

N E W S
New York State
Lawyers' Fund for Client Protection

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Lawyers Reimburse Losses Due to Dishonesty of a Few

(Albany, NY-- 2/6/13) The Lawyers' Fund for Client Protection recently awarded over \$1.5 million in reimbursement to 46 law clients who lost money due to dishonest conduct by their former lawyers in the practice of law.

Only 22 former lawyers were responsible for the misconduct that resulted in these 46 awards from the Lawyers' Fund. There are over 298,000 registered lawyers in New York State.

New York State's lawyers provide 100 percent of the principal resources of the Lawyers' Fund by paying an attorney registration fee. A portion of each registration fee supports all awards from the Lawyers' Fund and any administrative costs. No taxpayer money is used for this client protection program. Of every dollar received by the Lawyers' Fund, over 92 cents go directly to client reimbursement.

The Lawyers' Fund is administered by a seven-member Board of Trustees appointed by the State Court of Appeals, New York's high court. The Trustees serve without compensation. Since 1982, the Fund has restored more than \$163 million to 7,255 eligible law clients.

The Lawyers' Fund is chaired by **Eric A. Seiff**, a Manhattan lawyer with Scoppetta, Seiff, Kretz & Abercrombie. In announcing the awards, Mr. Seiff said:

"The theft of law client money by these few former lawyers is a violation of the trust placed in New York's legal profession. In awards in 2012, the Lawyers' Fund, on behalf of the lawyers in New York State, provided full reimbursement to all eligible clients for their financial losses."

In addition to Mr. Seiff, the Trustees are **Eleanor B. Alter**, a Manhattan lawyer with Kasowitz, Benson, Torres & Friedman; **Peter A. Bellacosa**, an attorney with the Manhattan law firm of Kirkland & Ellis; **Nancy Burner**, an attorney with Nancy Burner & Associates, P.C. in Setauket, Suffolk County; **Patricia L. Gatling** of Manhattan, the Commissioner and Chair of the New York City Commission on Human Rights; **Charlotte G. Holstein** of Syracuse, a civic leader and Executive Director of F.O.C.U.S. Greater Syracuse; and **Anthony J. Baynes** of Williamsville, the founder and

Chairman of the AJ Baynes Group, a Buffalo based development and logistics company.

Types of losses covered by the Lawyers' Fund include a lawyer's theft of estate assets, real estate down payments, litigation settlement proceeds, and law client money embezzled in investments within an attorney-client relationship. The Fund can not compensate for alleged malpractice or assist in resolving disputes over legal fees.

A relatively new type of loss the Lawyers' Fund has reimbursed involves law clients defrauded of advance legal fees by lawyers who falsely promised to provide legal representation in loan modifications.

The Lawyers' Fund is located in Albany. Telephone: 800-442-3863. Website: www.nylawfund.org