

**NEW JERSEY LAWYERS' FUND  
FOR  
CLIENT PROTECTION**



**2012 Annual Report**

**Submitted to the**

**Honorable Chief Justice and  
Members of the  
Supreme Court of New Jersey**

# **NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION**

## **BOARD OF TRUSTEES**

### **CHAIR**

JEAN M. RAMATOWSKI

### **BAR MEMBERS**

PATRICK J. CASERTA

LISA J. RODRIGUEZ

MICHAEL L. RODBURG

JAMES R. BEATTIE

### **PUBLIC MEMBERS**

ALAN L. WILLIAMS

JOSEPH SEVERINO

## **DIRECTOR & COUNSEL**

DANIEL R. HENDI



**Jean M. Ramatowski, Esq.** completed her term in December 2012. She joined the Fund in December 2004 to complete the term of former trustee Patricia Roe, Esq. who had been appointed to the Superior Court Bench. In January 2008, Ms. Ramatowski was again appointed to the Fund's Board of Trustees and has served as its chair since 2009. She is a certified matrimonial attorney and partner with Ramatowski Spilka & Schwartz in East Brunswick, NJ. She is a graduate of Rutgers University (B.A. 1980) and Seton Hall Law School (J.D. 1983), as well as a member of the ABA, NJSBA, Middlesex and Monmouth County Bar Associations, American Academy of Matrimonial Lawyers, and the Mid-Jersey Collaborative Law Alliance. Honors include the Edward Schoifet Award, Certificates of Appreciation from Women Aware, Inc., the District Ethics Committee, the American Academy of Matrimonial Law, and a Commendation from the Middlesex County Bar Volunteer Attorney Program.



**Patrick J. Caserta, Esq.** joined the Fund in January 2009. He is an arbitrator and solo practitioner in Wayne, NJ. Mr. Caserta graduated from Rider University (B.S. 1973) and Seton Hall University Law School (J.D. 1980). He is a former president of the Passaic County Bar Association, a member of the NJ State Bar Association, and has served as chair of the District Ethics Committee and the District Fee Arbitration Committee. Mr. Caserta was formerly a revenue officer with the Internal Revenue Service and an assistant Passaic County prosecutor. His practice has focused on litigation, tax matters, and the representation of members of the NJ State Policemen's Benevolent Association and NJ State Police unions.



**Alan L. Williams** returned to the Fund as a public member in May 2009, having completed a prior term in 2006. He is president of the GSL Savings Bank in Guttenberg, NJ and is a graduate of Long Island University where he earned his B.S. degree in business finance. Mr. Williams' appointments include membership on the Board of Directors of the Federal Home Loan Board of New York, the Supreme Court District Ethics Committee, the New Jersey and the Hudson County S & L Leagues, Chairman of the Fairview Lake YMCA Camp, Director of the North Hudson Red Cross, and membership in the North Jersey Business and Professional Business Association.



**Lisa J. Rodriguez, Esq.** joined the Fund in January 2010. She is a member of the firm of Trujillo Rodriguez & Richards, LLC in Haddonfield, NJ. Ms. Rodriguez is a graduate of George Washington University (B.A. 1978) and a 1983 graduate with honors of George Washington University Law School. She specializes in class action suits including securities, antitrust and consumer cases. Ms. Rodriguez is a past president of the Association of the Federal Bar of New Jersey. She is currently a member of the Supreme Court Committee on Character.



**Michael L. Rodburg, Esq.** joined the Fund in January 2011. He is a partner with the law firm of Lowenstein Sandler in Roseland, NJ. He graduated from MIT (B.S. 1968) and Harvard Law School (J.D. 1971), *magna cum laude*. Mr. Rodburg, who concentrates in environmental law, is one of the founders of modern environmental legal practice. He served more than a decade as Lowenstein Sandler's managing director, chairman, president and CEO, leading the firm beyond its New Jersey roots to national prominence and guiding it to become one of the 200 largest law firms in the nation.



**James R. Beattie, Esq.** joined the Fund in January 2012. He is a senior member and founding partner of Beattie Padovano, LLC, in Montvale, NJ. Mr. Beattie graduated from Rutgers University (B.S. 1957) and Notre Dame School of Law (J.D. 1960). As a member of the State and Bergen County Bars, Mr. Beattie has served and chaired committees such as Land Use, Banking, Professionalism in the Law, and Public Image of Attorneys. Mr. Beattie is a member of the Board of Governors of Hackensack University Medical Center and serves as a trustee and treasurer of the Hackensack University Medical Center Foundation.



**Joseph Severino** joined the Fund in April 2012 as a public member. He is a retired deputy director of the NJ Department of the Treasury, Division of Revenue. Mr. Severino graduated from Temple University (B.A. 1970) with a major in accounting and a minor in management. He is a former 1<sup>st</sup> Lt. in the US Army. Mr. Severino is a long standing member of the Board of Directors of the NJ Law & Public Safety Credit Union, having served as its treasurer since 1995. His civic affiliations include the Franklin Park Civic Association, the Trenton Council of Civic Associations, and the Community Police Action Committee.

## Table of Contents

### Biographical Sketches of Trustees

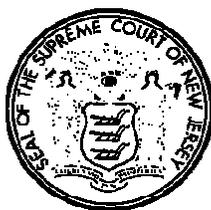
### Annual Report

History and Purpose	1
Board of Trustees	1
Fund Resources	1
Filing of Claims	
Proper Claimant and Proofs Required	2
The Fund's Limited Jurisdiction	2
How to File a Claim	2
How Claims are Decided	2
Limits on Claims	2
Recovery of Payments Made	3
Overview of 2012 Activity	
Elections	3
New Trustees	3
Transition Completed	3
Personnel	3
Code of Policy	4
Professional Meetings	4
Digitizing Documents	5
Web Meetings	5
New Brochures and Web Page	5
Office Equipment	5
Telephones	6
Hurricane Sandy	6
Compliments	6
Resignations and Consideration of Inactive Status	6
The Michael Kwasnik Claims	7
Visit from Japanese Judge	7
Meeting with Former Trustees	7
Revenues	
Subrogation Receipts and Collateral Sources	8
Interest Income	8
Annual Billing	8
New Jersey Bar Population	9
Non-Plenary Income	9

Claims Filed	10
Claims Paid	10
Conclusion	10

#### Appendices

Fund Brochure	
Screenshot of Web Page	
Statement of Claim Form	
Graphs and Table	
Bar Population - 2012	A1
History of Claims Filed 1969 - 2012	A2
Number of Claims Filed 1969 - 2012	A3
Payments Made 1969 - 2012	A4
Subrogation Receipts 2000 - 2012	A5
Lawyers with Highest Defalcations - 2012	A6
Status of Claims Received or Converted in 2012	B1-B8
Status of Claims Received or Converted prior to 2012	C1-C7
December 2012 Treasurer's Report	D



# **NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION**

## **ANNUAL REPORT FOR 2012**

### **History and Purpose**

The Lawyers' Fund for Client Protection ["Fund"], known as the Clients' Security Fund before 1991, was created by the New Jersey State Bar Association in 1961 and formally established by the Supreme Court of New Jersey in 1969. Its purpose has always been to reimburse clients in those rare instances when a lawyer betrays a client's trust by misappropriating funds.

The Fund is governed by R. 1:28 of the New Jersey Court Rules, 1969. Rules and Regulations adopted by the Board of Trustees and approved by the Supreme Court of New Jersey provide for the administration of the Fund, the exercise of the Trustees' investment powers, and the procedures for the presentation, consideration, and payment of claims.

### **Board of Trustees**

The Fund operates under the direction of a volunteer, seven-member Board of Trustees comprised of five lawyers and two non-lawyers. Members are appointed by the Supreme Court of New Jersey to serve staggered five-year terms. The Trustees serving at the close of 2012 were:

1. Bar Member	Jean M. Ramatowski	Term Expires	December 31, 2012
2. Bar Member	Patrick J. Caserta	Term Expires	December 31, 2013
3. Bar Member	Lisa J. Rodriguez	Term Expires	December 31, 2014
4. Bar Member	Michael L. Rodburg	Term Expires	December 31, 2015
5. Bar Member	James R. Beattie	Term Expires	December 31, 2016
6. Public Member	Alan L. Williams	Term Expires	December 31, 2013
7. Public Member	Joseph Severino	Term Expires	December 31, 2016

### **Fund Resources**

New Jersey lawyers and judges, as well as lawyers granted permission to practice in New Jersey, pay into the Fund each year. The Fund receives \$25 from New Jersey lawyers in their third and fourth calendar year of admission, \$50 from those in their fifth through 49<sup>th</sup> calendar year of

admission, and \$50 from *pro hac vice* attorneys, multi-jurisdictional practitioners, in-house counsel, and foreign legal consultants.

### **Proper Claimant and Proofs Required**

A successful claimant must prove an attorney/client or fiduciary relationship with a lawyer and show a compensable loss, that is, that the lawyer stole money collected in trust on behalf of the claimant. A successful claimant must prove the case by showing receipt by the lawyer of money or property belonging to the claimant, conversion of funds by the lawyer, and a loss resulting from dishonest conduct. Specific proof of payment to the lawyer may include copies of canceled checks, escrow agreements, retainer agreements, and settlement statements. Each lawyer named in a claim will receive a copy of the claim with its supporting documentation and an invitation to reply and provide proofs.

### **The Fund's Limited Jurisdiction**

Before the Fund can formally begin its investigation, the lawyer who is the subject of a claim must be suspended, disbarred, or deceased. Claims involving pure fee disputes, ill-advised or unfortunate investments placed through attorneys, and professional negligence or allegations of malpractice are not compensable by the Fund. The Fund does not generally pay interest on losses or consequential damages.

### **How to File a Claim**

Claim forms can be requested in writing, by telephone, online or, as of 2012, downloaded from the Fund's web page. Claimants can sign a certification in lieu of oath pursuant to *R. 1:4-4 (b)*, thus eliminating the need to find a notary or lawyer for signature verification. The Fund's staff will assist callers with the filing process. The original and two copies of an executed claim form must be submitted. There is no filing fee and a lawyer assisting a claimant with a claim to the Fund may not charge a fee.

### **How Claims are Decided**

The Fund's legal staff reviews and investigates all claims and prepares a comprehensive agenda for the Board of Trustees to consider. The Trustees meet monthly to decide claims. *R. 1:28-3* gives the Trustees sole discretion to decide all claims, including the amount, timing, and conditions of payment. In some instances, a hearing is held to take testimony from the claimant, the respondent, and any other persons with relevant knowledge concerning the matter.

### **Limits on Claims**

There is a limit of \$400,000 per claimant for claims arising after January 1, 2007, with an aggregate maximum of \$1,500,000 for claims paid against any single lawyer. On certain occasions, the Court has considered petition by the Board of Trustees for an increase in the aggregate maximum to best serve the Fund's mission. The Trustees plan to put forth such a petition in 2013 due to the extraordinary number and amounts of claims filed against Michael

Kwasnik Although some individual claims against Kwasnik exceed \$400,000, an increase in the per claimant maximum will not be requested.

### **Recovery of Payments Made**

For every claim that is paid, the Fund and the claimant will execute a *Release, Assignment and Subrogation Agreement* that will then permit the Fund to pursue the claimant's rights against the dishonest lawyer and anyone else that might be liable under the law. It is the Trustees' policy to seek reimbursement for all claims paid in order to protect the integrity of the pool of money that they administer on behalf of the Bar.

### **Overview of 2012 Activity**

#### **Elections**

The Trustees conducted their organizational meeting on January 18, 2012. Jean M. Ramatowski was elected Chair, Patrick J. Caserta was elected Vice-Chair, Alan L. Williams was elected Treasurer, and Lisa J. Rodriguez was elected Alternate Treasurer. The Trustees reappointed the staff, including Daniel R. Hendi, Director and Counsel; Edward T. Ehler, Deputy Director; Ruby D. Cochran, Deputy Counsel and Board Secretary; and Shelley R. Webster, Assistant Treasurer.

#### **New Trustees**

The Trustees welcomed two new board members this year. James R. Beattie, a founding partner of Beattie Padovano, LLC, Montvale, NJ, joined us in February and Joseph Severino, a retiree from the Department of Treasury, Division of Revenue, joined us in May.

#### **Transition Completed**

2012 marked Daniel Hendi's first full year as Director of the Fund following Kenneth Bossong's retirement in June of 2011. The Trustees' goals for the Fund's performance have been met under Mr. Hendi's direction with increases in the number of claims received, number of claims disposed, and subrogation income collected when compared with the previous two years. The staff has adjusted to Mr. Hendi's leadership style and has continued to provide excellent support services. The meticulous record keeping by the bookkeeper and lead workers resulted in 100% agreement between the non-plenary programs and the bookkeeper indicating that the number of attorneys credited was in perfect agreement with cash receipts. Accuracy for the New Jersey plenary group was also excellent at 99.99%.

#### **Personnel**

Michael McCormick was selected in September to fill the Senior Counsel position that was vacated upon Edward Ehler's promotion to Deputy Director. Human Resources approved the position early in the year, downgrading it from a Court Executive 2B to an Attorney 2 level. The Fund presented its case for retaining the Court Executive 2B designation but could not prevent the downgrade from taking place. Mr. McCormick returned to the Fund from the Attorney General's office, having mastered the skills necessary to be a first class forfeiture attorney, including interacting with county prosecutors, investigators, and members of the AG's office. Mr. McCormick previously served the Fund as the director's secretary in the summer of 1990,

Ethics Analyst from May 1991 - November 1993, and Deputy Counsel & Secretary from November 1993 - March 1999.

The Fund had one part-time (944 hours) position in the Billing Unit from March through October. The part-timer performed a variety of clerical tasks and answered telephone billing inquiries. The Fund sought to immediately refill the position when the part-timer found full-time employment and resigned the position.

### **Code of Policy**

The updated Code of Policy was distributed to the Trustees in June. The Code was revised through November 2011, with the exception of 2000 and the first half of 2001, by Former Director Kenneth Bossong. Director Hendi assigned Board Secretary, Ruby Cochran, to document significant policy decisions by the Board going forward and to ensure that annual updates to the Code are made rather than random periodic revisions. Also, a new method of keeping track with changes in the Code of Policy was established by requiring every claim write-up to contain a reference to the Code section that applies.

### **Professional Meetings**

In early February, Director Hendi attended the American Bar Association (ABA) Standing Committee on Client Protection meeting that was held in conjunction with the ABA mid-year meeting in New Orleans, Louisiana. Resolution 105, amending the Model Rules for Fee Arbitration to refine current practices in order to increase productivity, efficiency and fairness, passed without opposition.

On June 1 and 2, Director Hendi and the Fund's staff attorneys attended the ABA's 28<sup>th</sup> Annual Forum on Client Protection that was held in conjunction with the 38<sup>th</sup> National Conference on Professional Responsibility in Boston, Massachusetts. Director Hendi moderated two sessions: a public awareness session, *How Not to be the Best Kept Secret*, and the *Difficult Claims Workshop*. According to evaluation forms shared with the ABA Committee members at the end of the conference, these sessions were highly regarded and rated for information and content.

On October 1 and 2, the National Client Protection Organization (NCPO) Regional Workshop was held in Philadelphia, Pennsylvania. Director Hendi moderated a panel that provided some insight into how public members viewed their role on Fund Boards, including what they believed they brought to the decision process. The three public members on the panel were past or present Fund Trustees: Rutgers Professor Susan Lawrence, who served a total of 12 years; Bank Officer Alan Williams, a current trustee who, by the end of his term in 2013, will have served a total of ten years; and retired NJ Department of Treasury Assistant Director, Joseph Severino, the newest member of the Board. The panel suggested ways to facilitate public members' participation on Boards, discussed whether formal training was necessary to be immediately effective, and discussed whether hearings helped or hindered them in resolving claims.

