

**REPORT OF
THE WISCONSIN LAWYERS' FUND FOR CLIENT PROTECTION**

**FISCAL YEAR 2009
JULY 1, 2008 THROUGH JUNE 30, 2009**

Attorney Deborah M. Smith (member, 2011) was appointed chairperson to serve until June 30, 2009. In addition to Attorney Smith, the other members serving on the committee in fiscal year 2009 were Attorney Lindsey D. Draper (2012), who also served as vice chair, Attorney Joseph P. Wright (2009), Attorney Wayne L. Maffei (2010), Dr. Steven Behar (2011), Mary Beth Growney-Selene (2013), and Attorney Stephen D. Chiquoine (2013).

The committee met three times, August 26, 2008, November 20, 2008, and March 17, 2009, to consider claims filed and address other business.

CLAIMS SUMMARY

During fiscal year 2009, the committee acted upon a total of 37 claims. The claims included 35 new claims first presented in fiscal year 2009; and two claims deferred from fiscal year 2008. The 37 claims were against 13 attorneys.

A total of 21 claims were approved in the following categories:

- Theft by Investment – one claim totaling \$75,000
- Trust Account Conversion – three claims totaling \$72,943.49
- Unearned Advanced Fees – 17 claims totaling \$33,910.17

The Fund approved claims against the following 13 individual attorneys:

- Joan Marie Boyd – two claims totaling \$7,299
- Peter T. Elliott – one claim totaling \$25,709.09
- Scott H. Fisher – six claims totaling \$6,600
- James M. Gedlen – one claim totaling \$2,500
- Donald A. Hahnfeld – one claim totaling \$6,000
- Scott E. Hansen – one claim totaling \$5,000
- Mark R. Kramer – one claim totaling \$22,784.40
- Godfrey Y. Muwonge – one claim totaling \$2,643.35

- Mark Gerard Pierquet– one claim totaling \$1,200
- Gerald Proost – one claim totaling \$75,000
- Anne B. Shindell – one claim totaling \$987.82
- Robert J. Smead – three claims totaling \$1,680
- Michael C. Trudgeon – one claim totaling \$24,450

Of the 37 claims considered, 16 were approved for payment in full, five were approved in part and denied in part, eight were denied in full, five were deferred for further consideration, and three were withdrawn as payment had been made by the attorney to the claimant.

As of the date of this report, 51 claims have been received for consideration in fiscal year 2010. In addition, the five deferred claims, totaling \$35,633.33 will again be considered in fiscal year 2010.

REVENUE

The Wisconsin Lawyers' Fund for Client Protection ended fiscal year 2008 with a balance of \$418,070.56. During fiscal year 2009, there was a Wisconsin Lawyers' Fund for Client Protection assessment of \$0 per attorney per SCR 12.07(3) Certificate of sufficiency. "The committee shall determine the net value of the fund as of May 1 of each year. Whenever the value of the fund shall equal or exceed \$250,000, after deducting all claims which the committee has determined to pay and which are not disposed of at the date of valuation and all expenses properly chargeable against the fund, the committee shall file with the supreme court prior to May 31 of that year a certificate of sufficiency to that effect. When a certificate of sufficiency is filed with the Supreme Court, there shall be no annual assessment for the next fiscal year."

Total assessments collected amounted to \$64. Interest on deposits totaled \$9,595.38. Restitution collected from attorneys totaled \$14,238.08. Total funds available to the committee for distribution during fiscal year 2009, therefore, were \$441,968.02.

EXPENSES

Of the 37 claims considered in the fiscal year, 21 were paid for a total amount of \$181,853.66. Administrative expenses were paid in the aggregate amount of \$43,190.79. Total disbursements made by the fund were thus \$225,044.45. As of the end of the fiscal year—June 30, 2009—the fund balance was \$216,923.57.

OTHER ACTION

At its March 17, 2009 meeting, the committee set the assessment for fiscal year 2010 at \$16 per attorney. The committee noted that the estimated balance of the fund at the end of Fiscal Year 2009 would be less than \$250,000. The Committee set the \$16 assessment pursuant to SCR 12.07(2) Annual assessments.

The Wisconsin Lawyers' Fund for Client Protection was selected by the National Client Protection Organization, Inc. (NCPO) to host its annual workshop, which was held September 11 and 12, 2008 in Madison, WI. The workshop was attended by thirty five representatives of 25 national client protection funds. The NCPO is a not-for-profit membership corporation which was organized in May 1998. NCPO is foremost an educational resource for the exchange of information among law client protection funds throughout the United States and Canada.

NCPO's purposes include providing help and support to protection funds and programs to protect legal consumers from dishonest conduct in the practice of law. Toward that end, NCPO's efforts include regional seminars for the sharing of experiences and administrative techniques and procedures.

The committee will continue with its collection process in fiscal year 2010 with an added emphasis on pursuing collection against an attorney who has been ordered to pay restitution by the Wisconsin Supreme Court, per the recently created SCR 21.16(2m)(c). The fund will also continue to publicize the names of all attorneys who have claims approved against them per SCR 12.11-Confidentiality.

The committee will continue with the development and implementation of its strategic plan:

- Increase awareness of the fund among the public and members of the profession
- Improve the ability of the Fund to identify and pay eligible claims in a timely manner
- Collaborate with the Office of Lawyer Regulation, the courts and relevant State Bar entities to reduce the incidence of dishonest conduct by providing information to Wisconsin lawyers and judges on the extent of dishonest conduct and their role in reducing the problem of dishonest lawyer conduct.

Respectfully submitted,

WISCONSIN LAWYERS' FUND FOR CLIENT PROTECTION

By: _____
Deborah M. Smith, Chair

Date: _____, 2009

Attachment 1 - Action on Claims

Attachment 2 - Financial Statements

Attachment 3 – Fiscal Year 2009 Claims by Attorney

Attachment 4 – Fiscal Year 2009 Claims by Type of Theft