwise, the attorney has been suspended or removed from practice, is

dead, or the attorney's whereabouts cannot be determined.

(b) The claimant shall have the responsibility to provide satisfactory evidence of an eligible loss.

(c) For the purposes of this section, "dishonest conduct" shall include the misappropriation or wilful misapplication of money, securities or property in the practice of law, and unlawful acts in the nature of theft, larceny, embezzlement, fraud or conversion.

(d) Losses not eligible for reimbursement include damages resulting from an attorney's negligence, malpractice or neglect; losses incurred by government agencies; losses incurred by financial institutions; losses incurred by business organizations having twenty or more employees; and losses arising from financial transactions with attorneys that do not occur within an attorney-client relationship and the practice of law.

(e) (1) In a loss resulting from an attorney's refusal or failure to refund an unearned legal fee as required by the Lawyer's Code of Professional Responsibility, "dishonest conduct" shall include an attorney's misrepresentation, or false promise, to provide legal services to a law client in exchange for the advance payment of a legal fee.

(2) An attorney's failure to perform or complete a legal engagement shall not constitute, in itself, evidence of misrepresentation, false promise or dishonest conduct.

(3) Reimbursement of a legal fee may be allowed only if: (i) the attorney provided no legal services to the client in the engagement; or (ii) the legal services that the attorney actually provided were, in the trustees' judgment, minimal or insignificant; or (iii) the claim is supported by a determination of a court, a fee conciliation bureau, or an accounting acceptable to the trustees that establishes that the client is owed a refund of a legal fee. No award reimbursing a legal fee shall exceed the actual fee that the client paid the attorney.

(4) In the event that a client is provided equivalent legal services by another attorney without cost to the client, the legal fee paid to the predecessor attorney will not be eligible for reimbursement, except in extraordinary circumstances.

7200.9 Filing claims. (a) Claims for reimbursement from the fund shall be written and verified. The fund shall provide an official claim form which shall require the following information: the name and address of the claimant; the name and last-known address of the attorney who is alleged to have committed a dishonest act; the terms of the attorney's professional engagement for the claimant; the amount of the loss incurred; the date of the loss or the period of time when the loss occurred; the place and manner in which the loss occurred; the date and manner in which the claimant discovered the loss; a description of what steps the claimant has taken to recover the loss from the attorney or any other source; and whether there are other sources, such as insurance, fidelity bonds or surety agreements, to reimburse the claimant's loss. The

## Trustees' Regulations

trustees may require a claimant to submit additional information that may be necessary to determine a claim.

(b) The fund shall promptly acknowledge receipt of the claim, which shall be assigned a claim number.

(c) A claim shall be filed with the fund within two years after the following dates, whichever is later:

(1) the date when the alleged dishonest conduct occurred; or

(2) the date when such dishonest conduct was first discovered.

(d) The trustees, in their discretion, may permit the late filing of claims upon a showing that compliance with the time limitations of this section may cause undue hardship or result in an injustice.

(e) In the discretion of the trustees, a claim shall be deemed filed when any writing specifying the claim is received by the fund, a bar association, an attorney grievance committee, or a police or other government agency.

7200.10 Processing claims. (a) Whenever it appears that a claim is not eligible for reimbursement pursuant to these regulations, the claimant shall be advised of the reasons why the claim is not eligible for reimbursement, and that unless additional facts to support eligibility are submitted to the fund within 30 days, the claim shall be dismissed.

(b) All claims that are eligible for reimbursement from the fund shall be investigated in such manner as the trustees deem appropriate. The trustees shall be furnished a written report of each investigation.

(c) The appropriate Appellate Division of the Supreme Court shall be requested to assist the trustees, to the extent the court deems appropriate, in the investigation of claims for reimbursement from the fund.

(d) A certified copy of an order disciplining an attorney for the same act of conduct alleged in a claim, or a final judgment imposing civil or criminal liability therefor, shall, for the purpose of these regulations, be evidence that the attorney committed such act.

(e) Upon receipt of the investigation report, the trustees shall determine whether to conduct additional investigation. If the attorney whose alleged conduct gave rise to the claim has not been previously notified of the claim, a copy shall be provided the attorney. The attorney shall be invited to respond to the claim within 20 days.

(f) The trustees may request that testimony be presented to complete the record. Upon request, the claimant and the attorney, or their respective representatives, shall be given an opportunity to be heard.

(g) The trustees shall determine, in their sole discretion, whether a claim merits reimbursement from the fund and the amount, time, manner of its payment and the conditions upon which payment shall be made. The award of a claim shall require the affirmative vote of at least four trustees.

(h) Unless the trustees direct otherwise, no claim shall be awarded during the pendency of a disciplinary proceeding involving the same act of conduct that is alleged in the claim.

(i) In the exercise of their discretion in determining claims, the trustees shall consider, together with such other factors as they deem appropriate:

(1) the amount of money available and likely to become available to the fund for the payment of claims, and the size and number of claims that have been or are likely to be presented;

(2) the amount of the claimant's loss as compared with the amount of losses sustained by other claimants who may merit reimbursement from the fund;

(3) the degree of hardship suffered by the claimant as a result of the loss;

(4) any conduct of the claimant that contributed to the loss; and

(5) the existence of other sources to reimburse the claimant's loss, such as insurance, fidelity bonds or surety agreements.

(j) Written notice of the trustees' determination shall be provided the claimant and the attorney whose alleged conduct gave rise to the claim, or their representatives.

7200.11 Reconsideration of claims. A claimant who is denied reimbursement in whole or in part may request that the trustees reconsider the claim by filing an application with the fund no later than 30 days following receipt of the trustees' determination. If a claimant fails to request reconsideration, or the original determination of the trustees is confirmed, the trustees' determination shall be final.

7200.12 Legal right to payment from fund. No person or organization shall have any legal right to payment from the fund as a claimant, third-party beneficiary or otherwise.

7200.13 Payment of awards. (a) Claimants shall be reimbursed for losses in amounts to be determined by the trustees. No award shall exceed \$300,000.