Deputy Director Edward Ehler moderated a session on Trustee meetings. New Jersey Trustees Patrick Caserta, Lisa Rodriguez, and Alan Williams participated with Eric Anderson, the Chair of the Pennsylvania Client Security Fund. They shared their perspectives on meetings and gave attendees an opportunity to consider how often Boards should meet, the frequency and need for hearings, live vs. online meetings, and staff participation at meetings (whether staff should

openly participate or only share views when asked). The Fund's use of pre-meeting ballots was mentioned as an important time-saving tool that many other jurisdictions had not yet adopted. It was noted that in some other jurisdictions, the Trustees themselves did the investigations and prepared the summaries of claims.

### **Digitizing Documents**

The Fund's current agendas are imaged and stored in PDF format on the AOC mainframe and backed up according to AOC policy. In January, the Trustees authorized digital imaging and storage of the Fund's old agendas at a one-time cost of up to \$10,000. Director Hendi negotiated indexing details with the vendor and reached an agreement to cap costs at \$6,700. The project was completed in the fall at a cost of \$5,775. Complete agendas dating back to January 1983 can be securely viewed by staff online.

At the request of Director Hendi, in February the Fund also began scanning incoming claims as they were docketed. This procedure ensures that the files are saved each night when the servers are backed up, thereby preserving the data offsite and making them easily recoverable in the event of a disaster or other emergent office closing.

### **Web Meetings**

Polycom, a software package that allows the Trustees to meet by video through a secure connection, was tested and enabled in September. The application will allow the Trustees to have virtual meetings, when such will suffice, instead of traveling to the Justice Complex.

### **New Brochures and Web Page**

The Fund's information brochure and a copy of the new web page are attached immediately following this Report, along with a copy of our revised Statement of Claim form. These were updated to introduce a more streamlined and user-friendly design along with navigation tools on the web page to access information about the Fund, obtain revamped forms, and get instructions about how to file. Lawyers can also obtain change of address forms and access the Attorney Online Registration and Payment Center more easily as well. Through the new web page design, the Fund also completed its first full year of providing electronic access to monthly Agendas to the Board. This resulted in greater efficiency and savings as more members chose to use the internet rather than receive paper Agendas to consider claims each month.

Carla Cousins should be acknowledged for working with the AOC Web Team through numerous revisions and tests, as should Eulalia Brooks for her practical editing of some of the technical pages.

### **Office Equipment**

The Fund purchased 14 new computers in 2012 to move toward Windows 7 and away from Windows XP which shall no longer be supported by ITO. The partial cost of seven computers was billed to the Office of Attorney Ethics (OAE) in the same proportion as other expenses are shared as part of the annual registration and payment process. The Fund also installed a second monitor on the desktops of the clerks in the billing department, allowing them to better serve callers by enabling simultaneous access to several applications. A judiciary issued Blackberry telephone was obtained for Deputy Director Ehler.

Director Hendi recommended that the Trustees and the legal staff make a transition to the use of tablets. The purchase of the Apple iPad was recommended because it was fully supported by the Judiciary's ITO iPad team. Those familiar with Apple products appreciated the iPad's size and functionality. All iPads would be loaded with Polycom and other productivity tools as approved by the Trustees. The Trustees voted in favor of this proposal to take effect in 2013.

### **Telephones**

The Fund fielded over 24,000 telephone calls in 2012. The current Centrex system has proved inadequate for this volume of calls. Director Hendi researched systems that could queue calls, announce wait time, and give callers the option to leave a voice mail message. Facilities Management reported on possible vendors that could serve the Fund's needs, Avaya (digital) and Cisco (Voice Over internet Protocol [VoIP]). VoIP could provide a level of flexibility not presently available. Certain features may allow staff to work from home during non-standard hours which would provide a broader level of coverage and customer service as well as continued operations in the event of a building shutdown. Since VoIP is also being looked at by the Judiciary as an option for other units in the AOC, it may prove to be more feasible as a global solution to an acceptable call center that the Fund can use.

### **Hurricane Sandy**

The Fund was closed October 29 through October 31 due to Hurricane Sandy. The telephone chain and the emergency notification system were effective in notifying employees of the situation. Fund staff fared relatively well. All necessary meeting materials were generated and all deadlines were met by staff.

### **Compliments**

In April, Director Hendi received a call from Noreen Hagerty-Ford, Esq., an active duty JAG officer in California who stated that she was very pleased with the service provided by the Fund during two previous calls. She was assisted the second time by Joan Carcich of the Billing Unit.

In June, the Trustees noted the receipt of a commendation letter from Thomas Shields, III, Esq. regarding a telephone call handled for him by Carla Cousins, Supervisor of the Billing Unit, and Judge Grant's response to the letter regarding Carla's excellent service to the Fund.

In December, the Trustees noted a thank-you letter from Mark J. Sokolich, Esq. on behalf of the Estate of Maione. The letter was directed to Deputy Director Edward Ehler but acknowledged his staff in the legal department, namely his assistant Diana Perea.

### **Resignations and Consideration of Inactive Status for New Jersey Attorneys**

There were 631 attorneys who resigned from the New Jersey Bar from January 1 through December 31, 2012, compared to 513 in 2011 and 200 in 2010. Many informed us that although they did not object to paying the annual assessment, they could not or would not comply with BCLE requirements. Assuming a \$50 fee per lawyer, the Fund lost \$31,550 in revenue due to resignations in 2012.

To address the increase in resignations, Mr. Hendi was asked to meet with representatives from the Board of Continuing Legal Education, the Clerk and Deputy Clerk of the Supreme Court, the *pro bono* administrator, and the OAE Director to discuss the feasibility of recommending to the

Court the adoption of an “inactive” status for out-of-state attorneys who want to keep their NJ licenses but do not practice here. After reviewing what New York and Pennsylvania were doing in this regard, the attendees concluded that a deeper study of inactive status in other states was needed before a recommendation could be made to the Court.

### **The Michael Kwasnik Claims**

Due to the number of claims filed against Michael Kwasnik and the high potential sums, the Trustees decided that the proper way to address the claims was to consider the merits of each claim but reserve determination of award amounts for the claims deemed valid within our jurisdiction. Compensable claimants were to be notified that their claim had been considered but that the award amount would be determined when sufficient information was available to equitably resolve how much would be available for distribution. The Trustees planned to petition the Supreme Court in 2013 to lift the aggregate maximum for the Kwasnik claims but would not grant awards above the per claimant cap of \$400,000.

The Pennsylvania Fund also received claims against Mr. Kwasnik. Pennsylvania’s more liberal nexus should permit New Jersey claimants to also file claims in that State. Director Hendi discussed with the Pennsylvania Fund’s Director how the two jurisdictions could work together to compensate victims in a manner that was equitable and respectful of each Fund’s limitations. New Jersey has a cap of \$400,000 per claimant and \$1.5 million per respondent. Pennsylvania has a cap of \$100,000 per claimant and may implement a respondent cap in the future though there is none at present.

Five hearings in the Kwasnik matters were held at the New Jersey State Bar Association Law Center in New Brunswick on December 3, 2012 at a special meeting just for that purpose. Although invited, Mr. Kwasnik did not attend. The year ended with 58 claims against Michael Kwasnik totaling \$49,211,341.50 with a maximum payable of \$13,070,230.40. One claim was rejected. The Fund laddered the maturity dates of its reinvested Treasury Notes to ensure adequate availability of cash for potential payouts in 2013 should the Court approve an application by the Fund to increase the aggregate maximum.

### **Visit from Japanese Judge**

The Trustees welcomed to the November meeting visiting Judge Takahiro Ogawa, who sits in Japan’s Kobe District Court. He was also welcomed to the December meeting to meet former Board members and Bar leaders.

### **Meeting with Former Trustees**

The current Trustees and staff met with the former Trustees immediately after the December meeting. Associate Justices Jaynee LaVecchia and Anne Patterson were also present. The discussion included how to handle claims against deceased attorneys who otherwise had unblemished records. From the perspective of the client who paid a retainer but did not receive legal services, it was dishonest conduct for the estate of the deceased attorney not to return that portion of the retainer that was not earned. It was noted that it was not the Fund’s function to guarantee services, or work product, or contracts between attorneys and their clients, or to compensate every client who did not get everything that they wanted from their attorney or the matter being handled by the attorney. These claims would continue to be handled on a case-by-case basis.

A brief ceremony followed in which Vice-Chair Patrick Caserta presented a plaque to outgoing Trustee Jean Ramatowski and thanked her for her many years of service to the Fund. Justice LaVecchia commented on the grace with which Trustee Ramatowski had executed her duties.

Director Hendi gave the attendees a “State of the Fund” presentation. As of the December meeting, the Fund had collected over \$1 million in subrogation and litigation payments during 2012, paid out \$1.7 million in claims, and held a healthy reserve of approximately \$25 million dollars. The passing of former Trustee Jack McFeeley was noted.

## **Revenues**

### **Subrogation Receipts and Collateral Sources**

Upon payment of awards, the Fund uses assignments of rights from all claimants to seek recovery of the money paid, both from the wrongdoer and from third-party collateral sources. Whether and to what extent compensable losses occur in a way that presents potential recovery from collateral sources is a matter over which the Fund has no control. Where appropriate, the Fund may make demand upon respondents and collateral sources of recovery even before considering a claim, thus altogether eliminating the need for the Fund to pay.

The Fund’s legal department managed by Edward Ehler over Michael McCormick and Ruby Cochran, pursued subrogation at all levels pursuant to *R. 1:28-1 et seq.* 2012 receipts were \$984,320, up from \$767,472 in 2011 and \$387,934 in 2010. 211 of 693 respondents for whom claims have been reimbursed have repaid the Fund in full. An additional \$581,157 in claims was discontinued when the claims were paid by collateral sources. Thus, the overall benefit to the Fund of the subrogation and litigation effort was \$1,565,477. This figure is \$75,443 more than the Fund’s entire administrative (non-claims) expense for the year. Ruby Cochran’s continued diligence in comprehensive enforcement is also recognized. The use of the Comprehensive Employment Program has enhanced the collection of court-ordered judgments and restitutions from respondents.

### **Interest Income**

Interest income on US Treasury securities, the Cash Management Fund, and government-backed certificates of deposit has declined each year since 2007. Earnings in 2012 totaled \$183,050, down 19% from the 2011 total of \$226,109.

### **Annual Billing**

The Fund again conducted the annual assessment not only for itself, but for the Disciplinary Oversight Committee (DOC), which funds the Disciplinary Review Board and OAE, the Board on Continuing Legal Education (BCLE), and the Lawyers Assistance Program (LAP).

In accordance with the AOC’s initiative to promote use of the Attorney Online Registration and Payment Center, a one-time \$5 discount of the 2012 assessment was offered to attorneys for online payment. The Fund absorbed 50% of the cost of the discount, reducing the amount collected from the assessment by \$115,072.50. To further encourage online participation, the billing instructions and inserts for OAE and BCLE were made available only online. The pro bono exemption codes were made available online and were mailed along with the LAP brochure

and the 2012 billing form. The form prominently displayed the web address for the online system and directed attorneys to the website for instructions and additional information. Online payees increased from 45% of total payees in 2011 to 72% in 2012.

Out of the \$199 paid by most New Jersey attorneys, the Fund received \$50, the DOC received \$135, LAP received \$10, and BCLE received \$4; the \$170 payments made by lawyers in their third and fourth years of admission were split \$25 to the Fund, \$135 to the DOC, and \$10 to LAP. Those in their second calendar year paid \$35; \$25 went to the DOC and \$10 went to LAP. Second year attorneys remained exempt with the Fund. Expenses as well as revenues were shared between the Fund and the DOC, although the 50-50 division of costs did not reflect the revenue split. Most payments were received by a lock box or through the online payment center, deposited directly into a clearing account, and then split into the appropriate interest-bearing accounts. The late fee for lawyers not in timely compliance with the annual assessment was \$40.00. Those not even in late compliance were declared ineligible to practice law by Order of the Supreme Court effective September 24, 2012. The fee for reinstatement from the Ineligible List was \$50 if on one year's list or \$100 if on two or more years' lists, except for those entitled to the retired or military exemption for every year previously ineligible.

The Clerk of the Supreme Court noted that the lawyers who provided address and e-mail updates on the Fund's section of the billing form may not have authorized the release of their information to the public. The Trustees suggested a change in the wording on the forms. In 2013, the instruction on that portion of the form will be changed from "not confidential" to "may be provided to the public".

### **New Jersey Bar Population**

The number of lawyers in New Jersey increased from 90,149 to 91,880. The new lawyers added to the list of those licensed totaled 3,210 while 1,479 deletions included 552 revocations, 264 deceased, 631 resigned, and 32 disbarred. The breakdown of the billing status for the members of the Bar as of December 31 was as follows:

<u>Category</u>	<u>Number</u>	<u>Percentage</u>
Paid \$50	59,576	64.84%
Paid \$25	5,237	5.70%
Plenary Exempt (1st Year)	2,974	3.24%
2nd Year (Paid DOC & LAP)	2,907	3.16%
50 Year Exempt	884	0.96%
Military Exempt	363	0.40%
Retired Exempt	12,971	14.12%
Administrative Delete	27	0.03%
Ineligible	6,445	7.01%
Old New/No Response/Holding	1	0.00%
Suspended/Disability Inactive	495	0.54%
TOTAL	91,880	100.00%

### **Non Plenary Income**

Revenues from *pro hac vice* attorneys, who must pay the annual assessment for as long as their appearance continues in at least one New Jersey matter, rose from \$342,850 in 2011 to \$359,952,

an increase of 4.99%. Combined revenues from in-house counsel, multi-jurisdictional practitioners, and foreign legal consultants rose from \$71,250 to \$74,900, a 5.12% increase. Late and reinstatement fees dropped 18.35% from an inflated high of \$415,074 in 2011 to \$338,892.

### **Claims Filed**

After four consecutive years of increases, the number of claims filed dropped from 181 in 2011 to 175 in 2012. The claimed loss, however, increased from \$19,177,128 to \$51,396,806 and the maximum payable increased from \$12,307,883 to \$15,397,291 largely due to the Kwasnik claims. When the 175 new claims are added to the 135 pending at the beginning of the year, a total of 310 claims were pending during 2012. 80 were approved, 28 were rejected, and 17 were discontinued. 185 claims remained pending at year end.

### **Claims Paid**

The number of claims paid dropped from 117 in 2011 to 85 in 2012. The total value of claims paid dropped from \$2,612,344 to \$2,236,109. The average payment, however, increased from \$22,328 to \$26,307 because the drop in value was less steep than the drop in quantity.

It remains appropriate to point out how *few* lawyers come within our jurisdiction as “dishonest”. Forty former lawyers were responsible for the damage in 2012; a fourth of them accounted for 72.7% of the Fund’s 2012 payout:

Diane S. Avery	400,000.00
Bruce D. Hersh	292,000.00
Eugene M. LaVergne	148,919.21
John A. Miele, III	135,453.51
Gary P. Levin	129,590.33
Mark E. Gold	124,666.52
Alfonso Robinson, III	104,000.00
Yong-Wook Kim	102,672.50
Avis Cole Williams	100,000.00
Jeffrey P. Squitieri	88,000.00

In the Fund’s 44 years, claims have been paid against a total of 693 respondents, well under 1% of the lawyers licensed in all those years. As noted above, there were 91,880 lawyers admitted in New Jersey at the end of 2012.

