

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

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Lawyers' Fund Reimburses Law Clients' Losses

(Albany, NY-- 11/16/12) At its most recent meeting, the Lawyers' Fund for Client Protection awarded over \$837,000 in reimbursement to 27 law clients whose money had been stolen by their former attorneys.

Only 17 former lawyers were responsible for the misconduct that resulted in these 27 awards from the Lawyers' Fund. There are over 271,000 registered lawyers in New York State.

Lawyers in New York State 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 \$162 million to 7,208 eligible law clients. In the Fund's 30-year history, 1,020 former lawyers have been responsible for the misconduct resulting in these losses.

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 overwhelming majority of lawyers in New York State are honest and caring and deserving of their clients' trust. Where a small handful of lawyers misuse client money, the legal profession as a whole has agreed to assume the responsibility to reimburse any loss. No other profession provides such protection to its clients."

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