

ATTORNEYS' FUND FOR CLIENT PROTECTION

2017

Annual Report





“ ... to promote public confidence in the administration of justice and the integrity of the legal profession ... ”

— Colorado Rule of Procedure Regarding
Attorneys' Fund for Client Protection

COLORADO SUPREME COURT
2017 ANNUAL REPORT
Attorneys' Fund for Client Protection



JUSTICES OF THE SUPREME COURT

Chief Justice Nancy E. Rice
Justice Nathan B. Coats
Justice Allison H. Eid¹
Justice Melissa Hart²
Justice Monica M. Márquez
Justice Brian D. Boatright
Justice William W. Hood, III
Justice Richard L. Gabriel

BOARD OF TRUSTEES

Charles Goldberg, Esq., Chair
Charles Turner, Esq.
Yolanda M. Fennick, Esq.
Melinda M. Harper, CPA
Michael B. Lupton
Katayoun A. Donnelly, Esq.
David A. Mestas, Esq.

OFFICE OF ATTORNEY REGULATION COUNSEL

James C. Coyle, Attorney Regulation Counsel
Matthew A. Samuelson, Chief Deputy Regulation Counsel³
Margaret B. Funk, Chief Deputy Regulation Counsel
April M. McMurrey, Deputy Regulation Counsel
Dawn M. McKnight, Deputy Regulation Counsel
Gregory G. Sapakoff, Deputy Regulation Counsel⁴

¹ Filled United States Circuit Judge vacancy for the United States Court of Appeals for the Tenth Circuit in 2017.

² Appointed to serve on the Colorado Supreme Court in 2017.

³ Matthew A. Samuelson, Chief Deputy Regulation Counsel, left the Office in September 2017. Ms. Funk, formerly Senior Deputy Regulation Counsel, was promoted to Chief Deputy Regulation Counsel in September 2017.

⁴ Joined the Office in 2017.



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I. BOARD OF TRUSTEES

The Board of Trustees, appointed by the Supreme Court, consists of five attorneys and two public members.

Charles Goldberg, Esq. Chair of the Board, is a partner in the Denver firm of Lewis Roca Rothgerber Christie LLP and a former Denver District Court Judge. Mr. Goldberg served for over 20 years on the Colorado Supreme Court's Pattern Civil Jury Instructions Committee. Mr. Goldberg is the recipient of the 2011 Isaac Hecht Law Client Protection Award, granted by the American Bar Association's National Client Protection Organization, where he is a former member of the Board. Mr. Goldberg is a Fellow of the American College of Trial Lawyers. For many years he has been named to Best Lawyers in America and as one of the "Colorado Super Lawyers." In 2011, Mr. Goldberg was granted the DU "Law Star" Alumni Professionalism Award by The University of Denver Sturm College of Law. In 2010, Pope Benedict XVI granted the Benemerenti ("To a Well Deserving Person") Medal to Mr. Goldberg. He is also the recipient of the Civis Princeps (First Citizen) Award by Regis University in 2010. In addition, Mr. Goldberg is involved in several professional and community organizations.

Charles Turner, Esq. is the former Executive Director of the Colorado/Denver Bar Associations. Mr. Turner is involved locally and nationally in many professional organizations.

Yolanda M. Fennick, Esq. is a graduate from the University of Missouri-Columbia, Missouri and is a partner at The Law Office of Yolanda M. Fennick, P.C. in Colorado Springs, Colorado. Ms. Fennick is an active member of Colorado Women's Bar Association, El Paso County Bar Association, current board member of the El Paso County Bar Foundation, Women Lawyer's of the 4th Judicial District, Ben S. Wendleken Inn of Court, Statewide Access to Justice Commission, and President of Family Law Section of the El Paso County Bar Association.

Melinda M. Harper, CPA is the founding member of Harper Hofer & Associates, LLC, financial consultants in litigation, valuation and marital dissolutions and provider of tax planning and compliance services. Her firm provides litigation services relating to damages, business disputes, investigatory services, fraud investigations, due diligence, solvency, lost earnings, employment disputes, intellectual property, business valuation and family law, as well as non-litigation valuation services and tax services. Melinda, who has been testifying for

approximately 30 years, has been qualified as an expert in Federal Courts in California, Colorado, Idaho, New Mexico, Texas, Wyoming and Utah, in Colorado's District Courts, in Bankruptcy Courts, before arbitration panels and in depositions, also serves as an expert consultant, special master and arbitrator. Her primary emphasis is on business issues in complex commercial litigation, arbitration and mediation. She is a former Chair of the AICPA's Consulting Services Executive Committee and of the AICPA's Litigation and Dispute Resolution Services Subcommittee. She also was the founding Chair of the Litigation Support Services Committee of the Colorado Society of CPA's.