(b) Awards shall not include interest. Attorneys' fees and other incidental and out-of-pocket expenses shall not be reimbursed by the fund. Additional taxes, interest, late charges and similar penalties finally incurred by a claimant as the direct result of an attorney's misappropriation may be eligible for reimbursement in the discretion of the trustees. The investigation report in a claim which involves such an element of loss shall contain an estimate of the amount of such loss and a recommendation whether the loss merits reimbursement from the fund. Unless the trustees determine otherwise, payment thereof may be processed as a supplemental award of reimbursement without further action by the trustees, provided the claimant provides proof of loss within six months following the trustees' approval of the underlying claim. The executive director shall report quarterly to the

## Trustees' Regulations

trustees on the payment of all supplemental awards during the preceding quarter.

(c) No claim for reimbursement shall be paid until the claimant transfers to the fund, in such form as the trustees shall authorize, the claimant's rights against the attorney whose dishonest conduct caused the claimant's loss and any other person or entity who may be liable for the claimant's loss.

(d) Payment of claims shall be made in such amounts and at such times as the trustees deem appropriate and may be paid in lump-sum or installment amounts.

(e) If a claimant is a minor or an incompetent, the award may be paid to a parent, guardian, committee or the attorney of the claimant, on the behalf of and for the benefit of the claimant.

(f) All payments of awards of reimbursement from the fund shall be made by the State Comptroller on vouchers certified by the chairman and the treasurer.  
7200.14 Representation by counsel. (a) A claimant and the attorney whose alleged conduct resulted in the claim shall have the right to be represented by an attorney.

(b) In accordance with the rules of the Appellate Divisions of the Supreme Court, no attorney who assists a claimant process a claim with the fund shall charge or accept compensation for those services, without the prior written approval of the trustees. No fee applications by attorneys, including public officers and court-appointed fiduciaries, shall be approved by the trustees absent a showing of extraordinary circumstances.

7200.15 Confidentiality. (a) Except as otherwise provided, all claims and proceedings and the records relating thereto shall be sealed and confidential.

(b) All information provided by an Appellate Division of the Supreme Court shall remain sealed and confidential to the extent required by section 90 of the Judiciary Law.

(c) The trustees' final determination awarding reimbursement of a claim, and the facts relating to the claimant's loss, shall be a public record.

(d) An attorney whose alleged conduct gave rise to the claim may waive confidentiality.

(e) This section shall not be construed to deny access to information by the Court of Appeals, and Appellate Division of the Supreme Court, or to any court of competent jurisdiction in a judicial review proceeding.

7200.16 Amendment of regulations. New regulations may be adopted, and any regulation may be amended or repealed by the trustees at any regular or special meeting, provided that notice of the proposed adoption, amendment or repeal has been given to all trustees at least seven days before the meeting. New regulations, amendments and repeals shall be published in the State Register. Copies of all regulations shall be made available to the public at all offices of the fund.

7200.17 Construction of regulations. These regulations shall be liberally construed to accomplish the objectives of the fund and the policies of the trustees.



