

## About the New Jersey Lawyers' Fund for Client Protection

The New Jersey Lawyers' Fund for Client Protection has served the same noble purpose since its creation more than 50 years ago: to reimburse clients in those rare instances when a lawyer betrays their trust by stealing funds.

### Administration

The Lawyers' Fund is managed by a volunteer 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 Claims and Proof Required

To properly submit a claim, you must prove an attorney/client or fiduciary relationship with the lawyer. You must also prove a "compensable loss", which generally means that the lawyer collected money on your behalf (to be held in trust), and then stole it.

You must be able to show that the lawyer:

- Received money or property from you;
- Improperly took or used 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. You 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 their own proof.

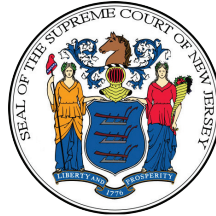
### Limits on Claims

There is a limit of \$400,000 for each person who makes a claim (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.

**New Jersey Lawyers' Fund  
For Client Protection**  
Richard J. Hughes Justice Complex  
25 Market St.  
mail to: P.O. Box 961  
Trenton, NJ 08625-0961

For more information, visit  
**www.njcourts.gov**  
or call us:  
Claims and Billing:  
855-533-FUND (3863)  
Fax: 609-815-2935

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ACTING DIRECTOR & COUNSEL

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NEW JERSEY

# Lawyers' Fund for Client Protection

*Our commitment to law clients*





## The Fund's Jurisdiction

Before the Lawyers' Fund can begin its investigation, the lawyer who you are filing a claim against must be suspended, disbarred, deceased, placed on disability inactive status, or convicted of embezzlement or theft.

You cannot be reimbursed for claims involving pure fee disputes, unfortunate or ill-advised investments involving a lawyer, or professional negligence or malpractice. The Lawyers' Fund does not pay interest or consequential damages.

## How to File a Claim

You can get a claim form by writing, emailing our office, calling us at (855-533-3863, or online at [LFCP.Mailbox@njcourts.gov](mailto:LFCP.Mailbox@njcourts.gov)). Our staff will help you with the filing process. The original and one copy of a completed and signed claim form must be returned to us. There is no filing fee.

## How Claims are Decided

The Lawyers' Fund has a legal staff that reviews and investigates all claims, which are then reviewed by 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. The Board of Trustees can also decide to hold a hearing to take testimony from the person who made the claim, the lawyer, and other persons with relevant information.

## Recovery of Payments Made

If your claim is successful, the Lawyers' Fund and you will sign a *Release, Assignment and Subrogation Agreement* that will then allow the Lawyers' Fund to pursue your 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 maintain the funds that they administer on behalf of the Bar.

## Fund Resources

Payments that are awarded 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 (MJP), in-house counsel (IHC), and foreign legal consultants (FLC), pay into the Lawyers' Fund each

year. The fee that lawyers pay is \$21 for New Jersey lawyers in their third and the fourth calendar year of admission, and \$46 for those in the fifth through the 49<sup>th</sup> 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 illegal behavior occurs.

New Jersey lawyers can be proud because the Supreme Court and the Bar are committed to protecting the public against lawyer theft by maintaining a healthy and a responsive Lawyers' Fund for Client Protection. Lawyers who help victims with their claims are prohibited from charging a fee (*Rule* 1:28-3(f)).

The Lawyers' Fund is good for the public and good for the Bar, serving both in the highest tradition of the New Jersey Judiciary.