Melinda is also a Member of the American Arbitration Association's Large Complex Case and Mediation Panels and serves on the Colorado Supreme Court's Disciplinary Hearing Panel and the Attorneys' Fund for Client Protection. She is also a former member of the AICPA's Joint Trial Board and currently serves on the Colorado Society of CPAs Professional Conduct Board. She is also a former Board member of the Legal Aid Foundation and the Colorado Health Foundation, where she served on the audit and finance committees, and the HCA Joint Venture Board, where she was also a member of the audit committee. She also currently serves on the board of the Colorado Health-OP.

In addition to the service described above, Ms. Harper was the founding president of The Alliance of Professional Women and has been involved with many other community organizations. In addition to honors earned while taking the CPA exam, she has received awards recognizing her public service. She graduated from West Virginia University with a Bachelor of Science in Business Administration with a major in Accounting.

Michael B. Lupton, is a graduate of University of Washington, Seattle, WA with a BSEE, and has over 40 years in the Telecommunications Industry. He has been an active volunteer for over 20 years with a Douglas County Youth Sports organization as a Coach, Sport Manager and Officer of the Board of Directors.

Katayoun A. Donnelly, Esq. received her J.D. from the Sturm College of Law at the University of Denver, having earned an honorable mention as Best Oralist at the Willem E. Vis International Commercial Arbitration Moot in Vienna, Austria. She received her LL.B., with honors, from Tehran University and an LL.M. from Azad University. Following law school, she worked in the Appeals Section of the Office of the Prosecutor at the International Criminal Tribunal for the Former Yugoslavia in The Hague and served as a law clerk to the Honorable Edward W. Nottingham, Chief Judge of the U.S. District Court for the District of Colorado, and to the Honorable Stephanie

K. Seymour of the U.S. Court of Appeals for the Tenth Circuit. In 2010, the American Inns of Court selected Ms. Donnelly as one of four Temple Bar Scholars to represent the law clerks of the United States Circuit Courts and the United States Supreme Court in the United Kingdom. For the past decade, Ms. Donnelly has litigated cases at many levels, from county court to the Tenth Circuit, handling criminal trials, civil trials, and appeals for clients ranging from indigents to Fortune-200 companies. She has been selected as a Colorado Super Lawyers Rising Star in the area of Appellate Practice.

David A. Mestas, Esq., is a partner at Gavaldon & Mestas, LLC in Fort Collins, Colorado. He was admitted to the Colorado Bar in 1990 and the U.S. District Court for the District of Colorado in 1992. He is an active member of the Colorado Hispanic Bar and Hispanic National Bar. Mr. Mestas is the former Chairman of the Colorado Supreme Court's Unauthorized Practice of Law Committee in which he served from 2000 – 2009.

II. INTRODUCTION

This annual report of the Colorado Supreme Court Attorneys' Fund for Client Protection (the Fund) covers the period beginning January 1, 2017 and ending December 31, 2017.

The purpose of the Fund is to promote public confidence in the administration of justice and the integrity of the legal profession by mitigating losses caused by the dishonest conduct of attorneys admitted and licensed to practice law in the courts of this state during the course of attorney-client or court-appointed fiduciary relationship between the attorney and the claimant.

The Fund does not receive any governmental monies or tax dollars. Every active Colorado attorney has contributed twenty-five dollars to the Fund as a part of their annual registration fee since January 1, 2008 (effective January 16, 2014, the Supreme Court decreased the annual assessment from forty dollars to twenty-five dollars per active attorney).

III. HISTORY AND STRUCTURE OF THE FUND

On June 25, 1998 (effective January 1, 1999), the Colorado Supreme Court established the Fund. Under the supervision of the Colorado Supreme Court, a Board of Trustees appointed by the Court receives, holds, manages and disburses the funds collected. See C.R.C.P. 252.2.

The Board of Trustees consists of five Colorado attorneys and two public members appointed by the Supreme Court. The Trustees serve without compensation and are appointed for terms of three years and are eligible to serve no more than two consecutive three-year terms. See C.R.C.P. 252.5.