### **Conclusion**

Client protection is a realm in which it is difficult to prove cause and effect as well as to gauge how much the Fund may be called upon to pay in any given year. We acknowledge that the Fund is a component of a larger plan set out by the Court and regulatory agencies to protect the public. Loss prevention mechanisms like the Random Audit Program, Overdraft Notification, and the Insurance Payee Notification Regulation save the Fund money as does the Lawyers Assistance Program when it saves a career before it becomes unsalvageable.

We know that the overwhelming majority of lawyers are honest. Financial pressures do not necessarily translate into stealing to make ends meet and most lawyers do the right thing even in difficult times; the Fund's work is truly to protect against aberrant conduct. As long as there is a sufficient reserve to cover victims' losses and the victims can realize the great value that the Court and the Bar place in their dealings with New Jersey Bar members, the Fund's mission is intact and is being fulfilled.

In the exercise of our discretion under *R. 1:28*, we study, we observe, and we analyze in order to fulfill our mission. We study the law, the facts of the claims, and client protection policy as well as keep abreast of local and national trends. We analyze facts in matters in light of the law and Fund policy. We observe that precious opportunities to right wrongs visited upon trusting clients by dishonest lawyers can be lost when Funds are beholden to forces other than a supportive Supreme Court. We deeply appreciate the lawyers and judges of New Jersey who make the Fund's good work possible and the Supreme Court whose enlightened support has never been more important.

Respectfully submitted,

Jean M. Ramatowski, Chair  
Patrick J. Caserta, Vice Chair  
Alan L. Williams, Treasurer  
Lisa J. Rodriguez  
Michael L. Rodburg  
James R. Beattie  
Joseph Severino

## Fund Resources

The awards that are made by the Board of Trustees are *not tax dollars*. New Jersey lawyers and judges, as well as those lawyers granted permission to practice in New Jersey, such as *pro hac vice* lawyers (PHV), multi-jurisdictional practitioners (MIP), in-house counsel (IHC), and foreign legal consultants (FLC), pay into the Fund each year.

The fee that lawyers pay is \$25 for New Jersey lawyers in their third and the fourth calendar year of admission, and \$50 for those in the fifth through the 49th year. Those admitted more than 50 years in New Jersey are exempt.

## Helping Victims and the Profession

One dishonest lawyer can cause significant harm to law clients and also to the reputation of the Bar. The Lawyers' Fund for Client Protection is often the only means available to reimburse victims when this aberrant behavior occurs.

New Jersey lawyers can be proud because the Supreme Court and the Bar are committed to protect the public against lawyer theft by maintaining a healthy and a responsive Lawyers' Fund for Client Protection. It is good for the public and good for the Bar, serving both in the highest tradition of the New Jersey Judiciary.

## New Jersey Lawyers' Fund For Client Protection

Hughes Justice Complex  
25 Market St., PO Box 961  
Trenton, NJ 08625-0961

For more information, visit  
[www.njcourts.com/cpf/index.htm](http://www.njcourts.com/cpf/index.htm)

### Or call us:

Claims: 609-292-8008  
Billing: 609-292-8079  
Fax: 609-394-3637



Stuart Rabner  
Chief Justice

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Director  
Daniel R. Hendi

May 2012

# NEW JERSEY LAWYERS' FUND For CLIENT PROTECTION



*“Our Commitment to Law Clients”*

# YOUR LAWYERS' FUND FOR CLIENT PROTECTION

## **New Jersey Lawyers' Fund For Client Protection**

Formerly known as the Clients' Security Fund, the New Jersey Lawyers' Fund for Client Protection has served the same noble purpose since its creation more than 40 years ago: To reimburse clients in those rare instances when a lawyer betrays a client's trust by misappropriating funds.

### **Administration**

The Fund operates under the direction of a volunteer, seven-member, Board of Trustees. The five lawyers and two non-lawyers are appointed by the New Jersey Supreme Court and each member serves a 5-year term.

### **Proper Claimant and Proofs Required**

To be a proper claimant there must be proof of an attorney/client or fiduciary relationship with the lawyer as well as a "compensable loss", which generally means that the lawyer collected money on behalf of the claimant to be held in trust, and then stole it.

A claimant must be able to show that the lawyer:

- **Received money or property from the Claimant;**
- **Converted the funds received; and**
- **Caused a loss due to dishonest conduct.**

Specific proof of payment to the lawyer can include copies of cancelled checks, escrow agreements, retainer agreements, and settlement statements. Claimants must also provide a detailed explanation of the alleged loss caused by the lawyer's dishonest conduct with each claim form.

Each lawyer charged with wrongdoing in a claim will receive a copy of the claim with its supporting documentation and will be given an opportunity to reply and provide proofs.

### **Limits on Claims**

There is a limit of \$400,000 per claimant for losses arising after Jan. 1, 2007, with an aggregate maximum for all claims against any single lawyer of \$1.5 million. These limits are among the highest in the country.

### **The Fund's Jurisdiction**

Before the Fund can formally begin its investigation, the lawyer who is the subject of a claim must be suspended, disbarred, deceased, placed on disability inactive status, or convicted of embezzlement or misappropriation.

Claims involving pure fee disputes, unfortunate or ill-advised investments involving a lawyer, or professional negligence or malpractice, are not compensable. The Fund does not pay interest on losses or consequential damages.

### **How to File a Claim**

Claim forms can be requested in writing or by telephone. Our staff will assist callers with the filing process. The original and one copy of an executed claim form must be returned to us. There is no filing fee.

### **How Claims are Decided**

The Fund has a legal staff that reviews and investigates all claims and then prepares a comprehensive agenda for the Board of Trustees who meet monthly to decide claims. Court Rule 1:28-3 gives the Trustees sole discretion to decide claims, including the amount, timing, and conditions of payment. In some instances, a hearing is held to take testimony from the claimant, the lawyer, and other persons with relevant knowledge concerning the matter.

### **Recovery of Payments Made**

For every claim that is awarded a payment, the Fund and the claimant will sign a *Release, Assignment and Subrogation Agreement* that will then permit the Fund to pursue the claimant's rights against the dishonest lawyer and anyone else who might be liable under the law. The Trustees pursue reimbursement for all claims paid in order to protect the integrity of the pool of money that they administer on behalf of the Bar.

## NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION STATEMENT OF CLAIM

1. You **MUST** answer every question in the Statement of Claim. Incomplete forms will be returned.
2. You **MUST** provide us with copies of all evidence (but keep the originals in a safe place) that proves your loss such as cancelled checks, receipts, letters, closing statements, or any other document you believe will support your claim.
3. Court Rules do not permit attorneys who assist a claimant to charge legal fees for that service. See Court Rule 1:28-3(f).
4. Mail Completed forms to:
 

New Jersey Lawyers' Fund for Client Protection  
P.O. Box 961  
Trenton, NJ 08625-0961

**IF SPACE IS NOT ADEQUATE, ATTACH ADDITIONAL PAGES**

For more information visit [www.njcourts.com/cpf](http://www.njcourts.com/cpf) or call 609-292-8008

1. **NAME:** \_\_\_\_\_ **AGE:** \_\_\_\_\_ **SEX:** \_\_\_\_\_

**NAME:** \_\_\_\_\_ **AGE:** \_\_\_\_\_ **SEX:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**ZIP** \_\_\_\_\_

**PHONE: Home** \_\_\_\_\_ **Cell** \_\_\_\_\_ **WK** \_\_\_\_\_

2. **OCCUPATION:** \_\_\_\_\_

**DRIVER'S LIC. OR FEDERAL TAX ID#:** \_\_\_\_\_

3. **ATTORNEY THAT YOU ARE MAKING A CLAIM AGAINST:**

**NAME:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

4. **HOW LONG HAVE YOU KNOWN THIS ATTORNEY?** \_\_\_\_\_

5. **HOW LONG DID THIS ATTORNEY REPRESENT YOU?** \_\_\_\_\_

6. **HOW MUCH LOSS ARE YOU CLAIMING \$** \_\_\_\_\_

7. **IS YOUR CLAIM BASED ON:**  **ATTORNEY-CLIENT RELATIONSHIP,**  
**OR**  **FIDUCIARY RELATIONSHIP (GUARDIAN,**  
**EXECUTOR, TRUSTEE).**

8. (a) STATE HOW YOU MET AND WHEN YOU HIRED THE ATTORNEY; (b) STATE THE AMOUNT(S) PAID AND DATE(S) OF PAYMENT; (c) DESCRIBE THE DISHONEST CONDUCT THAT CAUSED YOUR LOSS; (d) ATTACH ALL PROOFS TO THIS STATEMENT OF CLAIM. *(Please be accurate and detailed.)*

9. IF CLAIM IS BASED ON INVESTMENT, LIST ALL MONIES THAT YOU INVESTED AND THE AMOUNTS PAID BACK TO YOU (INCLUDING INTEREST) BY YOUR ATTORNEY.

10. WHEN AND HOW DID YOU DISCOVER THE ALLEGED LOSS?

11. CAN YOUR LOSS BE REIMBURSED FROM ANY OTHER SOURCE?

12. DO YOU KNOW ANY ASSETS THAT THE ATTORNEY MIGHT OWN FROM WHICH RECOVERY CAN BE MADE? *(Please describe)*

13. HAVE YOU MADE OR ARE YOU MAKING ANY EFFORT TO RECOVER THE LOSS FROM THE ATTORNEY DIRECTLY? *(Please describe)*

14. PLEASE DESCRIBE ANY FINANCIAL HARDSHIP YOU ARE SUFFERING.

15. THE NAME, ADDRESS, AND TELEPHONE NUMBER OF ANY ATTORNEY OR OTHER PERSON WHO ASSISTED YOU IN THE PREPARATION AND PRESENTATION OF THIS STATEMENT OF CLAIM FORM:

NAME: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

\_\_\_\_\_ ZIP \_\_\_\_\_

TEL. # \_\_\_\_\_

16. HOW DID YOU LEARN ABOUT THE FUND?

17. STATE ON A SEPARATE SHEET OF PAPER ANY OTHER FACTS THAT YOU BELIEVE ARE IMPORTANT TO THE FUND'S CONSIDERATION OF YOUR CLAIM.

CERTIFICATION IN LIEU OF OATH

I/we certify that the foregoing statements made by me/us are true. I/we am/are aware that if any of the foregoing statements made by me/us are willfully false, I/we am/are subject to punishment. I/we further certify that I/we have informed, in writing, the basis of this claim to the appropriate County Prosecutor's office and Office of Attorney Ethics.

\_\_\_\_\_  
(Signature of Claimant)

Date: \_\_\_\_\_

\_\_\_\_\_  
(Signature of Co-Claimant)

Date: \_\_\_\_\_

## New Jersey Lawyers' Fund for Client Protection

The New Jersey Lawyers' Fund for Client Protection, an entity of the Supreme Court of New Jersey, exists under the authority of [Rule 1:28](#). It was established to reimburse clients who have suffered a loss due to dishonest conduct of a member of the New Jersey Bar. The New Jersey Lawyers' Fund for Client Protection was created as a Committee of the New Jersey State Bar Association in 1961. At the request of the Bar, the New Jersey Lawyers' Fund for Client Protection took its present form in 1969 and has served as a national leader. Formerly known as the Clients' Security Fund of the Bar of New Jersey, the New Jersey Lawyers' Fund for Client Protection's nature and purpose were not affected by the 1991 name change. The New Jersey Lawyers' Fund for Client Protection handles the payment and registration process for lawyers admitted to practice.

### Related Content

- [Contact Us](#)
- [FAQ - General/Claims](#)
- [FAQ - Annual Assessment - New Jersey Attorneys](#)
- [Helpful Links](#)
- [Helpful Telephone Numbers and Agencies](#)



### Press Releases [+]

- [Lawyers' Fund for Client Protection Releases Fourth Quarter Report 01/28/2013](#)
- [Lawyers' Fund for Client Protection Announces Deadlines for Claims](#)
- [2012 Ineligible List as of 05/06/2013](#)
- [2012 Pro Hac Vice Ineligible List as of 05/06/2013](#)
- [2012 IHC Ineligible List as of 05/06/2013](#)
- [2012 MJF Ineligible List as of 05/06/2013](#)



### Public Information [+]

- [Fund Brochure](#)
- [Claim Form](#)
- [Attorney Index](#)



### Attorney Information [+]

#### Attorney Online Registration and Payment Center

- [Annual Assessment - New Jersey Attorneys \(Rule 1:28-2\)](#)
- [Annual Assessment - Other than New Jersey Attorneys](#)
- [Billing Form Instructions](#)
- [Exemptions from Payment - New Jersey Attorneys](#)
- [Fee Schedule](#)
- [Mandatory Licensing of In-House Counsel](#)
- [Pro Hac Vice Admission Requirements](#)
- [Rule Changes Affecting the Billing of In-House Counsel, Pro Hac Vice Admittees, Multijurisdictional Practitioners, and Foreign Legal Consultants](#)

#### Forms:

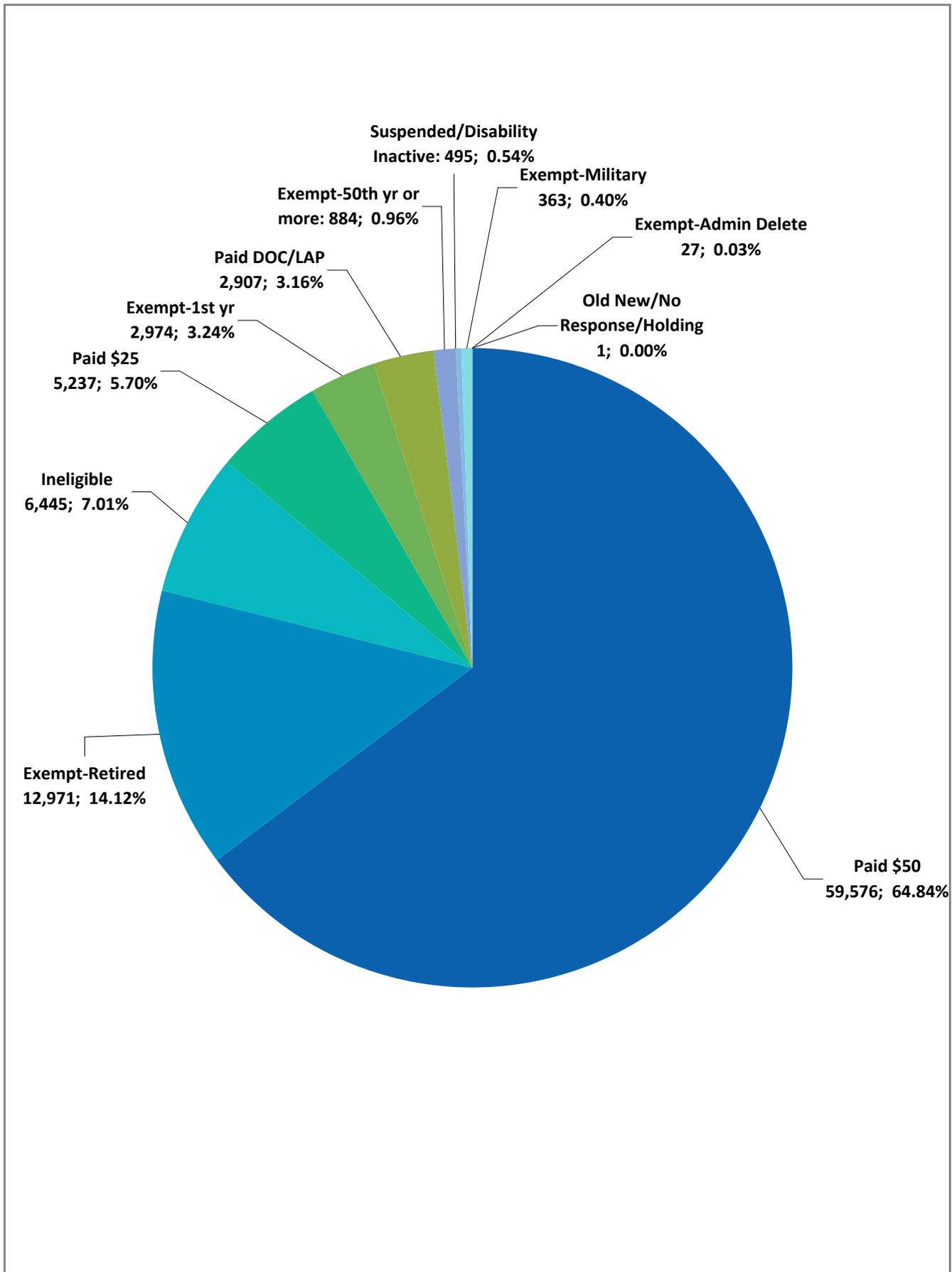
- [Address Change for Billing Form \(PDF\)](#)
- [Certification of Military Exemption \(PDF\)](#)
- [Certification Regarding Appearance as a Multijurisdictional Practitioner](#)
- [Certification Regarding Appearance as a Pro Hac Vice Attorney](#)
- [Certification of Retirement \(PDF\)](#)
- [Certification of Retirement - Legal Services Volunteer \(PDF\)](#)
- [2013 Pro Hac Vice Admission Form \(PHV-10\) \(PDF\)](#)
- [2012 Pro Hac Vice Admission Form \(PHV-9\) \(PDF\)](#)