# Lawyers Involved in Awards Since 1982

Name	JD	#	Amount	Name	JD	#	Amount	Name	JD	#	Amount
Edward P. Abbott	6	1	10,624	Richard H. Cataldi	8	3	71,810	Robert G. Dubrow	10	1	28,428
John E. Aber	5	3	2,850	Vincent J. Catalfo	1	1	45,000	Melvin G. Duke	2	1	1,500
James E. Adel	8	3	18,656	Katherine R. Catanzarite	4	19	60,843	Peter J. Dunne	10	13	68,950
Mark I. Adelman	1	2	6,525	Harvey Chaly	10	4	42,944	Thomas A. Dussault	3	184	329,956
Howard B. Adler	1	6	903,948	John R. Chaney, Jr.	1	3	2,276	Roger L. Dworsky	4	6	4,200
Cornelius M. Ahearn, Jr.	1	1	65,712	John P. Charles	11	1	2,500	Saul L. Eagle	12	4	290,404
George E. Albright	7	1	2,150	Michael M. Chasen	12	6	38,708	Paul W. Eckelman	9	3	8,895
Alexis Alcide	11	1	7,200	John D. Chestara	3	17	146,832	Eugene P. Edwinn	1	3	107,770
David B. Alford	3	4	8,150	John M. Cholakis	3	1	52,383	Louis A. Egnasko	2	66	1,921,450
Donald A. Alleva, Jr.	9	3	4,938	James Ciccone	2	1	1,500	Ehman & Marino	10	61	3,061,535
Nicholas P. Altomerianos	1	1	13,425	Robert A. Cicola	10	11	258,396	Howard Eisenberg	1	1	5,000
David W. Alvey	2	10	490,852	Frank A. Cissi	5	2	4,996	Robert A. Eisenberg	2	1	7,058
Joseph Amaru	11	2	208,529	John D. Clark	8	1	750	Mitchell Eisenstat	1	2	3,675
Robert B. Anderson	1	1	100,000	Robert J. Clark	2	5	121,990	Dennis P. Elkin	11	1	250
Thomas A. Andrews	1	1	300,000	A. Roger Clarke	7	5	193,183	Robert S. Elkins	10	3	101,450
Alvin Ashley	1	1	71,445	James F. Clarke	10	19	1,145,491	W. Joseph Embser	8	1	100,000
Jason J. Ashley	11	11	107,885	Richard B. Claro	10	1	76,500	Charles E. Ennis	7	3	52,427
Lewis G.P. Ashton	11	2	9,000	W. Andrew Clawson	7	19	305,715	Michael L. Entes	2	2	10,000
Harley D. Axelrod	7	5	107,128	Casey A. Clines	4	1	350	Michael F. Erdheim	1	20	993,099
David A. Baker	5	10	61,627	Joseph A. Cofino	12	2	3,500	Steven M. Erdheim	9	23	12,840
William F. Baker	5	2	28,556	Daniel I. Cohen	1	4	81,720	Jonathan Erickson	7	6	111,173
Richard L. Baltimore, Jr.	1	5	42,096	James Harrison Cohen	1	5	57,055	Jerome J. Erlin	1	4	42,595
Norwood K. Banks	7	1	573	Stanley I. Cohen	2	3	424,088	John R. Esposito	12	1	5,700
John M. Barth	1	1	3,000	Kenneth H. Cohn	6	9	4,010	Gene Ira Esser	2	12	23,877
Paul L. Beck	1	7	105,700	Kenneth W. Cohn	10	1	16,077	F. Birt Evans, Jr.	4	12	28,022
Irving Becker	1	10	16,330	Theresa N. Coletti	11	25	53,317	James C. Farrington	3	1	15,560
Herbert H. Bell	1	1	40	Joseph L. Colp	1	3	12,300	Arnold H. Fassler	11	12	111,658
William F. Benca	8	2	57,950	Frank Coniglio	10	12	240,110	James H. Fay	2	1	400
Howard A. Benick	1	2	1,320	Kevin A. Conine	6	2	40,861	Charles L. Feely	1	3	256,906
Michael D. Benjamin	2	1	900	Joseph A. Contino	8	2	200,000	Milton Feinman	1	9	520,987
Bradley C. Bennett	7	2	7,554	Stephen E. Cooper	4	2	268,455	Harvey Felton	9	1	40,426
Robert J. Bennisson	5	1	15,815	Edward M. Cooperman	10	3	12,700	John F. Felton	1	2	7,000
Richard H. Berg	9	2	2,000	Kevin P. Corcoran	9	2	16,965	Willie R. Felton	7	29	134,491
Alan A. Bergstein	10	1	28,995	William J. Corcoran	1	1	10,000	Perry V. Ferrara	10	58	1,645,861
Adam H. Bernstein	7	3	40,339	Gerald M. Cotter	10	28	990,471	Steven B. Fidelman	11	9	78,532
Harry J. Bernstein	11	16	216,742	James P. Cotter	8	1	46,036	Carl M. Field	10	24	173,904
Peter N. Bertucci	1	1	25,000	Catherine N. Coughlin	8	3	7,002	Lawrence F. Finley	6	1	35,000
Burton L. Besen	1	9	146,616	Coxeter & Coxeter	3	1	50,000	Timothy A. Fischer	8	1	155
Jeffrey L. Besse	3	32	1,430,278	Ronald P. Crean	1	2	22,750	Fischer & Quaintance	8	2	110,897
Lassale Best, Jr.	2	1	1,000	Gene Crescenzi	1	2	6,880	Michael G. Flanagan	1	13	884,137
Jose M. Betancourt	12	2	21,961	Domenick Crispino	1	16	731,564	Thomas M. Flannery	3	1	480