The Trustees meet as frequently as necessary to process claims in a timely manner. The Trustees, in their sole discretion, evaluate, investigate, determine and pay claims. The Trustees promulgate rules of procedure and fix a maximum amount of payment per claim payable on an aggregate amount, which may be paid because of the dishonest conduct of any one attorney. See C.R.C.P. 252.7.

The Colorado Supreme Court Office of Attorney Regulation Counsel serves as counsel to the Board of Trustees. Attorney Regulation Counsel receives and investigates all claims filed with the Fund. See C.R.C.P. 252.12.

IV. ELIGIBLE CLAIMS

For a claim to be eligible for reimbursement, the loss must be caused by the dishonest conduct of an attorney. Additionally, the loss must arise out of and by reason of an attorney-client relationship or a court-appointed fiduciary relationship between the attorney and the claimant. *See* C.R.C.P. 252.10. Pursuant to court rule, the Trustees could not pay claims for losses incurred as a result of dishonest conduct committed prior to July 1, 1999. *See* C.R.C.P. 252.2(c).

On June 16, 1999, the Trustees adopted guidelines to carry out the purposes of the Fund. The guidelines set forth eligibility requirements, filing instructions, processing details and payment of award details. The Trustees occasionally modify the guidelines to meet changing needs. (The guidelines are attached to this Annual Report in Part IX.)

In cases of extreme hardship or special or unusual circumstances, the Trustees may, in their sole discretion, recognize a claim that would otherwise be excluded under the rules. *See* C.R.C.P. 252.10(e).

The Trustees require the Claimant to initiate a request for investigation with the Office of Attorney Regulation Counsel prior to consideration of any claim.

V. CLAIM LIMITS

At the inception of the Fund, the Trustees adopted a limit of \$5,000 as the maximum amount any claimant could receive from the fund regardless of the magnitude of the loss. Additionally, the Trustees initially adopted a maximum payment of \$20,000 in the aggregate regardless of the magnitude of loss any particular lawyer may have caused.

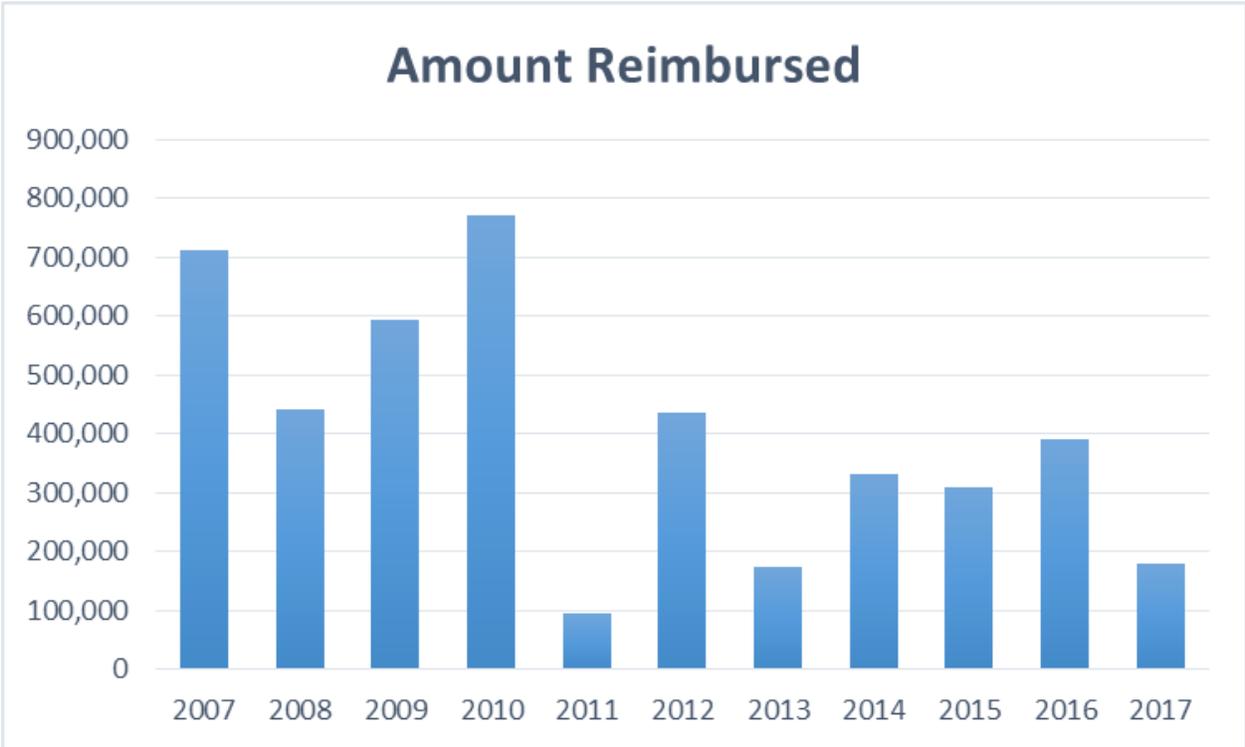
The Trustees subsequently set a \$50,000 per claim limit and a \$100,000 limit for losses caused by any one attorney. The amount of any award made is within the sole discretion of the Trustees.