### Trustees/Employees Only [+]

- [Latest Agenda - Trustees](#)
- [Prior Agendas - Employees](#)

# 2012 Bar Population - 91,880



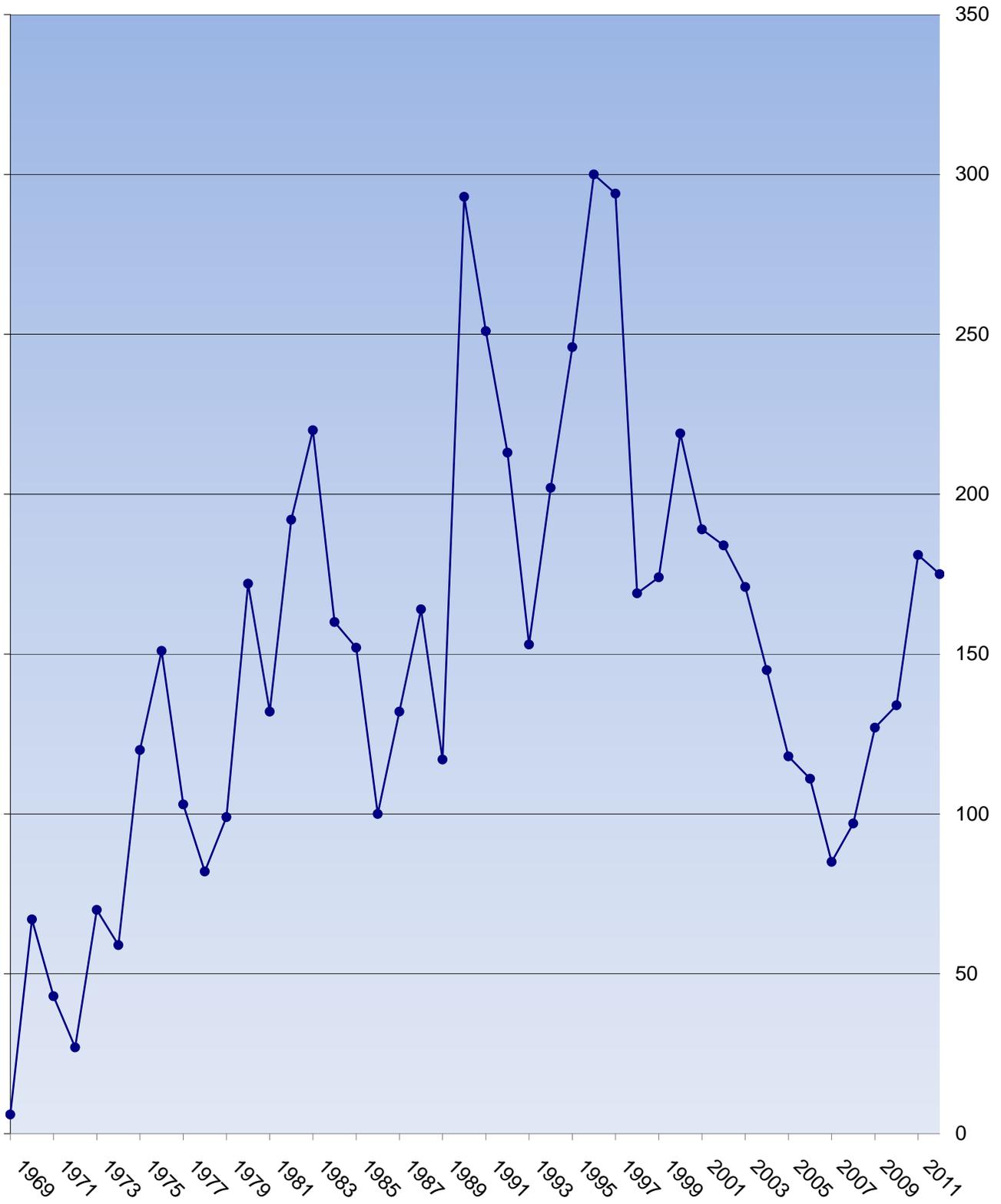
**HISTORY OF CLAIMS FILED WITH THE NEW JERSEY LAWYERS' FUND**

Year	Claims Filed	Attorneys On Whose Account <sup>1</sup>	New Attys	Claimed Loss	Maximum Payable	Claims Approved	Payments Approved <sup>2</sup>	Claims Paid	Payments Made	Attorneys On Whose Account <sup>1</sup>	New Attys
1969	6	5	5	38,989.00	N/A	0	0.00	0	0.00	0	0
1970	67	10	8	1,471,908.00 <sup>3</sup>	"	13	55,020.00	10	40,475.43	2	2
1971	43	27	20	369,360.00	"	33	142,765.93	17	92,619.85	6	5
1972	27	15	7	258,367.00	"	10	27,004.82	19	58,936.80	7	4
1973	70	14	7	1,209,570.00	"	27	131,920.87	24	134,996.50	7	3
1974	59	19	10	1,092,006.00	"	28	164,339.20	21	120,552.45	11	8
1975	120	30	18	2,196,331.00	"	62	307,342.74	63	321,203.95	10	3
1976	151	31	12	3,116,861.00	"	101	615,334.75	74	433,431.07	20	13
1977	103	31	13	1,688,761.00	805,116.15	122	685,005.87	93	534,180.55	26	14
1978	82	26	13	796,515.00	563,656.68	47	273,468.19	115	587,008.68	21	5
1979	99	36	24	3,255,885.00	563,193.13	95	460,943.48	87	465,586.58	29	16
1980	172	62	37	2,225,136.00	1,189,782.13	78	500,066.20	83	490,954.30	31	14
1981	132	46	24	805,834.00	559,397.23	78	380,484.16	84	441,804.58	32	19
1982	192	54	24	2,580,109.00	1,322,313.80	90	597,798.68	81	488,369.91	32	13
1983	220	45	18	11,427,014.00 <sup>4</sup>	2,185,962.75	131	719,196.71	100	697,763.38	29	9
1984	160	40	24	2,059,739.00	1,540,305.31	132	951,649.82	145	779,689.86	31	13
1985	152	53	24	2,373,659.00	1,410,294.57	105	637,579.56	116	844,468.21	31	12
1986	100	45	22	1,883,569.00	973,257.02	61	532,663.77	61	488,548.18	31	15
1987	132	40	23	5,646,329.00	1,741,611.82	60	760,400.93	57	493,967.97	31	18
1988	164	48	30	3,171,622.00	2,106,064.07	82	486,876.23	74	512,977.81	23	7
1989	117	51	28	11,054,790.00	1,175,602.18	98	869,113.05	111	1,022,014.69	42	18
1990	293	81	57	5,013,073.00	3,457,092.07	129	712,193.37	122	837,549.53	31	15
1991	251	70	31	6,970,983.00	5,092,694.28	124	1,481,416.15	126	1,326,366.68	36	20
1992	213	67	28	5,469,663.00	4,862,421.97	128	1,364,611.95	128	1,438,797.69	40	22
1993	153	56	30	4,508,235.00	4,007,735.48	95	1,045,332.99	102	1,032,492.56	40	21
1994	202	45	21	11,434,687.34	3,146,687.34	126	1,826,917.38	132	1,758,619.83	31	13
1995	246	67	37	8,141,069.00	5,320,678.24	91	1,473,707.68	85	1,505,875.42	35	18
1996	300	79	45	8,803,722.47	7,189,197.05	208	3,662,100.00	192	3,836,460.63 <sup>6</sup>	51	30
1997	294	90	46	20,040,833.00 <sup>5</sup>	7,196,444.94	220	3,988,205.18	220	3,190,921.75 <sup>6</sup>	62	32
1998	169	76	28	3,832,276.00	3,734,227.59	137	2,443,362.89	152	3,338,520.45	56	24
1999	174	78	39	9,795,485.81	6,676,269.64	81	1,888,633.75	83	1,479,968.41	42	20
2000	219	77	39	10,944,376.00	8,698,446.86	81	2,237,961.37	83	2,292,396.80	47	21
2001	189	66	31	11,730,881.90	8,278,149.69	109	2,840,047.07	106	2,955,356.20	47	27
2002	184	79	41	9,953,727.28	6,714,296.61	106	3,184,426.13	107	3,120,317.22 <sup>7</sup>	66	29
2003	171	81	35	10,780,690.66	6,387,050.40	106	3,113,341.40	102	2,638,348.80	52	25
2004	145	68	30	15,700,567.00	5,662,846.34	96	4,084,673.11	99	4,445,528.18 <sup>8</sup>	56	28
2005	118	55	26	3,146,005.09	2,770,122.48	101	2,816,252.76	96	2,314,942.89	43	20
2006	111	57	23	3,614,404.00	3,364,403.57	64	1,850,725.75	67	2,170,783.42	37	17
2007	85	45	19	4,343,801.19	2,899,858.19	78	1,804,984.52	76	1,745,439.01	32	12
2008	97	50	28	5,502,381.10	5,109,849.53	55	3,536,016.55	60	3,460,095.04	33	15
2009	127 <sup>9</sup>	44	23	3,973,735.52	3,826,941.85	63	1,555,375.12	65	1,777,096.51	28	19
2010	134	48	19	20,167,884.15	7,486,574.14	71	1,988,696.99	60	1,931,265.16	22	13
2011	181	63	39	19,177,127.70	12,307,883.06	118	3,119,797.71	117	2,612,344.49	31	17
2012	175	52	25	51,396,806.41	15,397,290.77	80	1,869,462.27	85	2,236,109.38	40	24
<b>TOTALS</b>	<b>6,599</b>		<b>1,131</b>	<b>\$313,164,769.62</b>	<b>\$155,723,718.93</b>	<b>3,920</b>	<b>\$63,187,217.05</b>	<b>3,900</b>	<b>\$62,495,146.80</b>		<b>693</b>

6,424	claims filed 1969 - 2011
5	disposed claims revived in 2011
-6,294	claims disposed 1969 - 2011
135	claims pending disposition as of 12/31/11
175	claims filed during 2012
310	total claims pending during 2012
-125	claims disposed of in 2012: 80 approved, 28 rejected, 17 discontinued
185	claims pending disposition as of 12/31/12

<sup>1</sup> Some attorneys on whose account claims were filed from 1970-2011 are attorneys whose conduct gave rise to claims filed in previous years.  
<sup>2</sup> Claims were not necessarily approved for payment in the calendar year in which they were filed, nor paid in the year in which they were approved.  
<sup>3</sup> The conduct of a single attorney accounted for \$1,366,814 of the 1970 claims.  
<sup>4</sup> A single claim filed by over 300 people against one attorney accounted for \$7,006,000 of the 1983 claimed loss.  
<sup>5</sup> A single claim accounted for \$10,000,000 of the 1997 claimed loss.  
<sup>6</sup> Payments Made total does not include interest of \$1,839.14 paid in 1996 and \$730.13 paid in 1997.  
<sup>7</sup> CPF-730:12-99 multi-part claim added an additional \$3,300 to payments approved 1/29/02.  
<sup>8</sup> 2004 payments were reduced by a rescinded award and claim overpayment.  
<sup>9</sup> An award rescinded in 2009 was discontinued; there was no net change in the number of claims pending.

### Number of Claims Filed 1969-2012



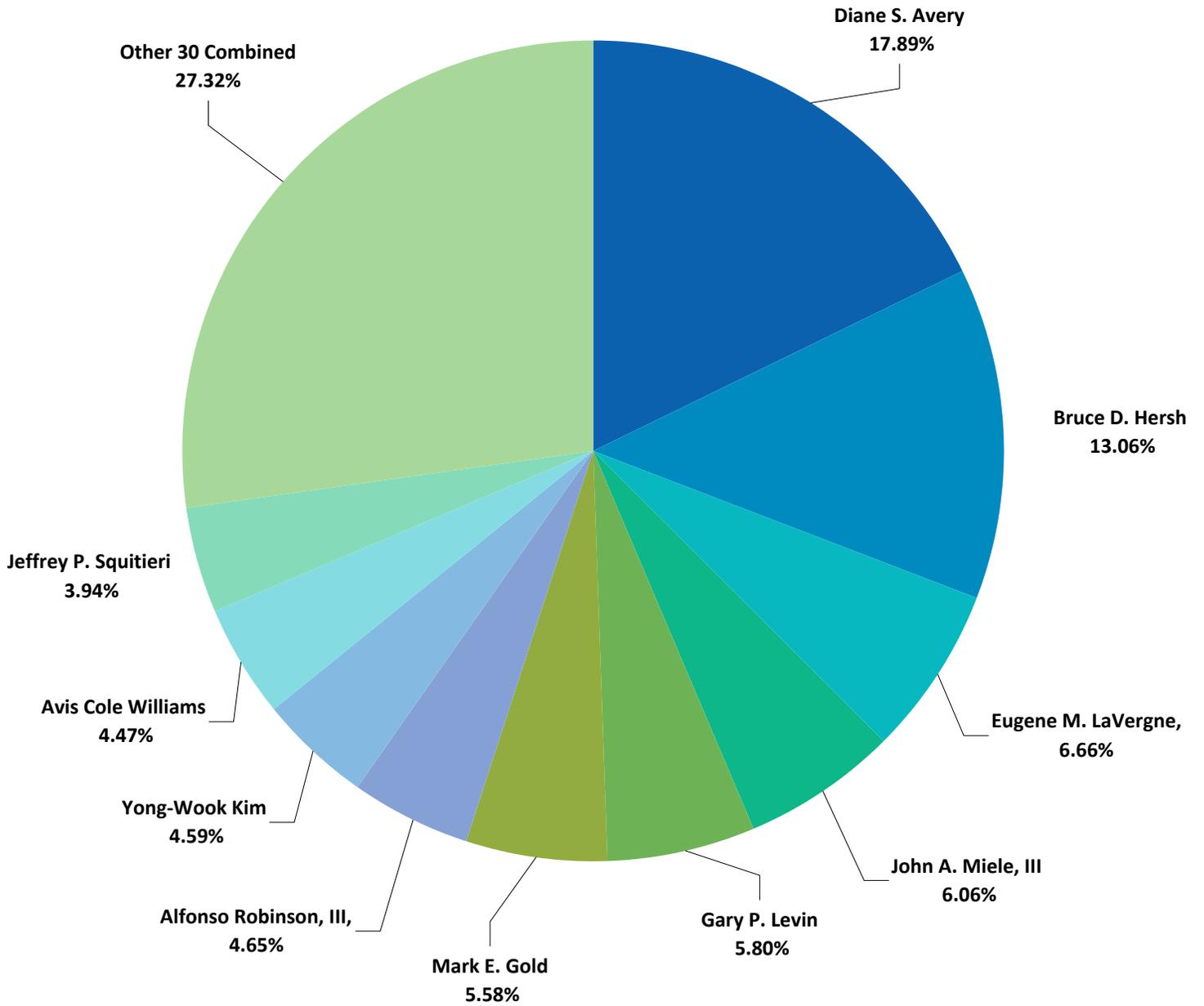
Payments Made 1969-2012



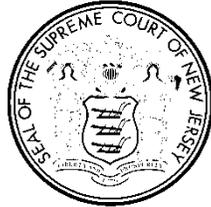
Subrogation Receipts 2000-2012



# Lawyers with Highest Defalcations - 2012



**NEW JERSEY LAWYERS' FUND FOR CLIENT PROTECTION**



**TREASURER'S REPORT  
for the  
Period Ending Dec 31, 2012**

*Alan L. Williams*  
*Treasurer*

## CONTENTS

	PAGE
Balance Sheet	
Income Statement	1
Statement of Cash Flows	3
Notes to the Financial Statements	4
Investments in Treasuries	5
Maturities & Purchases	6
Accrued Interest Receivable from Investments	7
Certificates of Deposit	8
Cash Management Fund	9
Subrogation Receipts	10
Payment of Claims	14
Value of Pending, Payable, Paid Claims (aggregate maximum tracking)	18
CPF Billing Statistics	20
FLC, IHC, MJP & SPL Billing Statistics	21
PHV Billing Statistics	22