James Bing	1	3	4,085	John T. Crone	7	13	450,427	Florien Carl Flierl	8	8	65,695
Charles Birnbaum	2	1	594	Dennis D. Crowley	9	6	271,804	Dan Foley	9	1	203
Warren J. Black	1	1	20,576	Marshall Oakes Crowley, Jr.	10	2	44,859	Joseph M. Fonte	2	2	12,500
Walter H. Blaich, Jr.	9	7	385,835	Martin J. Crowley	10	15	124,534	Seymour Forman	1	1	500
Blaich & Dries	9	7	236,162	Thomas P. Cullen, Jr.	11	4	93,513	Harry A. Foster	1	3	40,092
Lawrence Bluth	11	1	11,500	Richard H. Cunningham	10	3	8,759	Robert L. Fraser	7	4	16,846
Allen J. Bodner	1	1	100,000	David A. Curtin	8	13	43,888	Paul I. Freedman	1	49	117,305
Howard J. Bodner	10	20	968,658	John L. Curtis	8	4	252,344	Andrew J. French	10	1	9,619
Murray Bogatin	1	2	9,400	R. Scott Daly	2	2	11,600	Mark G. Fresco	1	5	61,961
Phillip L. Boneta	2	3	19,533	Benjamin F.L. Darden	6	2	67,088	Sydney Friedler	10	27	365,711
Anthony J. Bonfiglio	1	3	114,000	W. Timothy Darrah	10	4	591,838	Arthur S. Friedman	2	1	12,916
Martin Borakove	1	2	16,101	Thomas P. Daubner	11	1	500	Martin Fries	11	17	81,713
Lee H. Bostic	11	4	31,583	Kenneth P. Daumen, Sr.	8	1	3,211	Alfred L. Fritz, III	8	21	86,766
Darrell L. Bowen	4	1	300	Mehran W. Davidian	10	1	5,000	Daniel R. Fruitbine	1	1	8,750
Martin J. E. Bowers	10	1	12,750	Ingrid N. Davis	2	1	5,250	Jerome H. Funk	9	22	12,049
Jonathan N. Boxer	10	12	61,364	James J. Davitt	2	1	100,000	Henry G. Fury	9	9	150,341
Raymond D. Bradford	9	2	20,779	Mark D. Deinhart	8	7	709,235	Dumas Gabbriellini	1	1	4,950
Karen E. Bragg	10	1	250	Lawrence DeMayo	2	20	217,422	Wayne K. Gabel	9	1	11,437
E. Lawrence Brass	10	14	339,657	Herbert B. Derman	1	1	25,900	Ross M. Gadye	1	1	2,360
Leo Bresler	10	2	100,000	John L. Desmond	3	1	56,000	Yoram Gafni	1	5	7,550
John D. Bridge	8	1	1,000	Edward W. DeVerna, Jr.	10	2	1,500	Arthur J. Gallancy	1	1	21,500
Richard Brill	9	1	15,680	Bertram S. Devorsetz	9	2	1,100	John E. Galligan, Jr.	2	3	4,827
Trevor L. Brooks	1	1	21,021	James G. deWindt	10	2	1,000	William M. Gallow, Jr.	3	1	49,397
Harold Brotman	10	1	6,667	Anthony P. Diamond	8	3	321,805	Frank P. Gangemi	2	27	1,925,095
Bradford J. Brown	1	1	36,000	Steven H. Dickman	10	7	59,339	Hiram S. Gans	9	2	85,000
Kenneth E. Bruce	9	1	800	Edward W. Dietrich	5	1	36,598	Francis P. Garofalo	2	3	64,000
Stephen Bruschi	1	1	1,500	Salvatore DiMisa	10	2	55,533	Edward M. Gasperi	4	5	8,231
Alan I. Brutton	11	1	500	Vincent R. DiPasquale	8	6	262,277	Michael S. Gawel	8	1	1,200
Joseph T. Burchill	6	1	25,000	Robert E. Dizak	1	19	170,293	Jack O. Gaylord	8	1	12,332
John R. Burgess	8	6	30,868	Birol John Dogan	1	6	43,673	Aaron Gelbwaks	1	1	229,553
Timothy K. Burgess	7	2	9,118	Jerrold A. Domingo	1	3	19,000	James G. Gembarosky	8	7	15,426
W. Michael Burke	3	2	700	Myron Domsky	10	3	3,500	Frank P. Giaramita	2	2	7,500
William M. Burke	3	2	101,035	Paul B. Donohue	9	1	750	Anne O. Gilde	2	1	1,045
Jeffrey S. Burns	10	3	12,370	Michael J. Donovan	1	1	27,531	Thomas Eric Gill	10	6	87,500
Charles S. Butin	10	2	6,750	Walter M. Donovan	8	23	75,050	James Gilmartin	1	2	3,613
Gail D. Butler	1	2	55,650	H. Paul Doucette, Jr.	7	9	16,200	Joseph A. Giorgi	7	1	4,685
H. Ronald Buttarazzi	7	3	68,870	George E. Dougherty, Jr.	3	6	140,388	Jarrett F. Glantz	1	25	1,789,786
Nicholas Capobianco	7	4	6,530	William J. Dougherty	10	5	124,795	Harold L. Goerlich	10	4	65,178
Russell J. Carbone	11	2	19,000	Frank J. Doupona	9	10	602,595	Roger J. Goffton	9	2	182,800
William F. Carrigan, Jr.	5	4	85,642	Charles H. Downing	1	2	6,362	Fred Gold	11	3	113,250
John M. Cassel	3	1	65,000	James L. Dowsey, III	10	1	8,500	Henry S. Goldman	9	9	224,823
Stuart B. Cassell	11	35	486,387	Paul Drager	9	1	500	Barry E. Goldrod	1	1	51,357
Frank V. Cassese	2	23	335,830	Arthur S. Drotzer	9	2	5,255				