In 2009, the Trustees adopted a policy regarding claims previously approved but not wholly paid. That policy requires the Trustees to reconsider all claims previously approved, but not wholly paid, at the final meeting of each calendar year, including the year the claim was initially approved and two successive years. (For example, assuming the claim was partially paid at the December 2013 meeting, then the committee shall reconsider the claim at the final meeting in 2014 and in 2015. As another example, if the claim was partially paid at the April 2012 meeting, then the Committee shall reconsider the claim at the final meetings in 2012, 2013, and 2014.)



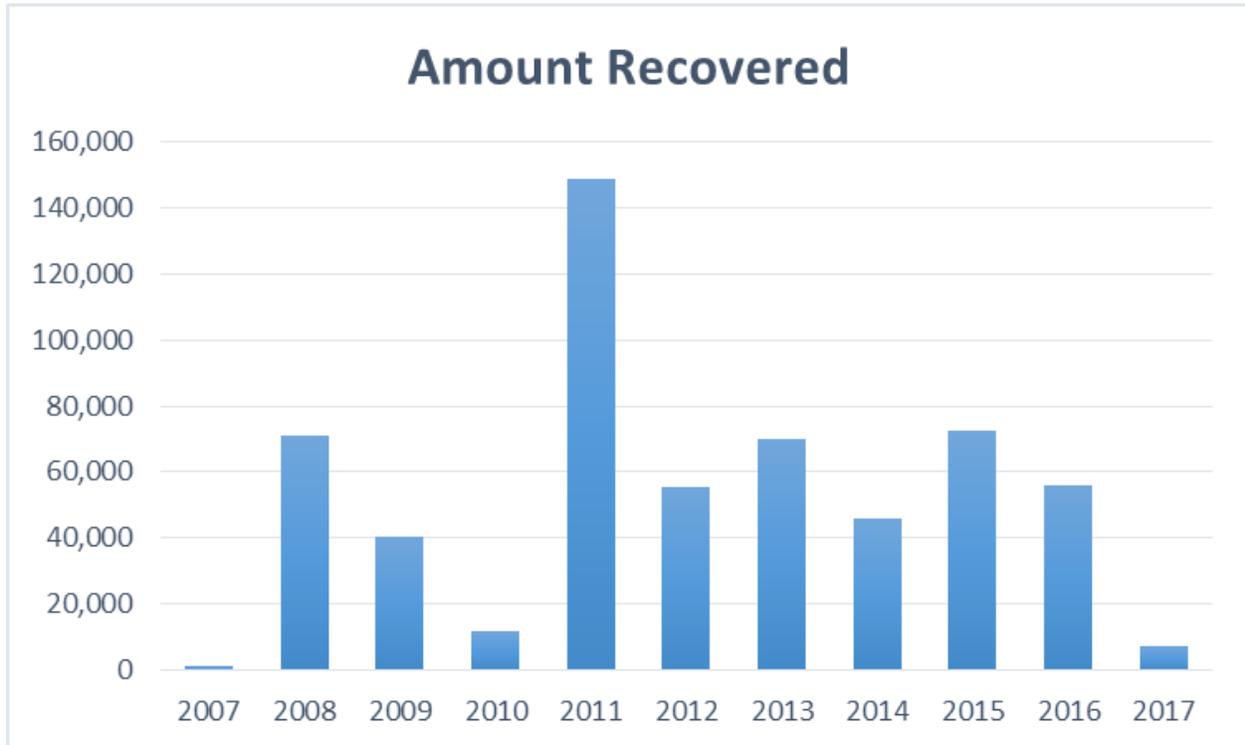
VI. CLAIMS PAID

In 2017, the Board approved \$179,154 in payments to claimants.



