



Clients' Security Fund

Annual Report | Fiscal Year 2022 - 2023

The Clients' Security Fund was established in 1972 by Rule XII of the D.C. Court of Appeals Rules Governing the District of Columbia Bar and has operated continuously for 51 years through Fiscal Year 2022-23. The Fund's mission, as set forth in Rule XII, Section 3 is: “[To] maintain the integrity and protect the good name of the legal profession by reimbursing... losses caused by dishonest conduct of members of the District of Columbia Bar, acting either as attorneys or as fiduciaries customary to the practice of law...”

The Fund reimburses applicants for losses only as provided for in Rule XII of the Rules Governing the Bar, and the Fund's Rules of Procedure, adopted by the trustees and approved by the Board of Governors. There is a per-claim limit of \$100,000 in reimbursement.



Dishonest conduct, which must be found for reimbursement to be approved, is defined in the Fund's Rules as, “wrongful acts causing the loss of a client's money or property, and may include defalcation, embezzlement, conversion of money, and other wrongful taking of property.”

The Fund is administered by five court-appointed Trustees and funded by D.C. Bar license fees. Once a claimant has submitted a claim to the Fund, Fund staff determine whether the Fund has jurisdiction to hear the claim based on the Fund's Rules of Procedure. The claim is then assigned to an investigating Trustee, who submits a recommendation to the Board of Trustees. Lawyer respondents are provided with notice of the claim and given 30 days to respond.

The Board of Trustees meets monthly to discuss and vote on claims submitted to the Fund. Decisions about reimbursement are within the sole discretion of the trustees. There is no entitlement by any applicant to be reimbursed by the Fund, and decisions by the trustees are final. Applicants who do not agree with a decision of the trustees may submit additional information and request that their claim be reconsidered in light of the new information. If a request for reconsideration is denied, the decision of the trustees is final.

Payments on approved claims are conditioned upon the claimant executing an assignment of rights and subrogation agreement.

FY 2022-23 AT-A-GLANCE

19 Claims Opened

- 18 Unearned Legal Fees
- 1 Other Conversion

17 Claims Approved

2 Claims Denied

\$125,460.82 Reimbursed to Claimants

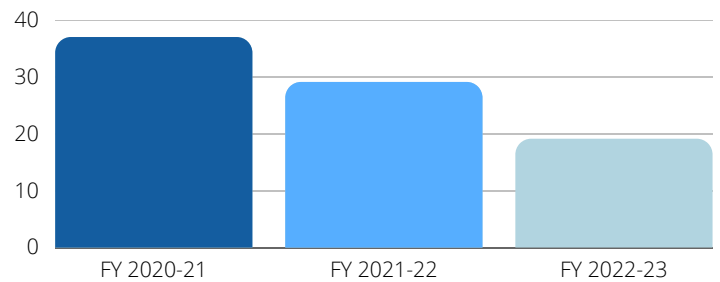
\$7,695 Restitution Received

\$152,426 Bar Allocation to Fund

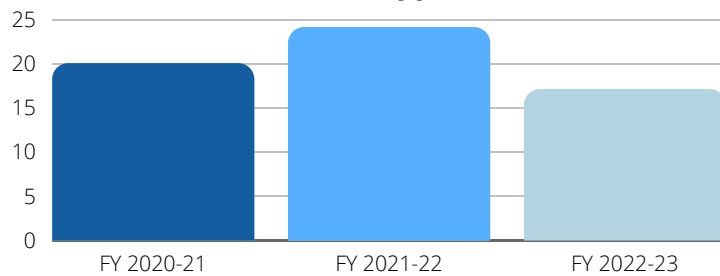
\$66.44 Interest Earned

Yearly Comparative Data

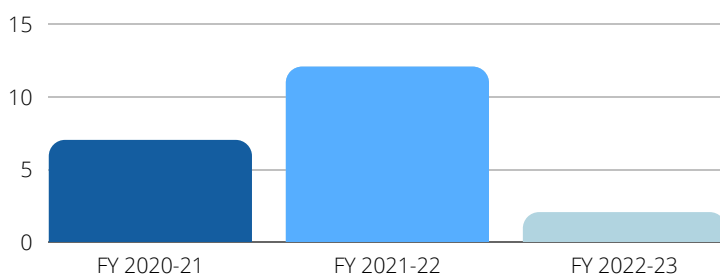
Claims Filed



Claims Approved



Claims Denied



A LOOK AT OUR FY 2022-23 TRUSTEES

- **Chair: Brian Wolfman, Esq.**, *Director of the Georgetown University Law Center Appellate Courts Immersion Clinic*
- **Vice-Chair: Leah Nicholls, Esq.**, *Senior Attorney, Public Justice*
- **Victor E. Long, Esq.**, *Senior Partner, Regan Zambri Long*
- **Brenda Oliver, Esq.**, *Principal, Jackson Lewis, PC*
- **Carolyn P. Vinson, Esq.**, *Counsel, Venable, LLP*

CLAIMS DECIDED

Claims Decided in FY 2021-22: 37

Claims Decided in FY 2022-23: 19

Percent Change: 49% decrease

RESTITUTION RECEIVED

Amount Paid in FY 2021-22: \$5,340

Amount Paid in FY 2022-23: \$7,695

Percent Change: 44% increase