# Lawyers Involved in Awards Since 1982

Name	JD	#	Amount	Name	JD	#	Amount	Name	JD	#	Amount
Charles H. Goldstein	10	1	\$ 43,000	James D. Kakoullis	1	1	\$ 1,000	Frank M. Manfredi	10	5	\$ 27,076
Alan R. Golklin	8	5	\$ 269,624	John C. Kanaley	5	3	\$ 55,000	Lloyd J. Manning	11	1	\$ 500
Oscar Gonzales-Suarez	1	1	\$ 5,000	Julian Kaplan	10	1	\$ 46,167	Robert Y. Manske	7	1	\$ 12,066
Michael W. Goodman	11	4	\$ 220,055	Stanton Karnbad	9	3	\$ 38,500	Marion S. Marable	11	2	\$ 7,400
Robert M. Gordon	1	6	\$ 29,870	Morris M. Karp	1	2	\$ 5,618	Richard P. Maracina	1	8	\$ 20,205
John P. Gorman	9	2	\$ 36,000	Kastein & Kastein	10	4	\$ 379,430	Marvin Margolis	1	1	\$ 40,000
Jack Gottlieb	2	8	\$ 74,576	Thomas Katsaros	2	3	\$ 84,500	Samuel A. Marino	8	2	\$ 2,800
Lora C. Graham	9	2	\$ 1,655	Harold W. Katz	4	3	\$ 57,000	Irving Markowitz	1	7	\$ 261,328
Barry J. Grandeau	9	377	\$ 564,211	Howard C. Katz	9	61	\$ 304,445	George T. Martin	6	1	\$ 500
S. Simpson Gray	9	9	\$ 8,928	Peter L. Katz	9	10	\$ 16,190	Nancy A. Maruk	7	3	\$ 3,370
Christopher J. Green	1	1	\$ 30,000	Reuben A. Katz	1	1	\$ 93,072	C. Vernon Mason	1	5	\$ 32,600
Milan K. Gregory	10	2	\$ 10,200	Stephen C. Kavanaugh	10	3	\$ 6,041	William J. Mastine, Jr.	5	2	\$ 17,220
John N. Griggs, Jr.	1	2	\$ 350	William S. Kaye	1	1	\$ 5,000	Charles M. Mattingly, Jr.	10	3	\$ 132,500
Robert S. Groban, Sr.	1	2	\$ 8,500	Paul E. Keith	2	3	\$ 23,843	Martin J. Mayblum	11	3	\$ 13,750
Joshua Gross	4	1	\$ 400	Donald E. Kelly	1	2	\$ 85,656	Philip A. McBride	8	1	\$ 5,958
Murray S. Gross	5	6	\$ 8,000	Lawrence V. Kelly	1	1	\$ 65,975	Teague W. McCarthy	10	12	\$ 413,169
David B. Grossman	5	6	\$ 15,158	Robert E. Kelly	7	20	\$ 12,070	Shannon D. McClam	11	3	\$ 14,000
Marc E. Grossman	9	16	\$ 192,501	Deborah R. Kenneally	3	2	\$ 3,250	Denis J. McClure	9	2	\$ 5,155
Harold W. Grubart	1	3	\$ 184,335	Bernard Kenny	1	8	\$ 138,269	James F. McCooale	9	15	\$ 865,522
James R. Gunderman	8	8	\$ 269,978	John P. Kilmminster	10	6	\$ 17,950	Sharyn L. McDonald	7	3	\$ 73,992
Sidney J. Guran	2	1	\$ 12,159	John J. Kim	1	1	\$ 19,500	James J. McEnroe	1	6	\$ 3,000
John A. Gussow	2	30	\$ 522,568	Wayne W. Kim	1	5	\$ 31,705	Lloyd A. McFarlane	11	1	\$ 5,000
John A. Guzzetta	1	1	\$ 6,395	Matthew A. King	4	3	\$ 3,000	Thomas J. McGinn	3	1	\$ 180,000
Richard A. Gwynn, Jr.	5	8	\$ 8,239	Harold L. King	1	1	\$ 600	Dennis J. McLaughlin	1	5	\$ 46,804
Richard J. Haas	3	3	\$ 16,800	William A. Kirschner	1	1	\$ 300,000	Richard M. McMahon	9	2	\$ 8,973
Paul E. Haberman	1	1	\$ 300,000	Paul H. Kirwin	10	1	\$ 58,000	John J. McManus, Jr.	2	2	\$ 200,000
David S. Haberman	10	1	\$ 27,798	Rudolph M. Klenosky	2	1	\$ 45,000	Joseph T. McMaster	2	4	\$ 168,093
Robert E. Haley	1	7	\$ 100,800	A. O'Neill Kline	8	3	\$ 72,100	Dominic M. Mello	2	2	\$ 8,167
Clifton E. Hall	11	3	\$ 16,465	William J. Kluender	11	18	\$ 232,257	Richard M. Messina	1	3	\$ 169,499
Harold A. Hall	2	1	\$ 13,300	Kenneth Knigin	9	1	\$ 117,069	William A. Metz	9	3	\$ 115,497
Fred J. Halsey, Jr.	1	3	\$ 69,803	David C. Kobrin	9	2	\$ 23,148	Stanley M. Meyer	10	1	\$ 1,830
Herbert I. Handman	1	1	\$ 16,500	Roger W. Kohn	9	1	\$ 255	James J. Michalek	8	21	\$ 181,361
H. Roger Hantman	10	1	\$ 3,000	Richard Kops	10	11	\$ 620,350	Charles O. Milham	3	4	\$ 17,541
John L. Hargrave, Sr.	8	3	\$ 44,051	Timothy Kozyra	8	2	\$ 8,231	Alan M. Miller	10	1	\$ 2,319
Alan David Harris	10	5	\$ 342,033	Howard Krantz	1	1	\$ 23,500	Bruce J. Miller	10	2	\$ 41,858
Alan Jay Harris	1	1	\$ 14,081	Harvey H. Krat	1	3	\$ 68,525	John R. Miller	9	1	\$ 2,234
H. Hawthorne Harris	9	1	\$ 5,093	M. Thomas Kuriakose	9	1	\$ 500	Carl N. Mione	2	3	\$ 830,750
Herbert Harris, Jr.	1	2	\$ 48,833	Irving Kurtz	1	5	\$ 154,842	Nicholas A. Mina	1	1	\$ 19,500
Leon Sol Harris	1	3	\$ 30,060	Larry J. Kushner	1	2	\$ 21,678	Stephen A. Mishkin	9	55	\$ 1,318,823
Peter Andrew Harris	7	8	\$ 224,475	A. James LaBue	7	6	\$ 298,928	John E. Modjeska	3	7	\$ 34,356
Morton H. Hartmann	1	3	\$ 54,576	Michael S. LaBush	9	2	\$ 3,250	Richard T. Monahan	10	2	\$ 4,500
Robert T. Hartmann	9	3	\$ 42,149	Jefferson T. Lalik	7	8	\$ 3,805	Colin A. Moore	1	4	\$ 6,500