VII. RESTITUTION TO THE FUND

An attorney whose dishonest conduct results in payment to a claimant shall be liable to the Fund for restitution. In 2017, the Board recovered \$7,465 from respondents.



VIII. STATISTICS ON REVENUES/EXPENSES

	2016	2017
Revenue:		
Attorney Registration Fees	\$ 639,211	\$ 656,980.00
Collections from Respondents	55,829	7,465.90
Interest Income	4,762	4,908.58
Miscellaneous Income	693	22,096.81
	\$ 700,495	\$ 691,451.29
Expenditures:		
Claimant Payments	\$ 391,438	\$ 179,154.05
Payroll & Miscellaneous	98,631	119,401.28 ⁵
	\$ 490,069	\$ 298,555.33
Net Revenue (Expenditures)	\$ 210,426	\$ 392,895.96
Beginning Fund Balance	4,667,082	4,877,508.00
Ending Fund Balance	\$ 4,877,508	\$ 5,270,403.96

Cumulative	CY 2016	CY 2017
Collections from Respondents	\$656,811	\$664,276
Cumulative	CY 2016	CY 2017
Claimant Payments	\$6,306,829	\$6,485,983

⁵ Beginning in December 2017, the Board increased its coverage of Office of Attorney Regulation Counsel payroll expenses from approximately \$101,841/year to now \$294,571/year. This is a result of the Board's decision on September 5, 2017 to increase its funding of Office of Attorney Regulation Counsel staff from funding of one full-time investigator to funding of one full-time investigator, two inventory counsel staff members and one-half of the total compensation of one assistant regulation counsel position.

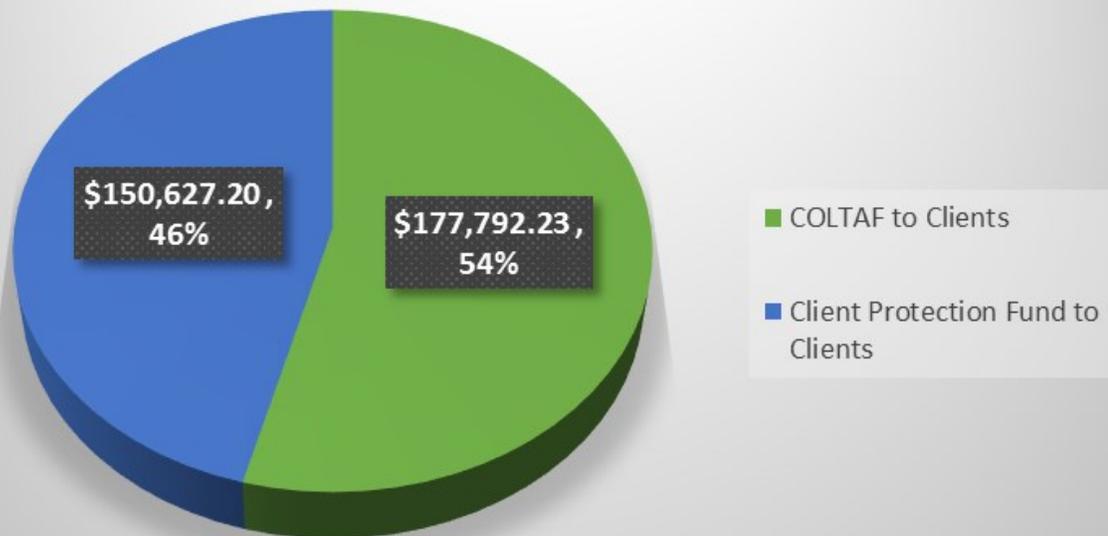


IX. CLIENT FUNDS RECOVERED BY INVENTORY COUNSEL

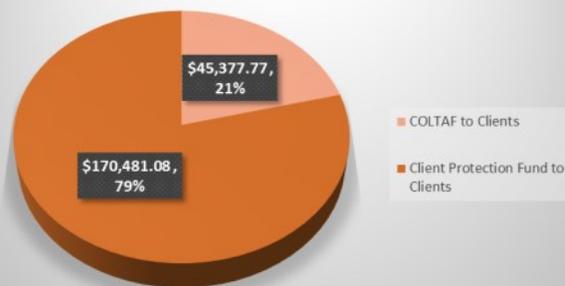
Attorney Regulation Counsel's umbrella also covers the end of an attorney's career and sometimes the end of his or her life. When an attorney is no longer able to perform his or her duties to clients, either due to disability or death, and there is no other party responsible for the attorney's affairs, the Office of Attorney Regulation Counsel steps in to file a petition for appointment of inventory counsel.