NJ Lawyers' Fund for Client Protection  
Balance Sheet  
December 31, 2012

ASSETS

Cash Accounts:		
Working Account	\$	7,361.06
Emergent Cost/Fee Acct		500.00
		7,861.06
Total Cash		
Receivables:		
Accounts Receivable DOC		12,859.41
Accounts Receivable LAP		3,191.00
Accrued Int. Receivable-Notes		68,898.70
Accrued Int. Receivable-CD's		1,110.65
Prepaid Interest on T-Notes		2,400.22
		88,459.98
Total Receivables		
Other Assets:		
Treasury Bills		439,968.22
Treasury Notes		19,535,000.00
T-Notes Premium		79,256.78
T-Notes Discount		(1,765.83)
Certificates of Deposit		3,200,001.37
Cash Management Fund		1,024,881.26
		24,277,341.80
Total Other Assets		
Total Assets	\$	24,373,662.84

LIABILITIES AND CAPITAL

Current Liabilities:		
Treasurer, State of NJ	\$	363,036.11
Excess Subro Received		57,280.00
BCLE Annual Assessment		1,616.00
		421,932.11
Total Current Liabilities		
Capital:		
General Fund		13,138,801.54
Pending Claims		9,243,502.20
Approved Claims		259,884.28
Net Income		1,309,542.71
		23,951,730.73
Total Capital		
Total Liabilities & Capital	\$	24,373,662.84

NJ Lawyers' Fund for Client Protection  
Income Statement  
For the Twelve Months Ending December 31, 2012

	Current Month		Year to Date	
<b>Revenues</b>				
Plenary \$50 fees	\$ 6,407.50	10.18	\$ 2,880,240.00	57.20
Plenary \$25 fees	400.00	0.64	119,782.50	2.38
Plenary Prior Years	3,825.00	6.08	93,675.00	1.86
Plenary Refunds	(390.00)	(0.62)	0.00	0.00
<b>Total Plenary Fees</b>	<b>10,242.50</b>	<b>16.27</b>	<b>3,093,697.50</b>	<b>61.44</b>
PHV Fees	9,200.00	14.62	324,200.00	6.44
PHV Prior Years	1,750.00	2.78	35,752.00	0.71
PHV Refunds	(120.00)	(0.19)	0.00	0.00
<b>Total Pro Hac Vice Fees</b>	<b>10,830.00</b>	<b>17.21</b>	<b>359,952.00</b>	<b>7.15</b>
IHC Fees	850.00	1.35	62,050.00	1.23
IHC Prior Years	150.00	0.24	600.00	0.01
MJP Fees	100.00	0.16	11,500.00	0.23
MJP Prior Years	0.00	0.00	550.00	0.01
FLC Fees	0.00	0.00	200.00	0.00
<b>Total IHC MJP FLC SPL Fees</b>	<b>1,100.00</b>	<b>1.75</b>	<b>74,900.00</b>	<b>1.49</b>
Subrogation, Respondent	14,578.32	23.16	981,988.68	19.50
Subrogation, Interest/Costs	0.00	0.00	2,331.08	0.05
<b>Total Subrogation</b>	<b>14,578.32</b>	<b>23.16</b>	<b>984,319.76</b>	<b>19.55</b>
Interest, Treasury Notes	8,739.97	13.89	141,230.17	2.80
Interest, CD's	3,596.61	5.71	41,242.44	0.82
Interest, Cash Mngmt Fund	78.62	0.12	577.05	0.01
<b>Total Interest Earned</b>	<b>12,415.20</b>	<b>19.73</b>	<b>183,049.66</b>	<b>3.64</b>
Reinstatement Fees	7,075.00	11.24	71,175.00	1.41
Donations	0.00	0.00	876.00	0.02
Late Fees	6,700.00	10.64	267,716.50	5.32
<b>Total Misc Fees &amp; Other Income</b>	<b>13,775.00</b>	<b>21.89</b>	<b>339,767.50</b>	<b>6.75</b>
<b>Total Revenue</b>	<b>62,941.02</b>	<b>100.00</b>	<b>5,035,686.42</b>	<b>100.00</b>
Claims Paid	483,444.52	768.09	2,236,109.38	44.41
<b>Income(Loss) After Claims Paid</b>	<b>(420,503.50)</b>	<b>(668.09)</b>	<b>2,799,577.04</b>	<b>55.59</b>
<b>Expenses</b>				
Salaries, Professional	140,725.82	223.58	536,229.92	10.65
Salaries, Clerical	89,240.51	141.78	389,808.27	7.74
Benefits, Employees	112,453.21	178.66	357,933.26	7.11
Office Supplies/Printing	2,022.93	3.21	6,275.64	0.12
Copier Rental	0.00	0.00	3,741.68	0.07
Billing Costs	341.97	0.54	12,442.47	0.25
Staff Training Courses	0.00	0.00	600.00	0.01
Books/Subscriptions	1,497.00	2.38	2,819.00	0.06
Professional Dues/Fees	0.00	0.00	575.00	0.01
Bottled Water	48.07	0.08	179.74	0.00
Travel Expenses, Staff	138.97	0.22	3,665.00	0.07
Travel Expenses, Trustees	1,004.56	1.60	1,400.74	0.03
Telephones	2,340.52	3.72	7,733.67	0.15

For Management Purposes Only

NJ Lawyers' Fund for Client Protection  
Income Statement  
For the Twelve Months Ending December 31, 2012

	Current Month		Year to Date	
Postage	1,611.99	2.56	18,700.35	0.37
Insurance	0.00	0.00	7,232.00	0.14
Data Processing Equipment	0.00	0.00	9,439.66	0.19
DP Outside Costs; e-Copy	5,775.04	9.18	8,952.04	0.18
Transcripts	0.00	0.00	226.00	0.00
Auditor's Fee	0.00	0.00	10,620.00	0.21
Legal Advertising	195.96	0.31	1,004.30	0.02
Subpoena/Other Outside Fees	117.41	0.19	2,209.43	0.04
Storage	157.10	0.25	828.76	0.02
Investigative Tools	2,340.00	3.72	10,920.00	0.22
Meeting Expenses	1,120.51	1.78	1,120.51	0.02
Maint of Office Equip (not DP)	0.00	0.00	90.75	0.00
Equipment, New	0.00	0.00	3,363.99	0.07
Other Expenses	0.00	0.00	770.48	0.02
Returned Check Fees	(14.00)	(0.02)	(343.00)	(0.01)
Bank Acct Charges	1,099.27	1.75	4,510.53	0.09
Lockbox Processor Fees	0.00	0.00	329.84	0.01
Internet Processor Fees	1,992.38	3.17	86,654.30	1.72
	<hr/>		<hr/>	
Total Expenses	364,209.22	578.65	1,490,034.33	29.59
	<hr/>		<hr/>	
Net Income	\$ (784,712.72)	(1,246.74)	\$ 1,309,542.71	26.01
	<hr/>		<hr/>	

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
STATEMENT OF CASH FLOWS  
DEC 31, 2012

CASH FLOW FROM OPERATING ACTIVITIES:

	MONTH	Y-T-D
EXCESS REVENUES OVER EXPENSES	\$ (784,712.72)	\$ 1,309,542.71

ADJUSTMENTS to reconcile excess revenues/expenses to net cash provided by operating activities:

Voided 2011 check negotiated by payee (replaced 2012)	0.00	(702.00)
(Increase)/Decrease of Accounts Receivable	(3,351.98)	14,657.58
(Increase)/Decrease of Accrued Interest Receivable	(3,152.03)	4,083.81
Increase/(Decrease) in Total Liabilities	362,823.11	105,971.80
Net (Inc)/Dec in Amortization of Investment Premiums/Discounts	10,270.16	(820.94)

NET CASH PROVIDED BY OPERATING ACTIVITIES:	(418,123.46)	1,432,732.96
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CASH FLOW FROM INVESTMENT ACTIVITY:

(Increase)/Decrease U.S. T-Bills	(439,968.22)	(439,968.22)
(Increase)/Decrease in U.S. T-Notes	800,000.00	(905,000.00)
(Increase)/Decrease in Due From Broker	-	-
(Increase)/Decrease Certificates of Deposit	(1.37)	(300,001.37)
(Increase)/Decrease Cash Management Fund	(78.62)	(577.05)

(INCREASE)/DECREASE IN INVESTMENT ACTIVITIES	359,951.79	(1,645,546.64)
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NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(58,171.67)	(212,813.68)
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CASH AND CASH EQUIVALENTS 11/30/2012 12/31/2011	\$ 66,032.73	220,674.74
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CASH AND CASH EQUIVALENTS 12/31/2012 12/31/2012	\$ 7,861.06	\$ 7,861.06
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NJ LAWYERS' FUND FOR CLIENT PROTECTION  
NOTES TO FINANCIAL STATEMENTS  
DEC 31, 2012

**NOTE 1**

**Prepaid Interest Receivable from Investment Purchases**

DATE PURCHASED	YTM %	MATURITY DATE	PAR VALUE	ACTUAL COST	PREPAID INTEREST
10/15/2012	0.267	7/15/2014	500,000.00	503,126.68	781.25
11/15/2012	0.242	7/15/2014	775,000.00	779,937.17	1,618.97
					<u>\$2,400.22</u>

**NOTE 2**

**US Treasury Securities, Certificates of Deposit, and Cash Management Fund**

US Treasury Notes are valued by the amortized cost method. US Treasury Bills are valued at their purchased cost. The market value of US Treasury Securities as of December 31, 2012 was \$20,090,586.40.

US Treasury Notes at Cost	19,723,800.04
Net Premium/Discount	-188,800.04
US Treasury Notes at Par	<u>19,535,000.00</u>
Less Unamortized Net Premium/Discount	-77,490.95
Total US Notes at Amortized Cost	<u>19,612,490.95</u>
US Treasury Bills at Cost	439,968.22
Certificates of Deposit	3,200,001.37
Cash Management Fund	1,024,881.26
TOTAL INVESTMENTS	<u>\$24,277,341.80</u>

**NOTE 3**

**Appropriations for Approved Claims**

In addition to \$259,884.28 in claims already approved, there are pending with the Fund 185 claims for \$65,757,325.79. Operative per claimant maximums reduce the total claimed amount to \$23,108,755.50. Based on the Fund's history over its most recent 30 years, approximately 40% of the total amount claimed (adjusted for the maximums) has been actually approved and paid. Based on that historical data, a reserve for 40% of the outstanding claims, \$9,243,502.20 is presented as part of the General Fund balance. This figure is not meant to predict what the Fund's Trustees will decide with respect to any claim or series of claims; the merit of the claims themselves will determine what is ultimately paid.

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
INVESTMENTS IN TREASURY BILLS AND NOTES  
DEC 31, 2012

Security	Date of Purchase	YTM %	Due	Par Value	Premium/Disc Price
US Treasury Bills	12/31/12	0.007	03/21/13	440,000.00	439,968.22
US Treasury Notes	09/15/10	0.519	01/15/13	425,000.00	432,438.92
US Treasury Notes	11/01/10	0.483	01/15/13	325,000.00	331,932.73
US Treasury Notes	05/18/12	0.171	01/15/13	900,000.00	907,104.58
US Treasury Notes	06/04/08	3.092	01/31/13	350,000.00	346,718.75
US Treasury Notes	07/31/08	3.259	01/31/13	150,000.00	147,609.38
US Treasury Notes	08/20/08	2.852	01/31/13	100,000.00	100,093.75
US Treasury Notes	04/16/12	0.195	02/15/13	850,000.00	858,336.83
US Treasury Notes	06/15/12	0.174	02/15/13	385,000.00	388,084.30
US Treasury Notes	05/03/11	1.272	03/15/13	795,000.00	807,113.99
US Treasury Notes	06/01/12	0.136	03/15/13	350,000.00	353,282.42
US Treasury Notes	06/15/12	0.174	03/15/13	385,000.00	388,400.12
US Treasury Notes	09/16/08	2.332	03/31/13	600,000.00	604,312.50
US Treasury Notes	09/17/12	0.156	04/15/13	425,000.00	428,902.79
US Treasury Notes	05/31/11	0.475	05/15/13	500,000.00	508,751.68
US Treasury Notes	08/15/12	0.186	05/15/13	325,000.00	327,895.62
US Treasury Notes	10/18/10	0.491	06/15/13	350,000.00	355,606.64
US Treasury Notes	02/15/11	0.958	06/15/13	250,000.00	250,479.35
US Treasury Notes	08/15/12	0.200	06/15/13	400,000.00	403,079.47
US Treasury Notes	11/30/10	0.670	07/15/13	750,000.00	756,945.87
US Treasury Notes	04/29/11	0.720	08/15/13	800,000.00	800,533.93
US Treasury Notes	06/30/11	0.510	09/15/13	450,000.00	452,251.51
US Treasury Notes	07/15/11	0.410	09/15/13	350,000.00	352,557.81
US Treasury Notes	10/16/08	2.913	09/30/13	550,000.00	555,328.13
US Treasury Notes	03/15/11	0.773	10/15/13	300,000.00	297,282.26
US Treasury Notes	08/15/11	0.240	11/15/13	600,000.00	603,775.45
US Treasury Notes	12/16/11	0.247	11/15/13	400,000.00	401,860.72
US Treasury Notes	01/31/11	0.910	12/15/13	550,000.00	547,509.66
US Treasury Notes	12/16/11	0.248	12/15/13	450,000.00	454,448.77
US Treasury Notes	11/15/11	0.276	01/15/14	595,000.00	604,322.11
US Treasury Notes	01/17/12	0.230	01/15/14	350,000.00	355,319.53
US Treasury Notes	01/17/12	0.250	02/15/14	400,000.00	408,329.47
US Treasury Notes	02/16/12	0.332	02/15/14	400,000.00	407,595.09
US Treasury Notes	02/16/12	0.295	03/15/14	600,000.00	611,861.39
US Treasury Notes	03/15/12	0.394	03/15/14	300,000.00	305,110.38
US Treasury Notes	03/15/12	0.410	04/15/14	900,000.00	915,682.70
US Treasury Notes	04/30/12	0.283	05/15/14	825,000.00	837,023.27
US Treasury Notes	07/16/12	0.259	06/15/14	325,000.00	328,047.96
US Treasury Notes	07/18/12	0.245	06/15/14	500,000.00	504,806.36
US Treasury Notes	10/15/12	0.267	07/15/14	500,000.00	503,126.68
US Treasury Notes	11/15/12	0.242	07/15/14	775,000.00	779,937.17
TOTAL				<u>\$ 19,975,000.00</u>	<u>\$ 20,163,768.26</u>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 INVESTMENTS IN TREASURY BILLS AND NOTES  
 DEC 31, 2012

