

REPORTS OF SPECIAL BOARDS

CLIENTS' PROTECTION FUND

Charles L. Williams, Jr., Chair

The Clients' Protection Fund was established in 1976 to make monetary awards to persons who have suffered financial losses due to the dishonest conduct of Virginia lawyers. The fund is operated by a 14-member board appointed by the Virginia State Bar Council. The board has lay and lawyer members. Board members investigate all petitions from clients for payments from the fund, and the board discusses and acts on each petition.

The fund began the fiscal year on July 1, 2001, with a cash balance of \$2,816,629.52. Interest income for the 2001–2002 fiscal year totaled \$139,203.12. The fund received restitutions from Attorney General's collections, debt set-off and individual restitutions in the amount of \$9,836.31. As of June 30, 2002, the cash balance in the fund was \$2,878,940.42. Pursuant to the rules governing the Clients' Protection Fund, all funds are invested in certificates of deposit and U. S. Government securities.

As of July 1, 2001, there were five claims pending from the previous fiscal year. Seventy-five new claims were received during the year. The total amount paid during 2001–2002 was \$86,458.06, representing 32 claims. Twenty-two claims were denied, two were withdrawn, and 24 were pending, as of June 30, 2002.

The board began the 2002 fiscal year with three new members: H. Victor Milner, Jr., Chatham; C. Butler Barrett, Emporia; and Jerry W. Ham, lay member, Richmond.

