



Clients' Security Fund

Annual Report | Fiscal Year 2023 - 2024

The Clients' Security Fund was established in 1972 by Rule XII of the D.C. Court of Appeals Rules Governing the District of Columbia Bar and has operated continuously for 52 years through Fiscal Year 2023-24. The Fund's mission, as set forth in Rule XII, Section 3 is: “[To] maintain the integrity and protect the good name of the legal profession by reimbursing... losses caused by dishonest conduct of members of the District of Columbia Bar, acting either as attorneys or as fiduciaries customary to the practice of law...”



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

Dishonest conduct, which must be found for reimbursement to be approved, is defined in the Fund's Rules as, “wrongful acts causing the loss of a client's money or property, and may include defalcation, embezzlement, conversion of money, and other wrongful taking of property.”¹

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

¹ On June 10, 2024, the D.C. Bar Board of Governors approved an amendment to Rule I.G of the Clients' Security Fund Rules of Procedure to specify that dishonest conduct may include a lawyer who dies or becomes incapacitated during the course of a representation if the lawyer has not completed the work for which they were paid in advance for the service.

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

FY 2023-24 AT-A-GLANCE

- 13 Claims Filed
- 10 Claims Approved
- 2 Claims Denied
- \$81,259 Reimbursed to Claimants
- \$21,972 Restitution Received
- \$26,777 Bar Allocation to Fund
- \$11,145 Interest Earned

A LOOK AT OUR FY 2023-24 TRUSTEES

Chair

Leah Nicholls, Esq.
*Director, Access to Justice Project,
Public Justice*

Vice-Chair

Carolyn P. Vinson, Esq.
Counsel, Venable, LLP

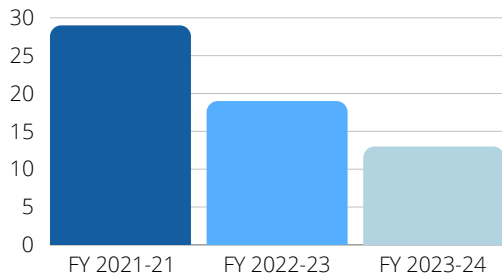
Victor E. Long, Esq.
Senior Partner, Regan Zambri Long

Brenda Oliver, Esq.
Principal Attorney, Jackson Lewis, PC

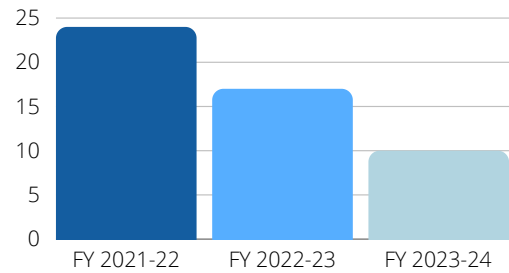
Adam Ross, Esq.
Partner, Orrick, Herrington & Sutcliffe LLP

Yearly Comparative Data

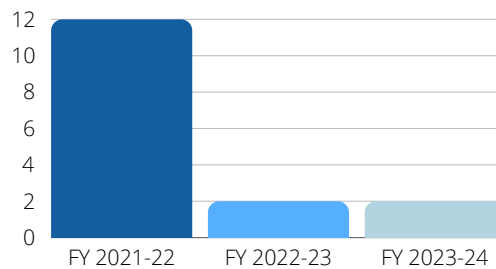
Claims Filed



Claims Approved



Claims Denied



Claims Decided by Trustees

Claims Decided in FY 2022-23: 19

Claims Decided in FY 2023-24: 12

Percent Change: 37% decrease

Claims Filed

Claims Filed in FY 2022-23: 19

Claims Filed in FY 2023-24: 13

Percent Change: 32% decrease

Restitution Received

Amount Received by Fund in FY 2022-23: \$7,695

Amount Received by Fund in FY 2023-24: \$21,972.48

Percent Change: 186% increase