**MATURITIES COLLECTED YEAR-TO-DATE**

Security	Date of Purchase	YTM %	Maturity	Par Value	Premium/Disc Price
US Treasury Notes	02/17/09	1.279	01/15/12	1,000,000.00	995,625.00
US Treasury Notes	11/18/09	0.751	02/15/12	630,000.00	638,716.87
US Treasury Notes	04/30/10	0.777	03/15/12	600,000.00	606,660.23
US Treasury Notes	01/19/10	0.897	04/15/12	900,000.00	909,497.01
US Treasury Notes	08/31/10	0.440	05/15/12	350,000.00	355,497.27
US Treasury Notes	10/01/10	0.568	05/15/12	250,000.00	254,004.74
US Treasury Notes	03/31/11	0.400	06/15/12	850,000.00	865,043.86
US Treasury Notes	03/01/10	0.873	07/15/12	450,000.00	456,616.13
US Treasury Notes	04/20/10	1.000	07/15/12	360,000.00	363,967.95
US Treasury Notes	04/15/11	0.415	08/15/12	500,000.00	508,888.39
US Treasury Notes	06/03/10	0.900	09/15/12	650,000.00	656,705.30
US Treasury Notes	03/31/10	1.240	10/15/12	1,000,000.00	1,003,358.41
US Treasury Notes	05/16/11	0.367	11/15/12	650,000.00	659,777.57
US Treasury Notes	06/30/10	0.770	12/15/12	800,000.00	806,627.68
<b>TOTAL</b>				<u><u>\$8,990,000.00</u></u>	<u><u>\$9,080,986.41</u></u>

**PURCHASES MADE YEAR-TO-DATE**

Security	Date of Purchase	YTM %	Maturity	Par Value	Premium/Disc Price
US Treasury Notes	01/17/12	0.230	01/15/14	350,000.00	355,319.53
US Treasury Notes	01/17/12	0.250	02/15/14	400,000.00	408,329.47
US Treasury Notes	02/16/12	0.332	02/15/14	400,000.00	407,595.09
US Treasury Notes	02/16/12	0.295	03/15/14	600,000.00	611,861.39
US Treasury Notes	03/15/12	0.394	03/15/14	300,000.00	305,110.38
US Treasury Notes	03/15/12	0.410	04/15/14	900,000.00	915,682.70
US Treasury Notes	04/16/12	0.195	02/15/13	850,000.00	858,336.83
US Treasury Notes	04/30/12	0.283	05/15/14	825,000.00	837,023.27
US Treasury Notes	05/18/12	0.171	01/15/13	900,000.00	907,104.58
US Treasury Notes	06/01/12	0.136	03/15/13	350,000.00	353,282.42
US Treasury Notes	06/15/12	0.174	02/15/13	385,000.00	388,084.30
US Treasury Notes	06/15/12	0.174	03/15/13	385,000.00	388,400.12
US Treasury Notes	07/16/12	0.259	06/15/14	325,000.00	328,047.96
US Treasury Notes	07/18/12	0.245	06/15/14	500,000.00	504,806.36
US Treasury Notes	08/15/12	0.186	05/15/13	325,000.00	327,895.62
US Treasury Notes	08/15/12	0.200	06/15/13	400,000.00	403,079.47
US Treasury Notes	09/17/12	0.156	04/15/13	425,000.00	428,902.79
US Treasury Notes	10/15/12	0.267	07/15/14	500,000.00	503,126.68
US Treasury Notes	11/15/12	0.242	07/15/14	775,000.00	779,937.17
US Treasury Bills	12/31/12	0.007	03/21/13	440,000.00	439,968.22
				<u><u>\$10,335,000.00</u></u>	<u><u>\$10,451,894.35</u></u>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 ACCRUED INTEREST RECEIVABLE  
 DEC 31, 2012

Security	Date Purchased	Rate %	Due	Par Value	Mos. Since Last Int. Payment	Accrued Interest
US Treasury Notes	09/15/10	1.375	01/15/13	425,000.00	5.50	2,678.39
US Treasury Notes	11/01/10	1.375	01/15/13	325,000.00	5.50	2,048.18
US Treasury Notes	05/18/12	1.375	01/15/13	900,000.00	5.50	5,671.88
US Treasury Notes	06/04/08	2.875	01/31/13	350,000.00	5.00	4,192.71
US Treasury Notes	07/31/08	2.875	01/31/13	150,000.00	5.00	1,796.88
US Treasury Notes	08/20/08	2.875	01/31/13	100,000.00	5.00	1,197.92
US Treasury Notes	04/16/12	1.375	02/15/13	850,000.00	4.50	4,382.81
US Treasury Notes	06/15/12	1.375	02/15/13	385,000.00	4.50	1,985.16
US Treasury Notes	05/03/11	1.375	03/15/13	795,000.00	3.50	3,188.28
US Treasury Notes	06/01/12	1.375	03/15/13	350,000.00	3.50	1,403.65
US Treasury Notes	06/15/12	1.375	03/15/13	385,000.00	3.50	1,544.01
US Treasury Notes	09/16/08	2.500	03/31/13	600,000.00	3.00	3,750.00
US Treasury Notes	09/17/12	1.750	04/15/13	425,000.00	2.50	1,549.48
US Treasury Notes	05/31/11	1.375	05/15/13	500,000.00	1.50	859.38
US Treasury Notes	08/15/12	1.375	05/15/13	325,000.00	1.50	558.59
US Treasury Notes	10/18/10	1.125	06/15/13	350,000.00	0.50	164.06
US Treasury Notes	02/15/11	1.125	06/15/13	250,000.00	0.50	117.19
US Treasury Notes	08/15/12	1.125	06/15/13	400,000.00	0.50	187.50
US Treasury Notes	11/30/10	1.000	07/15/13	750,000.00	5.50	3,437.50
US Treasury Notes	04/29/11	0.750	08/15/13	800,000.00	4.50	2,250.00
US Treasury Notes	06/30/11	0.750	09/15/13	450,000.00	3.50	984.38
US Treasury Notes	07/15/11	0.750	09/15/13	350,000.00	3.50	765.63
US Treasury Notes	10/16/08	3.125	09/30/13	550,000.00	3.00	4,296.88
US Treasury Notes	03/15/11	0.500	10/15/13	300,000.00	2.50	312.50
US Treasury Notes	08/15/11	0.500	11/15/13	600,000.00	1.50	375.00
US Treasury Notes	12/16/11	0.500	11/15/13	400,000.00	1.50	250.00
US Treasury Notes	01/31/11	0.750	12/15/13	550,000.00	0.50	171.88
US Treasury Notes	12/16/11	0.700	12/15/13	450,000.00	0.50	131.25
US Treasury Notes	11/15/11	1.000	01/15/14	595,000.00	5.50	2,727.08
US Treasury Notes	01/17/12	1.000	01/15/14	350,000.00	5.50	1,604.17
US Treasury Notes	01/17/12	1.250	02/15/14	400,000.00	4.50	1,875.00
US Treasury Notes	02/16/12	1.250	02/15/14	400,000.00	4.50	1,875.00
US Treasury Notes	02/16/12	1.250	03/15/14	600,000.00	3.50	2,187.50
US Treasury Notes	03/15/12	1.250	03/15/14	300,000.00	3.50	1,093.75
US Treasury Notes	03/15/12	1.250	04/15/14	900,000.00	2.50	2,343.75
US Treasury Notes	04/30/12	1.000	05/15/14	825,000.00	1.50	1,031.25
US Treasury Notes	07/16/12	0.750	06/15/14	325,000.00	0.50	101.56
US Treasury Notes	07/18/12	0.750	06/15/14	500,000.00	0.50	156.25
US Treasury Notes	10/15/12	0.625	07/15/14	500,000.00	5.50	1,432.29
US Treasury Notes	11/15/12	0.625	07/15/14	775,000.00	5.50	2,220.05
				<u>19,535,000.00</u>		<u>68,898.70</u>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 INVESTMENTS IN CERTIFICATES OF DEPOSIT  
 DEC 31, 2012

Banking Institution	Date Purchased	YTM %	Due	Par Value
Hopewell Valley Community Bank	09/22/2011	1.14	03/22/2013	250,000.00
Republic First Bank	09/29/2011	1.00	03/29/2013	150,000.00
Delanco Federal Savings	01/21/2011	1.50	05/21/2013	150,000.00
Royal Bank America	02/27/2012	1.10	08/27/2013	100,000.00
Delanco Federal Savings	09/07/2012	0.50	09/07/2013	100,000.00
Cornerstone Bank	08/20/2011	1.50	09/20/2013	150,000.00
Cornerstone Bank	08/25/2011	1.50	09/25/2013	100,000.00
Royal Bank America	09/29/2012	0.75	09/29/2013	150,000.00
Republic First Bank	09/17/2012	0.70	10/17/2013	100,001.37
Continental Bank	04/23/2012	1.00	10/23/2013	150,000.00
Bank of America	11/30/2012	0.35	11/30/2013	100,000.00
Fulton Bank of NJ	12/18/2011	1.11	12/18/2013	150,000.00
Investors Bank	02/01/2012	1.00	02/01/2014	250,000.00
Fulton Bank of NJ	11/22/2012	0.40	02/22/2014	100,000.00
Continental Bank	09/21/2012	0.80	03/21/2014	100,000.00
First Bank	09/21/2012	1.00	03/21/2014	250,000.00
First Choice Bank	09/24/2012	1.00	03/24/2014	250,000.00
NJM Bank	08/20/2012	0.65	04/20/2014	100,000.00
NJM Bank	11/20/2012	0.60	05/20/2014	150,000.00
Sun National Bank	07/21/2012	0.50	07/21/2014	100,000.00
Liberty Bell Bank	08/29/2010	2.55	08/29/2014	100,000.00
Liberty Bell Bank	11/20/2012	0.70	11/20/2014	150,000.00
TOTAL				<u><u>\$3,200,001.37</u></u>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
INVESTMENTS WITH STATE OF NJ DIVISION OF INVESTMENTS  
CASH MANAGEMENT FUND  
DEC 31, 2012

	Date	Amount Invested	Dividend	Share Balance
2012 Beginning Balance		\$1,024,304.21		
Jan Dividend	01/31/12		27.09	
Feb Dividend	02/29/12		35.55	
Mar Dividend	03/31/12		48.99	
Apr Dividend	04/30/12		45.75	
May Dividend	05/31/12		38.63	
Jun Dividend	06/30/12		40.65	
Jul Dividend	07/31/12		44.94	
Aug Dividend	08/31/12		48.72	
Sep Dividend	09/30/12		42.14	
Oct Dividend	10/31/12		44.51	
Nov Dividend	11/30/12		81.46	
Dec Dividend	12/31/12		78.62	
TOTAL SHARE BALANCE				<u>\$1,024,881.26</u>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
SUBROGATION RECEIPTS  
DEC 31, 2012

CPF NO	NAME	2011 SUB-TOTAL	MISC CODE	MONTHLY TOTAL	2012 Y-T-D	GRAND TOTAL
CPF-020	Anthony D. DeMarco	23,920.93		50.00	600.00	24,520.93
CPF-072	Irwin H. Weinstein	1,680.00		0.00	240.00	1,920.00
CPF-075	Anthony F. Ditri	100,787.33		25.00	300.00	101,087.33
CPF-104	S. Donald Keesal	3,120.00		50.00	325.00	3,445.00
CPF-121	Howard Trueger	30,641.26		100.00	485.00	31,126.26
CPF-122	Joseph W. Gallagher	13,150.00		0.00	0.00	13,150.00
CPF-131	John P. Fusciello	24,750.00		75.00	1,250.00	26,000.00
CPF-141	Donald Kayser	17,573.83		50.00	700.00	18,273.83
CPF-161	Harvey Goldberg	154,709.30		0.00	3,300.00	158,009.30
CPF-165	Norus Achmetov	40,069.25		0.00	400.07	40,469.32
CPF-183	A. Kenneth Weiner	2,401.00		26.00	406.00	2,807.00
CPF-190	Frank Pelliccia	52,737.10		0.00	700.00	53,437.10
CPF-192	Roger E. Smyzer	5,025.98		25.00	300.00	5,325.98
CPF-214	Seymour Goldstaub	15,523.00		100.00	800.00	16,323.00
CPF-216	Charles Miller	27,016.45		0.00	1,000.00	28,016.45
CPF-222	Irving Tabman	26,104.94	E 1/17/2012	0.00	0.00	26,104.94
CPF-228	Lawrence Friedman	84,370.74		50.00	600.00	84,970.74
CPF-235	Stephen Ellsworth	9,219.97		0.00	275.00	9,494.97
CPF-243	Jerome Goer	57,347.03		134.82	898.86	58,245.89
CPF-279	James V. Spagnoli	12,200.00		0.00	600.00	12,800.00
CPF-284	Kent Blanchard	57,431.89		119.00	1,904.00	59,335.89
CPF-285	Joseph Romano	6,767.80		30.00	480.00	7,247.80
CPF-312	Joseph Witkowski	7,550.00		650.00	1,400.00	8,950.00
CPF-328	Charles Lombardo Jr.	35,974.33		0.00	101.00	36,075.33
CPF-332	Joseph Gillen	48,207.29		1,467.75	2,668.55	50,875.84
CPF-344	Brian McKinney	9,376.83		100.00	1,200.00	10,576.83
CPF-346	Alan Dashoff	6,500.00	A 9/24/12	0.00	501.66	7,001.66
CPF-347	Drew Gellien	16,805.91		50.00	1,275.00	18,080.91
CPF-373	Derrick Hart	65,538.23		100.00	1,100.00	66,638.23
CPF-397	Stanley Traymore	13,730.00		300.00	300.00	14,030.00
CPF-420	Ronald Kenderian	208,014.88		150.00	975.00	208,989.88
CPF-425	Michael Cunningham	206,533.37		0.00	50.00	206,583.37
CPF-431	Robert Doswell	15,466.67	A 4/5/2012	0.00	200.00	15,666.67
CPF-449	Martin Yazgier	17,869.74		100.00	1,200.00	19,069.74
CPF-451	John R. Neenan	41,984.22		50.00	650.00	42,634.22
CPF-460	Alfredo Fernandez	165,220.55		0.00	0.00	165,220.55
CPF-463	Walter Clark	2,595.00		0.00	0.00	2,595.00
CPF-464	Allen Mukaida	4,170.00		100.00	800.00	4,970.00
CPF-468	Patrick Shannon	80,798.92		100.00	200.00	80,998.92
CPF-472	Kenneth B. Schneider	295,075.00		0.00	2,875.00	297,950.00
CPF-478	Kenneth Levenson	16,334.93	C 9/5/12	0.00	0.00	16,334.93
CPF-483	Basil D. Beck	3,960.00		25.00	225.00	4,185.00
CPF-518	Joel Kraemer	22,734.60		160.00	960.00	23,694.60
CPF-520	Kenneth Irek	150.00		0.00	350.00	500.00
CPF-523	Matthew Segal	26,145.16		152.00	1,889.00	28,034.16
CPF-530	Nicholas Mina	11,848.82		0.00	50.00	11,898.82
CPF-534	Terrence G. Boyle	30,445.14		250.00	2,000.00	32,445.14
CPF-546	Joseph Caputo	22,681.24		0.00	150.00	22,831.24