John J. Hayden	9	5	\$ 25,800	LaLoggia & Gorankoff	7	20	\$ 738,744	Davison F. Moore	9	6	\$ 491,971
Edward K. Hedberg	9	2	\$ 12,202	Bernard H. LaLone, Jr.	3	1	\$ 22,210	Paul A. Moore	9	2	\$ 2,146
Richard T. Heelan	10	3	\$ 6,075	Robert A. Lamar	10	20	\$ 597,507	Teddy I. Moore	11	1	\$ 5,500
Alan A. Herman	1	1	\$ 65,000	Donald F. Lamutis	7	3	\$ 8,325	Richard M. Moran	3	21	\$ 349,371
Miguel A. Hernandez	2	2	\$ 35,000	Erick F. Larsen	10	1	\$ 23,517	Thomas D. Morath	12	2	\$ 14,755
Eric E. Heron, Jr.	11	3	\$ 28,485	George E. Lasch	10	1	\$ 1,500	Lawrence D. Moringiello	2	5	\$ 171,249
Alfred L. Hetzelt, Jr.	8	1	\$ 100,000	Eric N. Lazarus	10	28	\$ 583,407	Alan D. Morris	10	15	\$ 221,560
John Higginbotham	1	2	\$ 5,000	John Q. LeCain	4	1	\$ 25,000	Charles E. Morrison	1	1	\$ 4,000
Leo N. Hirsch	1	2	\$ 27,083	Thomas P. Leckinger	7	7	\$ 87,180	Saul D. Moshenberg	7	5	\$ 20,749
Michael Hirsch	10	2	\$ 53,127	Gerald J. Leibowitz	10	8	\$ 229,992	Lawrence J. Mullan	10	1	\$ 395
Ralph Hochstein	1	1	\$ 1,000	Lawrence B. Lennon	4	4	\$ 87,665	David Van Muraskin	1	2	\$ 286,333
Robert I. Hodes	1	2	\$ 20,605	Marc R. Leventhal	1	1	\$ 35,000	James R. Murdock, Jr.	4	19	\$ 638,152
Walter Hofer	1	8	\$ 85,880	Richard L. Levine	5	1	\$ 10,000	Eugene J. Murphy	8	21	\$ 583,870
Frank Hoeffy	1	1	\$ 4,500	Murray F. Lewis	6	1	\$ 3,589	Morrow D. Mushkin	2	2	\$ 10,200
Douglas R. Hoffmann	10	7	\$ 62,125	Jay Robert Lichtman	2	2	\$ 3,200	Joseph F. Muto	5	1	\$ 1,100
William J. Holden	9	12	\$ 436,677	Lawrence Lieberman	2	4	\$ 35,536	Willard H. Myers, III	7	2	\$ 1,700
A. Robert Holman, III	10	458	\$ 203,958	Kenneth Linn	1	1	\$ 25,850	Bart L. Nason	1	1	\$ 39,073
Antoinette Holmes	12	19	\$ 664,171	Michael S. Linn	9	14	\$ 418,858	Eugene V. Natale	10	9	\$ 245,845
Harold Holtman	10	25	\$ 319,446	Clifford N. Lipscomb	11	8	\$ 11,480	Nath & Weiss	10	1	\$ 100,000
Robert Kent Holtzberry	5	1	\$ 2,178	William F. Lisnerski	8	1	\$ 600	Richard F. Nelson	10	10	\$ 70,361
Roy C. Hopkins	7	1	\$ 25,000	David W. Little	4	8	\$ 343,892	Pat Frank Nesci	10	11	\$ 359,974
Charles S. Horgan	1	1	\$ 2,500	Vincent J. LoCurto	10	1	\$ 9,797	Kenneth A. Newman	10	6	\$ 29,054
Valentine N. Horoshko	1	2	\$ 15,000	Werner Lopker	7	2	\$ 38,564	Marvin A. Newman	9	1	\$ 26,924
Donald G. Houghton	7	3	\$ 75,000	John C. Lopes	10	2	\$ 2,550	John G. Nicholas	11	2	\$ 57,500
Richard A. Howard	9	3	\$ 2,575	John G. LoPresto	11	1	\$ 299,894	Peter B. Nickles	9	2	\$ 122,623
Ralph F. Howe	8	1	\$ 7,313	Samuel Lorenzo	1	92	\$ 43,125	Thomas C. Nicotera	3	1	\$ 275
Edward L. Howlette	10	1	\$ 3,700	Ronald B. Losner	2	16	\$ 41,694	Michael B. Nitsberg	10	3	\$ 34,450
Raymond K. Hsu	1	6	\$ 24,850	Harold E. Lovette	1	1	\$ 27,500	William J. Noland	1	1	\$ 3,600
Rick T. Hubbard	10	5	\$ 25,650	David B. Lubash	11	39	\$ 471,203	James M. O'Brien	2	2	\$ 111,156
John A. Huber	10	4	\$ 30,500	Jonathan W. Lubell	1	2	\$ 9,450	Thomas P. O'Callaghan	9	1	\$ 3,200
Thomas P. Hughes	4	2	\$ 10,914	Thomas J. Lukas	11	1	\$ 28,000	Charles O'Donnell, Jr.	9	1	\$ 2,000
Elissa L. Inslar	12	1	\$ 21,551	Joseph F. Lynch	6	1	\$ 3,736	Mark S. Ogden	7	1	\$ 8,869
William C. Israel	1	5	\$ 100,983	Thomas N. Lyons	10	2	\$ 2,640	Michele Okin	9	18	\$ 76,026
Hesper A. Jackson, Jr.	2	6	\$ 167,995	Robert A. Mackasek	1	20	\$ 370,043	Frank Oliva	11	5	\$ 36,652
Saul Jakubowitz	1	6	\$ 24,718	Robert D. MacLachlan, Jr.	10	8	\$ 11,250	James M. O'Neill	10	6	\$ 18,000
Robert E. Johnson	2	1	\$ 38,000	Fortune S. Macri	9	1	\$ 25,000	Lynn D. O'Neill	2	3	\$ 20,770
Robert P. Johnson	8	1	\$ 4,200	Lee M. Mager	12	1	\$ 45,480	Joseph E. Orsini	8	3	\$ 31,887
Wayne A. Johnson	6	4	\$ 28,566	Anthony M. Magnotti	2	13	\$ 102,752	Osserman & Horwitz	1	6	\$ 774,503
D. Sanford Jorgensen	1	4	\$ 55,283	John R. Maguire	10	1	\$ 1,000	Sheldon Ostro	1	9	\$ 359,000
Leonard Kabat	10	1	\$ 5,000	Jenny M. Maiolo				Roderick E. Owens	1	2	\$ 21,533
Gerald A. Kagan	1	2	\$ 1,600					Victor N. Pacor	9	9	\$ 164,357
William H. Kain	10	15	\$ 145,722	Michael M. Maloney	1	1	\$ 42,040				
Gerald Kaiser	1	34	\$ 36,365	Bruce C. Mandia	9	1	\$ 5,000				

