

Lawyers' Fund for Client Protection

2011 Annual Report

The Maine Lawyers' Fund for Client Protection (Fund) was created by an Order of the Maine Supreme Judicial Court, dated July 1, 1997. The purpose of the Fund is to promote public confidence in the administration of justice and the integrity of the legal profession, by reimbursing clients who suffer losses caused by an attorney's dishonest conduct. The Fund was not designed to address losses caused by legal malpractice and no amounts are payable to clients for such activity.

Trustees

The Fund is administered by a Board of seven trustees, appointed by the Maine Supreme Judicial Court to determine the eligibility claims filed with the Fund and to manage the Fund's assets. Trustees are appointed to three year terms and may serve no more than two consecutive terms. Trustees serve as volunteers and are compensated only for travel expenses. The Trustees for the year ending 2011, including five lawyers and two non-lawyers were:

Officers

Paul S. Sighinolfi, Chair

Raymond J. Cota, Treasurer

Martha C. Gaythwaite, Secretary

Trustees

Meris J. Bickford, Esq.

Jared S. des Rosiers, Esq.

Laurie A. Gibson, Esq.*

Jeffrey W. Porter

The Honorable Warren M. Silver serves as the Court's liaison to the Fund.

**With profound sadness, the Fund recognizes the passing of our colleague and friend, Laurie A. Gibson. Laurie was a well-known and respected member of the Maine bar who donated countless hours of service the legal community.*

Staff

The Fund retains the Board of Overseers of the Bar for its administrative, financial, and case investigation functions.

Claim Intake and Evaluation

A claimant seeking reimbursement from the Fund must complete a claim form for reimbursement. Upon receipt, the office Bar Counsel of the Board of Overseers of the Bar will initiate investigation of the alleged loss, prepare a record, and submit a report and recommendation to the Trustees for consideration. The claimant has the duty to supply relevant evidence to support the claim.

Trustee Review

When the record is complete, the claim is determined on the basis of all available evidence. Notice is given to the claimant and the lawyer of the determination of the Board of Trustees and the reasons therefore. The approval or denial of a claim requires the affirmative votes of at least four trustees. Reimbursement from the Fund is a matter of grace. No person has the right to reimbursement from the Fund whether as claimant, third-party beneficiary or otherwise. The decisions and actions of the Board of Trustees are not reviewable on any ground in any court or other tribunal.

Claims Received and Processed

In 2011, the Trustees held one meeting and considered two claims. The Trustees determined that both claims were ineligible for reimbursement. Consequently, no awards were issued in 2011.

Since its inception in 1997, the Fund has awarded more than \$310,000 to 83 former clients.

Finances

The Fund is supported by an annual assessment to all Maine judges and attorneys. In 2011, the Fund received \$104,244 in revenue from assessments.

The Fund's accounts were audited by Runyon, Kersten & Ouellette of South Portland, Maine. The fund balance on June 30, 2011, was \$1,065,678.

Conclusion

This report confirms the fact that the overwhelming majority of Maine attorneys observe the high standards of integrity when entrusted with client monies or property. However, the dishonest acts of a few can affect the public's image and confidence in the legal profession as a whole. The Lawyers' Fund for Client Protection seeks to restore public confidence in the legal profession by reimbursing clients for losses sustained as a result of the dishonest conduct of their attorneys.

Paul H. Sighinolfi, Esquire
Fund Chair