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
SUBROGATION RECEIPTS  
DEC 31, 2012

CPF NO	NAME	2011 SUB-TOTAL	MISC CODE	MONTHLY TOTAL	2012 Y-T-D	GRAND TOTAL
CPF-552	Christopher Riley Jr.	211,736.05		175.00	2,100.00	213,836.05
CPF-553	Jude Tonzola	19,908.40		48.00	696.00	20,604.40
CPF-562	Wayland Goldston	1,970.00		40.00	480.00	2,450.00
CPF-565	John W. Morris	12,249.80		100.00	1,100.00	13,349.80
CPF-574	Stuart Whitefield	41,985.23		0.00	1,500.00	43,485.23
CPF-575	Richard Pisacane	6,846.12		0.00	1,000.00	7,846.12
CPF-577	Morris Chucas	4,125.00		45.00	360.00	4,485.00
CPF-585	Perry Feinberg	17,214.92		0.00	35.00	17,249.92
CPF-587	Anthony Cabelo	204,261.32		0.00	2,498.97	206,760.29
CPF-588	Gary M. Weiss	8,746.89		0.00	460.00	9,206.89
CPF-594	James S. Webb Jr.	12,283.14		27.72	332.64	12,615.78
CPF-602	Peter Toth	4,080.00		30.00	360.00	4,440.00
CPF-604	Gregory Imperiale	39,008.92		0.00	900.00	39,908.92
CPF-607	Vickie Donaldson	17,450.00		0.00	0.00	17,450.00
CPF-608	Alfred J. Villoresi	0.00		0.00	168,217.58	168,217.58
CPF-617	Benjamin Poreda	2,900.00		0.00	300.00	3,200.00
CPF-622	Douglas Black	11,494.46		100.00	1,200.00	12,694.46
CPF-625	Richard Doyle	38,601.89		0.00	0.00	38,601.89
CPF-633	Saverio Principato	15,926.19		152.90	1,735.80	17,661.99
CPF-638	Edward S. Fody	13,786.53		100.00	500.00	14,286.53
CPF-640	Joseph Privetera	175,047.79		80.00	1,160.00	176,207.79
CPF-642	Manuel R. Diaz	50,936.15		700.00	2,593.00	53,529.15
CPF-643	James Ceresnack	17,583.57		25.00	2,825.00	20,408.57
CPF-645	Harvey Honig	47,102.84		150.00	1,801.00	48,903.84
CPF-648	Robert Auriemma	188,361.50		150.00	1,800.00	190,161.50
CPF-650	Steven P. Haft	45,300.00	B 6/3/1998	0.00	0.00	45,300.00
CPF-651	Robert Holman	3,400.00		0.00	450.00	3,850.00
CPF-659	Ernest Destefano	41,456.53		0.00	3,835.00	45,291.53
CPF-660	Donald Hamilton	183,184.23		0.00	250.00	183,434.23
CPF-662	Joseph Dooley Jr.	42,520.14		100.00	1,200.00	43,720.14
CPF-668	Steven Olitsky	5,285.00	A 1/18/2012	0.00	300.00	5,585.00
CPF-669	James T. Davis	11,265.00		150.00	775.00	12,040.00
CPF-675	Adrian Unger	470.00		0.00	0.00	470.00
CPF-680	Howard Lazaroff	1,143.87		7.80	46.80	1,190.67
CPF-682	Charles Mysak	19,714.53		0.00	1,000.00	20,714.53
CPF-683	Thomas DeLuca	27,359.15	E 12/18/2010	0.00	1,267.48	28,626.63
CPF-689	James Waldron	50,020.91		0.00	0.00	50,020.91
CPF-690	James D. Harrison	25,884.21		0.00	175.00	26,059.21
CPF-691	Daniel Jacobs	12,296.49		0.00	880.00	13,176.49
CPF-701	Charles Booream	147,743.31		0.00	605.00	148,348.31
CPF-708	Linda K. Anderson	6,492.53		0.00	230.00	6,722.53
CPF-722	James Carney	74,175.35		125.64	2,027.46	76,202.81
CPF-726	Pasquale Cardone	4,900.00		100.00	1,100.00	6,000.00
CPF-731	Alan Marlowe	785.00	A 4/13/2012	0.00	0.00	785.00
CPF-751	Oscar Gaskins	1,675.00	A 5/30/2012	0.00	325.00	2,000.00
CPF-753	David B. Biunno	81,996.86		600.00	2,200.00	84,196.86
CPF-755	Stanley Purzycki	48,889.23		183.23	2,322.95	51,212.18
CPF-761	Jean Pace	7,490.06		50.00	250.00	7,740.06
CPF-764	Jay Kloud	20,247.65		100.00	1,100.00	21,347.65
CPF-768	William Gasper	89,019.87		760.48	5,610.98	94,630.85
CPF-772	Frank Jess	62,576.94		0.00	455.00	63,031.94
CPF-779	Sonia Harris	3,816.00		197.00	1,188.00	5,004.00

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
SUBROGATION RECEIPTS  
DEC 31, 2012

CPF NO	NAME	2011 SUB-TOTAL	MISC CODE	MONTHLY TOTAL	2012 Y-T-D	GRAND TOTAL
CPF-782	Jacqueline Poquette	9,555.00		0.00	1,300.00	10,855.00
CPF-787	John Gross	6,938.03	A 2/23/2012	0.00	160,708.56	167,646.59
CPF-793	Scott Walterschied	2,082.00		30.00	360.00	2,442.00
CPF-798	John F. Fox	226,094.90		0.00	670.00	226,764.90
CPF-799	Lewis Seagull	60,188.80		50.00	600.00	60,788.80
CPF-807	Stuart Donegan	25,990.62		0.00	1,200.00	27,190.62
CPF-808	Thomas Callahan	158,327.71		20.00	220.00	158,547.71
CPF-811	Carl J. Valore	5,765.44		0.00	1,200.00	6,965.44
CPF-812	Steven Marmarou	8,902.81		0.00	500.00	9,402.81
CPF-814	Gerhard Krahn	10,798.82	A 6/8/2012	0.00	1,348.18	12,147.00
CPF-817	Leon Martelli	4,325.00		300.00	3,325.00	7,650.00
CPF-818	Charles Conway	146,625.72		121.94	1,637.09	148,262.81
CPF-824	Willard Byer	7,905.10		75.00	900.00	8,805.10
CPF-828	Aaron Smith	4,701.00		500.00	5,120.00	9,821.00
CPF-829	Richard Mule	6,412.17		100.00	300.00	6,712.17
CPF-834	Richard Carroll	7,200.00		100.00	1,200.00	8,400.00
CPF-836	Jay Helt	77,861.83		0.00	1,400.00	79,261.83
CPF-841	Gerald Fitzpatrick	138,905.78		300.00	3,000.00	141,905.78
CPF-852	Michael G. Mole'	71,603.93		131.39	1,434.93	73,038.86
CPF-863	Carol Ward Maffia	7,245.00		0.00	97.63	7,342.63
CPF-870	Anthony Simmons	4,700.00		0.00	1,350.00	6,050.00
CPF-875	Michael Magnola	19,040.00		0.00	4,200.00	23,240.00
CPF-880	William Nash	5,706.32		0.00	1,125.00	6,831.32
CPF-895	Samuel Malat	2,500.00	A 5/21/2012	0.00	1,640.00	4,140.00
CPF-899	Lawrence Coven	118,353.00		0.00	446.00	118,799.00
CPF-905	Francis Monahan	4,344.98		0.00	604.50	4,949.48
CPF-912	Michael Caro	20,844.22		250.00	3,000.00	23,844.22
CPF-916	Richard Pizzi	83,691.80		396.00	4,752.00	88,443.80
CPF-920	Jeffrey Lichtenstein	0.00		0.00	650.00	650.00
CPF-930	Jon Steiger	12,307.60		0.00	117.78	12,425.38
CPF-932	Donald Richmond	40.00		0.00	100.00	140.00
CPF-935	Mitchell Singer	5,181.68		400.00	1,700.00	6,881.68
CPF-941	Robert Giegerich	23,311.00		0.00	50.00	23,361.00
CPF-947	Rick Garcia	8,795.15	A 2/23/2012	0.00	1,404.85	10,200.00
CPF-953	Barry Perlow	14,734.45		0.00	208.51	14,942.96
CPF-957	Avis Cole-Williams	495.00	C 5/5/2008	0.00	0.00	495.00
CPF-958	Chak Y. Lee	500.00		25.00	300.00	800.00
CPF-960	Jaffa Stein	1,597.33	H 3/16/2012	0.00	2,700.00	4,297.33
CPF-962	Stephen Skoller	1,200.00		0.00	450.00	1,650.00
CPF-966	Deborah Pierce	1,500.00		100.00	650.00	2,150.00
CPF-968	Edmund Glasner	3,997.99	A 11/30/12	0.00	11,454.61	15,452.60
CPF-969	Matthew Bernhard	45,779.98		0.00	255.47	46,035.45
CPF-972	Ben Zander	1,500.00		75.00	825.00	2,325.00
CPF-979	Andrew Kimmel	685.53		50.00	600.00	1,285.53
CPF-980	Jeffrey Paster	0.00	E 1/28/2008	0.00	192,681.10	192,681.10
CPF-990	Nicole D. Tierney	1,150.00	A 9/11/12	0.00	3,973.00	5,123.00
CPF-994	Louis Colaguori	0.00		250.00	17,904.20	17,904.20
CPF-995	Gerald M. Lynch	0.00		0.00	139.65	139.65
CPF-997	Thomas Cattani	23,000.00	A 1/6/2012	0.00	2,000.00	25,000.00
CPF-999	David Payne	221,295.56		142.14	1,524.42	222,819.98

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
SUBROGATION RECEIPTS  
DEC 31, 2012

CPF NO	NAME	2011 SUB-TOTAL	MISC CODE	MONTHLY TOTAL	2012 Y-T-D	GRAND TOTAL
CPF1004	Robert Kelley Jr.	2,300.38		0.00	0.00	2,300.38
CPF1009	William Wright	500.00		0.00	0.00	500.00
CPF1011	Anthony J. Lagasi	0.00		0.00	300.00	300.00
CPF1014	Vincenza LeonelliSpina	0.00		150.00	1,500.00	1,500.00
CPF1016	Eugene Cavallo	2,744.00		418.00	4,976.00	7,720.00
CPF1018	Steven Lanza	6,250.44		28.00	21,972.33	28,222.77
CPF1031	John Lynch	412.77		0.00	41,778.00	42,190.77
CPF1032	Matthew Connolly	0.00		0.00	65,050.07	65,050.07
CPF1036	Mark Gold	0.00		0.00	47.12	47.12
CPF1046	Ian W. Marrero	10,208.00		0.00	2,547.00	12,755.00
CPF1050	Peter DeJong	2,602.24		1,417.99	12,295.71	14,897.95
CPF1060	Matthew Turlick	216,612.03		0.00	0.00	216,612.03
CPF1061	Kenneth Brookman	50,331.99		75.52	761.66	51,093.65
CPF1071	John Miele	0.00		185.00	117,638.51	117,638.51
CPF1081	Duncan G. Cameron	0.00		0.00	1,562.00	1,562.00
CPF1106	Paul Shapiro (Dec'd)	0.00	A 11/8/12	0.00	10,000.00	10,000.00
				\$14,578.32	\$981,988.68	
				=====	=====	

MISC  
CODE

- A Paid in Full
- B Restored
- C Returned Check
- D Replace/Redeposit Check
- E Deceased
- F Excess/Refund
- G Credit/JE Interest Pymt
- H CEP Money Received

\$14,399,712.49	SUB TOTAL
981,988.68	Y-T-D TOTAL
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\$15,381,701.17	GRAND TOTAL
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NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 2012 PAYMENT OF CLAIMS  
 AS OF DEC 31, 2012

1. <u>Marvin Davidson</u> CPF-0596:05-11	Desormes		5,500.00
2. <u>Diane S. Avery</u> CPF-0915:03-10	Estate of Barchetta		400,000.00
3. <u>Eugene M. Lavergne</u> CPF-0939:05-11 CPF-0939:05-11A CPF-0939:07-11 CPF-0939:09-11 CPF-0939:10-11	Estate of Fowler Greenhalgh Brugnola Beauvil Fitzpatrick	101,664.06 37,105.15 1,550.00 5,600.00 <u>3,000.00</u>	     148,919.21
4. <u>Avis Cole-Williams</u> CPF-0957:10-11	Robinson/Reynolds		100,000.00
5. <u>Jonathan Saint-Preux</u> CPF-1007:02-10 CPF-1007:03-11	Qureshi Mballa	1,180.00 <u>3,000.00</u>	  4,180.00
6. <u>Dorca Delgado-Shafer</u> CPF-1026:03-12	Cuevas		7,000.00
7. <u>Dawn L. Jackson</u> CPF-1030:25-11 CPF-1030:26-12	Hill Willis/Franklin	4,000.00 <u>4,000.00</u>	  8,000.00
8. <u>Matthew Connolly</u> CPF-1032:16-11	Kontos		19,388.49
9. <u>Paul Bergrin</u> CPF-1035:51-11 CPF-1035:53-11 CPF-1035:55-12 CPF-1035:56-12	Lewis Santana Schiano Lewis	2,500.00 7,500.00 5,000.00 <u>6,500.00</u>	    21,500.00
10. <u>Mark E. Gold</u> CPF 1036:15-11	Fayed		124,666.52
11. <u>Anthony L. Russo, Dec'd</u> CPF-1052:03-10 CPF-1052:07-10	Taub/Autiero Youssef & Eid	49,265.43 <u>30,000.00</u>	  79,265.43

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
2012 PAYMENT OF CLAIMS  
AS OF DEC 31, 2012

12. <u>Gary R. Thompson</u>			
CPF-1055:06-11	Lowery	2,000.00	
CPF-1055:08-12	Schwartz, Jr.	<u>4,000.00</u>	
			6,000.00
13. <u>Gary P. Levin</u>			
CPF-1059:03-10	Pollock	22,618.71	
CPF-1059:06-10	Cook	66,938.29	
CPF-1059:28-11	Sanchez	14,733.33	
CPF-1059:33-11	Langbein	1,866.67	
CPF-1059:34-11	Santiago	600.00	
CPF-1059:35-11	Moore	5,033.33	
CPF-1059:36-11	Vincent	1,200.00	
CPF-1059:37-11	Amir	12,500.00	
CPF-1059:38-11	Done	1,200.00	
CPF-1059:39-11	Loder	1,200.00	
CPF-1059:42-11	Azad	1,200.00	
CPF-1059:47-12	Kendall	<u>500.00</u>	
			129,590.33
14. <u>Matthew M. Turlik</u>			
CPF-1060:28-11	Ostorskaya	500.00	
CPF-1060:38-11	Morris	<u>1,200.00</u>	
			1,700.00
15. <u>Kenneth H. Brookman</u>			
CPF-1061:05-11	Gorksy Estate		4,400.00
16. <u>Nicholas R. Manzi</u>			
CPF-1063:03-12	Irvolino		2,500.00
17. <u>Mario J. D'Alfonso, Dec'd</u>			
CPF-1068:02-11	Meeser	1,003.00	
CPF-1068:03-11	Daniels	3,500.00	
CPF-1068:04-11	Lamplugh	17,500.00	
CPF-1068:05-11	Garcia	12,500.00	
CPF-1068:06-11	Duckenfield	1,250.00	
CPF-1068:07-11	Roman	<u>10,000.00</u>	
			45,753.00
18. <u>John A. Miele, III</u>			
CPF-1071:01-11	Busch	7,000.00	
CPF-1071:02-11	Benedetto	10,000.00	
CPF-1071:03-11	Smith	45,953.51	
CPF-1071:04-11	Stone	3,333.33	
CPF-1071:04-11B	Bottono Realty Group	3,333.33	
CPF-1071:05-11	Miele	22,500.00	