## Lawyers Involved in Awards Since 1982

Name	JD	#	Amount	Name	JD	#	Amount	Name	JD	#	Amount
Rafael M. Pantoja, Jr.	1	18	\$ 168,335	Stephen Rothfeld	10	1	\$ 5,000	Wallace Sturm	2	1	\$ 1,500
John F. Papsidero	8	1	\$ 17,339	Mitchell A. Rothken	1	46	\$2,562,907	John J. Sullivan	1	1	\$ 29,990
Mary Murphy Pardoe	10	15	\$ 85,436	Arthur J. Rouse	9	1	\$ 11,435	Joseph E. Supples	8	3	\$ 9,150
Richard J. Pariser	8	3	\$ 7,053	Leonard H. Rubin	1	1	\$ 83,000	Leonard A. Sussman	1	3	\$ 44,438
Alfred J. Parisi	11	15	\$ 438,591	Michael B. Rudin	7	1	\$ 300,000	Monroe Sussman	10	1	\$ 46,667
E. Paige Parsons	4	1	\$ 200	James M. Russell	3	4	\$ 765,407	Carrie Sutherland	10	2	\$ 7,670
Nicholas J. Pastushan	5	1	\$ 138,500	Glenn L. Rutledge	11	1	\$ 5,000	Morton S. Swirsky	1	6	\$ 62,610
George Patsis	10	2	\$ 115,798	David Sabghir	2	1	\$ 14,000	Israel I. Sylvan	1	3	\$ 22,253
Edward S. Patterson	9	2	\$ 15,286	Carol A. Safier	1	5	\$ 117,950	Regina M. Tate	10	3	\$ 6,890
George F. Pavarini	9	15	\$ 543,165	Steven L. Salpeter	11	7	\$ 12,019	Sergio M. Taub	11	49	\$ 326,401
Robert J. Pellicane	10	7	\$ 174,769	Ronald M. Salzer	1	4	\$ 53,750	Louis Taubenblatt	2	9	\$ 718,854
Kenneth S. Pelsinger	1	2	\$ 14,349	Roger G. Sam	12	1	\$ 2,500	Sharon Lynch Taureck	2	5	\$ 40,966
Michael M. Perlman	10	8	\$ 294,913	Kenroy E. Samuel	12	2	\$ 1,250	Peter P. Tavalacci	9	1	\$ 2,400
David Ian Pesner	9	11	\$ 136,291	George Sandberg	10	10	\$ 227,146	Timothy Taylor	1	1	\$ 19,000
Jacob & David Ian Pesner	9	1	\$ 25,000	Ira Jay Sands	1	6	\$ 7,917	Theodore E. Teah	12	1	\$ 13,373
Richard T. Petty	1	3	\$ 90,664	Richard J. Sanna	10	10	\$ 248,285	Norman Eric Teitler	11	2	\$ 14,414
Stephen A. Phillips	4	1	\$ 60,000	Richard D. Savitsky	1	2	\$ 47,558	Ron Telford	6	1	\$ 1,100
John Piastra	11	2	\$ 200,000	Michael D. Scavella	4	1	\$ 2,000	Milton A. Teplin	1	3	\$ 26,000
Louis N. Picciano	6	2	\$ 5,296	Stanley D. Scharf	10	16	\$ 89,719	Charles R. Testa	7	2	\$ 2,850
Richard Pikna	1	9	\$ 101,278	Nelson K. Scherer	10	1	\$ 2,348	Michael B. Thomas	9	1	\$ 600
George A. Pins	1	4	\$ 15,779	John C. Schettino	10	1	\$ 4,000	Alan S. Tifford	10	14	\$ 291,016
John L. Pitula	1	1	\$ 90,000	David Schick	1	7	\$ 549,116	Robert S. Tobin	1	2	\$ 16,320
John B. Poersch	4	2	\$ 114,161	Robert L. Schlesinger	3	3	\$ 3,068	Thomas P. Tobin	10	4	\$ 184,450
J. Stanton Pohl	10	4	\$ 89,779	Michael J. Schlusell	10	2	\$ 4,250	Joseph A. Tracy	9	4	\$ 131,676
Jonathan Pollack	10	2	\$ 13,762	Peter G. Schmidt	1	3	\$ 400,000	Joseph J. Tringali, Jr.	9	5	\$ 43,487
Sam Polur	12	1	\$ 500	Richard C. Schulz	10	1	\$ 24,035	Joseph R. Turner	2	4	\$ 41,572
Edward J. Porcelli	12	4	\$ 21,580	Robert Schutrum, Jr.	8	1	\$ 1,500	Robert E. Twiste	1	13	\$ 213,179
Ira Postel	1	3	\$ 38,515	Jeffrey M. Schwartz	10	30	\$ 525,100	James W. Ulaszewski	8	2	\$ 1,048
Postel and Rosenberg	1	11	\$ 619,722	Melvyn Schwartz	1	2	\$ 459,972	Girard M. Ursitti	8	5	\$ 76,957
John V. Potter, Jr.	10	1	\$ 98,000	Steven M. Schwartz	9	2	\$ 3,500	Norman Ushkow	2	1	\$ 1,575
Charles M. Powell, Jr.	1	9	\$ 68,700	Schwartz & Gutstein	1	6	\$ 250,501	Dawn M. Varsalona	2	2	\$ 1,050
Bryan E. Powers	10	2	\$ 3,500	Joel E. Schweitzer	8	6	\$ 46,294	William C. Vaughan	8	1	\$ 100,000
Mary Powers	1	1	\$ 89,857	Joseph F. Scirto, Jr.	8	10	\$ 106,962	Tom M. Vetrano	2	4	\$ 30,056
William J. Powers, III	5	7	\$ 14,662	Harry W. Scott, Jr.	2	1	\$ 200	Lillian R. Villanova	9	3	\$ 109,636
Paul D. Powsner	1	3	\$ 210,000	Paul A. Seader	1	2	\$ 435,000	Louis V. Viscomi	1	3	\$ 31,500
Stanley Pressment	1	1	\$ 6,960	Bernard M. Seeman	10	1	\$ 50,000	Frank Vitulli	2	1	\$ 12,000
Cynthia Lynn Price	2	1	\$ 81,623	Jeffrey P. Segal	10	4	\$ 505,524	Arnold P. Wagner	10	4	\$ 72,900
Wayne J. Price	2	17	\$ 359,726	Arthur J. Selkin	9	11	\$ 107,300	H. Robert Wall	6	46	\$ 912,929
Michael Prieto	1	1	\$ 15,215	Bernard L. Seltzer	10	11	\$ 94,609	Wallman & Wechsler	1	40	\$1,823,079
Mark S. Probert	10	6	\$ 2,900	Ralph Serpico	11	3	\$ 176,191	Mortimer Warfman	1	34	\$ 16,236
Anthony P. Quinn	11	2	\$ 147,521	Barry R. Shapiro	1	16	\$ 3,065	Paul J. Warkow	10	1	\$ 1,000
