

Lawyers' Fund for Client Protection

2012 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 of claims filed with the Fund and to manage the Fund's assets. The Board of Trustees consist of five lawyers and two non-lawyers who are appointed to three year terms and may serve no more than two consecutive terms. Trustees are volunteers and serve without compensation but are reimbursed for their actual and necessary expenses incurred in the discharge of their duties. The Trustees for the year ending 2012, were:

Officers

Paul S. Sighinolfi, Chair

Raymond J. Cota, Treasurer

Martha C. Gaythwaite, Secretary

Trustees

Meris J. Bickford, Esq.

Jared S. des Rosiers, Esq.

Jeffrey W. Porter

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

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 2012, the Trustees held one meeting and considered two claims. The Trustees determined that both claims were ineligible for reimbursement.

2012 Paid Claim Activity

Case Number	Attorney	Total Claims	Approved Payment	Area of Law
LFCP-12-224	Carolyn M. Asquith	1	\$5,675	Family Law
LFCP-12-225	Carolyn M. Asquith	1	\$7,325	Family Law
Total:		2	\$13,000	

Since its inception in 1997, the Fund has awarded \$329,458 to 85 claimants.

Finances

The Fund is supported by an annual assessment to Maine judges and attorneys. In FY-2012, the Fund collected \$126,740 in assessments.

The Fund's accounts were audited by Runyon, Kersten & Ouellette of South Portland, Maine. The fund balance on June 30, 2012, was \$1,200,413.

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