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
2012 PAYMENT OF CLAIMS  
AS OF DEC 31, 2012

18. <u>John A. Miele, III cont'd.</u>				
CPF-1071:06-11	Torres		13,333.34	
CPF-1071:07-11	Binda		12,000.00	
CPF-1071:08-12	Meinert		3,000.00	
CPF-1071:09-12	Dwyer		15,000.00	135,453.51
19. <u>Bruce D. Hersh</u>				
CPF-1072:02-11	West		77,000.00	
CPF-1072:03-11	East Orange Property		175,000.00	
CPF-1072:04-11	Frey Estate		40,000.00	292,000.00
20. <u>Laurence A. Hecker</u>				
CPF-1073:02-11	Dent			657.00
21. <u>Kashif Molamusa, Dec'd</u>				
CPF-1074:01-11	Cappuccia			47,334.62
22 <u>Yong Wook Kim</u>				
CPF- 1077:11-11	Moon Massage Therapy		2,672.50	
CPF-1077:14-12	Estate of Maione		100,000.00	102,672.50
23 <u>Jeffrey P. Squitieri</u>				
CPF-1080:01-11	Henao			88,000.00
24. <u>Duncan G. Cameron</u>				
CPF-1081:01-11	Bravo Property			87,019.91
25. <u>Michele M. Simmsparris</u>				
CPF-1082:01-11	Pilgrim			20,879.45
26. <u>Terence S. Brady</u>				
CPF-1088:02-11	Dillon, III		650.00	
CPF-1088:04-12	Edwards		775.00	1,425.00
27. <u>Kevin Main</u>				
CPF-1090:03-12	Lohman			1,000.00
28 <u>Stephen M. Hildebrand</u>				
CPF-1091:01-11	Smith			4,243.17
29. <u>Alfonso Robinson, III</u>				
CPF-1093:02-12	Amjad		100,000.00	
CPF-1093:04-12	Gray		4,000.00	104,000.00

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 2012 PAYMENT OF CLAIMS  
 AS OF DEC 31, 2012

30.	<u>Robert G. Rosenberg</u> CPF-1098:01-11	DeRobertis		1,500.00
31.	<u>Dennis Cipriano</u> CPF-1100:01-11	Chrein et al		15,000.00
32.	<u>Michael R. Giro</u> CPF-1101:02-11 CPF-1101:03-11 CPF-1101:04-12	Pilliteri Larsen Sanchez/Valdez	12,000.00 18,944.00 <u>2,500.00</u>	33,444.00
33.	<u>Paul L. Shapiro, Dec'd</u> CPF-1106:01-12	Malik		10,000.00
34.	<u>Ralph P. Allocca, Dec'd</u> CPF-1108:01-12	Giordano Estate		77,268.60
35.	<u>James M. Docherty, Dec'd</u> CPF-1110:01-12 CPF-1110:02-12	Iachio McCloskey	35,000.00 <u>11,548.64</u>	46,548.64
36.	<u>Leonard H. Niedermayer</u> CPF-1111:01-12 CPF-1111:02-12 CPF-1111:03-12 CPF-1111:04-12	Idell Fox, III Marrero Gremmels, II	486.00 461.00 2,719.00 <u>634.00</u>	4,300.00
37.	<u>Kevin J. Carlin</u> CPF-1114:01-12	Camiso		3,000.00
38.	<u>Scot D. Rosenthal</u> CPF-1120:02-12	Kitapci		2,000.00
39.	<u>Kenneth H. Kell</u> CPF-1122:02-12	Estate of DiNicola		50,000.00
85 Claims Paid in 2012				\$2,236,109.38

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 VALUE OF PENDING, PAYABLE, AND PAID CLAIMS  
 AS OF DEC 31, 2012

CPF#	Respondent	Pending Claim Loss	Pending Maximum Payable	Approved But Not Paid	Claims Paid	Pending + Approved+Paid
231	H. Stein	215,000.00	215,000.00	0.00	82,500.00	297,500.00
675	A. Unger	125,000.00	125,000.00	0.00	56,432.00	181,432.00
731	A. Marlowe	18,190.00	18,190.00	0.00	785.00	18,975.00
779	S. Harris	937,500.00	250,000.00	0.00	213,366.67	463,366.67
915	D. Avery	492,679.18	400,000.00	0.00	417,524.89	817,524.89
939	E. Lavergne	377,740.00	377,740.00	0.00	155,419.21	533,159.21
981	R. Kress	600,000.00	250,000.00	0.00	1,200.00	251,200.00
1016	E. Cavallo	50,000.00	50,000.00	0.00	49,500.30	99,500.30
1018	S. Lanza	6,000.00	6,000.00	0.00	342,611.09	348,611.09
1026	D. Delgado-Shafer	7,459.66	7,459.66	0.00	7,000.00	14,459.66
1032	M. Connolly	0.00	0.00	4,350.00	699,398.99	703,748.99
1035	P. Bergrin	161,000.00	161,000.00	0.00	225,013.21	386,013.21
1053	J. Weiss	0.00	0.00	71,567.86	200,000.00	271,567.86
1055	G. Thompson	946,762.75	412,062.75	0.00	6,000.00	418,062.75
1059	G. Levin	141,669.67	141,669.67	7,944.33	309,111.45	458,725.45
1060	M. Turlik	95,600.37	95,600.37	0.00	242,380.03	337,980.40
1063	N. Manzi	31,500.00	31,500.00	0.00	6,350.00	37,850.00
1066	A. Gaglioti	1,982,443.81	1,840,133.80	0.00	0.00	1,840,133.80
1068	M. D'Alfonso	15,460.00	15,460.00	0.00	45,753.00	61,213.00
1070	J. Frohling	43,474.74	43,474.74	0.00	0.00	43,474.74
1075	J. Michelson	6,000,270.00	1,600,000.00	0.00	0.00	1,600,000.00
1077	Y. Kim	4,238.32	4,238.32	2,319.60	295,922.50	302,480.42
1078	T. Provost	201,450.00	201,450.00	0.00	58,355.12	259,805.12
1079	D. Przygoda	307,472.11	307,472.11	0.00	0.00	307,472.11
1083	J. Ezeilo	20,000.00	20,000.00	0.00	0.00	20,000.00
1084	J. Sacks-Wilner	40,503.94	40,503.94	0.00	2,600.00	43,103.94
1086	M. Skelley	50,000.00	50,000.00	0.00	0.00	50,000.00
1091	S. Hildebrand	523,052.75	523,052.75	9,385.00	4,243.17	536,680.92
1093	A. Robinson, III	177,050.00	177,050.00	0.00	104,000.00	281,050.00
1096	E. Mueller	765,500.00	465,500.00	0.00	0.00	465,500.00
1097	J. Tiffany	26,900.00	26,900.00	0.00	0.00	26,900.00
1099	R. Singh	369,455.62	369,455.62	0.00	0.00	369,455.62
1101	M. Gidro	3,500.00	3,500.00	0.00	33,444.00	36,944.00
1102	M. Kwasnik	49,211,341.50	13,070,230.40	0.00	0.00	13,070,230.40
1103	C. Boyd	6,011.00	6,011.00	0.00	0.00	6,011.00
1104	D. Oury	3,500.00	3,500.00	0.00	0.00	3,500.00
1105	G. Figaro	390,562.91	390,562.91	0.00	0.00	390,562.91
1106	P. Shapiro	0.00	0.00	91,814.24	10,000.00	101,814.24

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
 VALUE OF PENDING, PAYABLE, AND PAID CLAIMS  
 AS OF DEC 31, 2012

CPF#	Respondent	Pending Claim Loss	Pending Maximum Payable	Approved But Not Paid	Claims Paid	Pending + Approved+Paid
1107	F. Cutruzzula	235,450.00	235,450.00	0.00	0.00	235,450.00
1109	J. Edelman	256,000.00	256,000.00	23,500.00	0.00	279,500.00
1110	J. Docherty	9,000.00	9,000.00	0.00	46,548.64	55,548.64
1113	R. Yusem	69,750.00	69,750.00	0.00	0.00	69,750.00
1115	M. Bellotti	10,000.00	10,000.00	0.00	0.00	10,000.00
1117	A. Iler	358,369.00	358,369.00	0.00	0.00	358,369.00
1119	K. Burns	5,395.00	5,395.00	0.00	0.00	5,395.00
1120	S. Rosenthal	25,750.00	25,750.00	0.00	2,000.00	27,750.00
1121	P. Di Giovanni	13,724.00	13,724.00	0.00	0.00	13,724.00
1122	K. Kell	1,500.00	1,500.00	49,003.25	50,000.00	100,503.25
1123	E. David	6,500.00	6,500.00	0.00	0.00	6,500.00
1124	D. DelTufo	5,700.00	5,700.00	0.00	0.00	5,700.00
1125	J. Karr	278,533.36	278,533.36	0.00	0.00	278,533.36
1126	C. Gensib	121,100.60	121,100.60	0.00	0.00	121,100.60
1127	R. Kaplan	4,265.50	4,265.50	0.00	0.00	4,265.50
1128	J. Kurts	1,000.00	1,000.00	0.00	0.00	1,000.00
1129	S. Rak	2,500.00	2,500.00	0.00	0.00	2,500.00
1130	R. Vreeland	4,500.00	4,500.00	0.00	0.00	4,500.00
<b>56</b>	<b>TOTALS</b>	<b>\$65,757,325.79</b>	<b>\$23,108,755.50</b>	<b>\$259,884.28</b>	<b>\$3,667,459.27</b>	<b>\$27,036,099.05</b>

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
BILLING STATISTICS - PLENARY NJ ATTORNEYS  
DEC 31, 2012

NJ PLENARY ATTORNEYS AT END OF PRIOR YEAR		89,673 *
Current Year Additions		
Admitted in Current Year	2,976	
Admitted in Prior Year; Added to Roll in Current Year	225	
Reinstated from Suspension	7	
Granted Motion to Vacate Revocation	6	
		3,214
Current Year Deletions		
Deceased	(262)	
Disbarred	(17)	
Suspended	(38)	
Resigned	(630)	
Revoked	(552)	
Disability Inactive	(1)	
		(1,500)
<b>Current Total</b>		<b>91,387</b>
NJ PLENARY ATTORNEYS BY CATEGORY		
Paid		
\$50	59,576	
\$25	5,237	
	-	64,813
Exempt from payment - Active		
1st Calendar Year of Plenary Admission	2,974	
2nd Calendar Year of Admission (Payment to DOC and LAP only)	2,907	
50th or greater than 50th Calendar Year of Admission	884	
		6,765
<b>Total Active</b>		<b>71,578</b>
Exempt from payment - Inactive		
Military, AmeriCorps, Peace Corps	363	
Retired	12,971	
Administratively Deleted	27	
		13,361
Ineligible		
Old/New (Admitted in a prior year but added to roll of attys in current year)		6,445
No Response to Current Year's Billing		-
Holding - Temporary Status Pending Problem Resolution + 2 Testing Files		3
<b>Current Total</b>		<b>91,387</b>
Compliant (Paid or Exempt from Payment)		84,939

\*This number does not include 478 attorneys classified as suspended or disability inactive in 2011.

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
BILLING STATISTICS - FLC'S, IHC'S, MJP'S, SPL'S  
DEC 31, 2012

<b>FOREIGN LEGAL CONSULTANTS AT END OF PRIOR YEAR</b>		8
Current Year Additions	-	
Current Year Deletions	-	
	<b>Current Total</b>	<b>8</b>
<b>FLC Totals By Category</b>		
Paid	4	
Not Obligated to Pay		
Exempt - Obtained Plenary License	-	
License/Admission Terminated	4	
Ineligible	-	
No Response to Current Year's Billing	-	
	<b>Current Total-FLC's</b>	<b>8</b>
	Compliant (Paid or Exempt from Payment)	8
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<b>IN HOUSE COUNSEL AT END OF PRIOR YEAR</b>		1,440
Current Year Additions		
Before Bills Issued	84	
After Bills Issued	58	
Current Year Deletions - Archived License Expired	(128)	
	<b>Current Total</b>	<b>1,454</b>
<b>IHC Totals By Category</b>		
Paid	1,232	
Holding	2	
Not Obligated to Pay		
Exempt - Paid as a NJ Attorney	-	
Exempt - Paid as an MJP or PHV Attorney	-	
Added To System After Bills Issued	59	
License Expired	71	
Ineligible	90	
No Response to Current Year's Billing	-	
	<b>Current Total-IHC's</b>	<b>1,454</b>
	Compliant (Paid or Exempt from Payment)	1,362
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<b>MULTIJURISDICTIONAL PRACTITIONERS AT END OF PRIOR YEAR</b>		636
Current Year Additions	42	
Current Year Deletions	-	
	<b>Current Total</b>	<b>678</b>
<b>MJP Totals By Category</b>		
Paid	229	
Holding	-	
Not Obligated to Pay		
Paid as a NJ Attorney	5	
Exempt - Paid as an IHC or PHV Attorney	7	
Not on a Case	392	
Ineligible	45	
No Response to Current Year's Billing	-	
	<b>Current Total-MJP's</b>	<b>678</b>
	Compliant (Paid or Exempt from Payment)	633
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<b>SPECIAL LICENSE ADMITTEES AT END OF PRIOR YEAR</b>		1
Current Year Additions	-	
Current Year Deletions	-	
	<b>Current Total-SPL's</b>	<b>1</b>
	Compliant (Paid or Exempt from Payment)	0

NJ LAWYERS' FUND FOR CLIENT PROTECTION  
BILLING STATISTICS - PRO HAC VICE ATTORNEYS  
DEC 31, 2012

PRO HAC VICE ATTORNEYS AT END OF PRIOR YEAR		27,106 *
Current Year Additions		
Admitted in Current Year	1,637	
Admitted in Prior Year; Added to Roll in Current Year	-	
Unresponsives Restored	115	
		1,752
Current Year Deletions		
Unresponsive (Archived at rollover)	(8,569)	
Duplicate Records	(20)	
Deceased	(16)	
		(8,605)
<b>Current Total</b>		<b>20,253</b>
PRO HAC VICE TOTALS BY CATEGORY		
<b>Paid as a PHV Attorney</b>		<b>6,523</b>
Exempt from PHV payment		
Government Employee	21	
Not on a Case - Litigation Ended or Order Terminated	12,034	
Paid as a NJ Attorney	408	
Paid as an MJP or IHC	14	
		12,477
Ineligible PHV Attorney	1,235	
Ineligible NJ Attorney	3	
Old/New - Admitted in Prior Year; Added to Roll in Current Year		
No Response to Current Year's Billing	-	
Holding - Temporary Status Pending Problem Resolution	1	
Unresponsive restored from archives	14	
		1,253
<b>Current Total</b>		<b>20,253</b>
Compliant (Paid or Exempt from Payment)		19,000

\*This number does not include two attorneys classified as suspended in 2011.

**New Jersey Lawyers' Fund for Client Protection  
Daniel R. Hendi, Director & Counsel**

**Richard J. Hughes Justice Complex  
25 Market St, 5<sup>th</sup> Fl North Wing  
PO Box 961  
Trenton, NJ 08625-0961**

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**Claims: (609) 292-8008  
Billing: (609) 292-8079  
Fax: (609) 394-3637**

**[www.njcourts.com/cpf/index.htm](http://www.njcourts.com/cpf/index.htm)**