Donna M. Quinn	3	1	\$ 10,000	Michael Shapiro	1	1	\$ 58,231	Patrick T. Wedlock	5	8	\$ 4,910
John J. Raia	11	100	\$3,268,398	Phillip E. Shapiro	1	1	\$ 700	Richard B. Weil	1	1	\$ 48,737
Leo Raychuk	2	1	\$ 2,000	Eden Shaw	1	1	\$ 12,500	Martin J. Weinstein	2	1	\$ 25,000
William C. Raines	1	3	\$ 17,512	Brian A. Sheridan	1	1	\$ 785	Myles N. Weintraub	10	7	\$ 123,623
Steven P. Rapoport	2	2	\$ 23,836	John M. Sheridan	7	6	\$ 371,500	Michael S. Weiss	9	3	\$ 2,325
Stephen P. Rathjen	10	3	\$ 33,430	Richard M. Sherman	10	25	\$ 97,623	Peter R. Weiss	2	1	\$ 15,000
Edward W. Reckdenwald	10	5	\$ 98,193	Robert J. Sherman	10	7	\$ 15,159	C. Theodore Wellington	11	6	\$ 193,815
John D. Reddan	1	1	\$ 2,500	Alan J. Shimel	10	2	\$ 26,666	Allen P. Werbalowsky	3	1	\$ 4,250
Alban J. Reichert	7	1	\$ 3,425	Robert G. Short	9	1	\$ 800	Leslie M. Westreich	1	1	\$ 100,000
Steven Paul Reifman	1	1	\$ 10,000	Anis A. Siddiqi	2	4	\$ 75,614	Benjamin P. Whitaker	7	15	\$ 603,251
Paul G. Reilly, Jr.	1	2	\$ 39,500	Matthew A. Siegel	9	2	\$ 14,147	Marina K. Whitfield	6	1	\$ 34,776
Gary M. Reing	12	2	\$ 23,446	Stephen D. Siegfried	10	18	\$1,011,719	D. William White	2	15	\$ 171,308
Herschel L. Reingold	8	1	\$ 4,344	Oswald B. Silvera	2	7	\$ 16,125	Beaufort N. Willbern	8	2	\$ 69,470
Agostinho Dias Reis	1	1	\$ 3,712	Mark A. Silverman	10	2	\$ 2,169	Aaron G. Windheim	9	1	\$ 11,547
Erich H. Reisch	2	1	\$ 27,692	William Sims	8	2	\$ 8,037	Steven Winston	1	1	\$ 9,500
Willem J. Remmelink	1	3	\$ 127,875	Barry H. Singer	9	9	\$ 235,034	Samuel Ulrich Wiseman	1	2	\$ 38,280
Kristina M. Rende	12	1	\$ 58,966	Mitchell L. Singer	1	4	\$ 124,150	Gerard A. Wisla	11	8	\$ 134,000
James R. Rerisi	10	4	\$ 57,146	Baljit Singh	1	1	\$ 150	Steven D. Wisniewski	8	16	\$ 7,805
James A. Resti	5	5	\$ 81,824	Indar Singh	11	16	\$ 156,237	Walter S. Wojcik	3	1	\$ 250
Luis E. Reyes	2	1	\$ 1,000	Ronald A. Sipos	8	2	\$ 106,730	Michael T. Wolin	1	1	\$ 25,035
John Rivera	12	1	\$ 1,707	Myron W. Siskin	10	1	\$ 13,436	Marvin Wolinetz	2	1	\$ 350
Jose A. Rivera	2	7	\$ 89,166	Allan Sloan	1	6	\$ 108,601	George Wolynetz	1	3	\$ 244,703
Robert Rivers	10	7	\$ 197,000	Joseph D. Sloboda	10	2	\$ 5,458	William S. Wood	7	4	\$ 49,065
Stephen R. Roach	9	3	\$ 23,400	Peter W. Sluys	9	6	\$ 113,856	John M. Wourgola	10	11	\$ 97,534
Samuel W. Roberts	3	1	\$ 149,584	Kendrick C. Smith	1	1	\$ 3,675	Adam Morgan Wright	1	1	\$ 500
Edward John Roder	7	15	\$ 168,505	Ormond N. Smith	2	5	\$ 76,480	Kathryn B. Wunderlich	3	1	\$ 600
Jaime C. Rodriguez	11	2	\$ 10,000	Benjamin Sneed	1	4	\$ 24,833	Henry E. Wyman	8	33	\$ 496,811
George Rodriguez	12	4	\$ 1,865	Jack B. Solerwitz	10	99	\$3,008,734	Louis B. Youmans	1	1	\$ 5,000
Richard Rodwin	1	3	\$ 552,750	Joseph F. Soviero, Jr.	10	1	\$ 5,000	Floyd A. Young	8	1	\$ 10,000
Louis Rohrborg	1	1	\$ 5,325	Michael T. Spallino	1	2	\$ 8,800	Nancy J. Young	1	9	\$ 124,809
Sy L. Rolnick	2	1	\$ 25,500	Jacob Spatz	3	3	\$ 3,245	Richard Zelma	1	1	\$ 115,000
Steven J. Romer	1	14	\$1,076,657	Jerome L. Spiegelman	1	48	\$ 889,719	Frederick J. Ziems	10	2	\$ 105,368
Bibiano Rosa	1	3	\$ 95,265	Jerome Spies	10	2	\$ 126,754	Jacob S. Zimmerman	10	27	\$ 355,991
Alton N.G. Rose	11	1	\$ 5,333	Lionel Spring	1	1	\$ 83,311	Victor P. Zodda	10	2	\$ 282,225
Michael G. Rose	10	40	\$1,279,588	Howard R. Staller	1	1	\$ 8,000	Peter S. Zogby	5	1	\$ 1,535
Peter Rose	11	11	\$ 143,309	Ferne Mayer Steckler	10	3	\$ 10,500	H. Michael Zukowski	1	1	\$ 8,000
Rose & Karnbad	11	1	\$ 17,000	Alexander B. Stein	1	2	\$ 31,450	Bertram Zweibon	1	14	\$ 564,282
Ruth F. Rosenberg	5	3	\$ 7,100	Elliot J. Stein	1	74	\$ 762,109				
Steven Rosenbluth	2	26	\$ 394,102	Joel B. Steinberg	1	1	\$ 1,400				
Richard J. Rosenthal	1	1	\$ 4,374	Duane M. Stenstrom, Jr.	8	6	\$ 6,674				
Selig A. Rosenzweig	10	3	\$ 64,569	Jeffrey S. Stern	2	10	\$ 244,077				
Phillip M. Rossbach	10	1	\$ 659	Stanley R. Stern	1	5	\$ 325,676				
Abraham Rostoker	2	1	\$ 17,500	Joseph Sternschein	11	4	\$ 75,715				
				Frederick D. Stevens	8	1	\$ 4,185				