With the assistance of volunteer Colorado attorneys, and investigators and attorneys from the Office, the Inventory Counsel staff review all of the files and the trust account records and take steps to protect the interests of the attorney and the attorney's clients. The file inventory and file return process, and the related trust account record review and return of client funds process, may take months or years depending on the number of files, the area of practice, and the difficulty in locating the previous clients.

2017 Inventory Counsel Funds to Clients



2016 Inventory Counsel Funds to Clients



2015 Inventory Counsel Funds to Clients



X. GUIDELINES

To carry out the purposes of Rule 252.7(a)(2) of the Colorado Rules of Civil Procedure establishing the Colorado Attorneys' Fund for Client Protection (the "Fund"), the Trustees promulgate the following guidelines that are intended to serve as a guide, but not to bind, the operations of the Fund.

- 1. Construction of guidelines.** These guidelines shall be liberally construed to accomplish the objectives of the Fund and the policies of the Trustees.
- 2. Eligible claims.**
 - a. The Trustees shall consider claims for reimbursement of losses caused by the dishonest conduct of the attorney authorized to practice in Colorado and as set forth in Rule 252, that have arisen out of and by reason of an attorney-client relationship or court-appointed fiduciary relationship between the attorney and the client;
 - b. "Dishonest conduct" embodies a wide range of wrongful acts committed by an attorney. Examples include:
 - (1) Theft;
 - (2) Embezzlement of money;
 - (3) The wrongful conversion of money, property, or other things of value;
 - (4) An attorney's refusal to refund unearned fees received in advance as required by Rule 1.16 of the Colorado Rules of Professional Conduct;
 - (5) Failure to properly hold or manage property belonging to clients or third parties as required by Rule 1.15(A)-1.15(D) of the Colorado Rules of Professional Conduct;
 - (6) Borrowing money from a client without intention to repay it, or with disregard of the attorney's inability or reasonably anticipated inability to repay it; and
 - (7) After an attorney has died and it is discovered that at or prior to the time of his demise, the deceased attorney has not complied with Rules 1.15 (A)-1.15(D) of the Colorado Rules of Professional Conduct.
 - c. The loss occurred on or after July 1, 1999.
 - d. The following losses shall not be eligible:
 - (1) Losses incurred by spouses, children, parents, grandparents, siblings, partners, associates and employees of attorney(s) causing the losses;

(2) Losses covered by any bond, surety agreement, or insurance contract to the extent covered thereby, including any loss to which any bonding agent, surety or insurer is subrogated, to the extent of that subrogated interest;

(3) Losses incurred by any financial institution that are recoverable under a "banker's blanket bond" or similar commonly available insurance or surety contract;

(4) Losses incurred by any business entity controlled by the attorney;

(5) Losses incurred by any governmental entity or agency;

Losses arising from the activities of an attorney not having an office or residence in Colorado where those activities do not have substantial contacts with Colorado; and

(6) Losses arising from the activities of an attorney not having an office or residence in Colorado where those activities do not have substantial contacts with Colorado; and

(7) Interest on the loss or any type of consequential damages or punitive damages or cost.

e. Ordinarily, claims against Colorado licensed or certified attorneys in good standing will be denied or payment delayed until discipline is ordered by the Colorado Supreme Court; if the attorney has been disciplined, is dead, the attorney's whereabouts cannot be determined, or other good cause exists, the Trustees shall proceed to process the claim.

f. In cases of extreme hardship or special and unusual circumstances, the Board may, in its discretion, recognize a claim that would otherwise be excluded under these rules.

g. In cases where it appears that there will be unjust enrichment or multiple recovery or the claimant unreasonably or knowingly contributed to the loss, the Trustees may, in their discretion, deny the claim.

h. The claimant shall have the responsibility to provide satisfactory evidence of an eligible loss.

3. Filing claims.

a. Claims for reimbursement from the Fund shall be written and verified. The Fund shall provide an official claim form that shall require the following information: the name and address of the claimant; the name and last known address of the attorney who is alleged to have committed a dishonest act; the terms of the attorney's professional engagement for the claimant; the amount of the loss incurred; the date of the loss or the period of time when the loss occurred; the place and manner in which the loss occurred; the date and manner in which the claimant discovered the loss; a description of what steps the claimant has taken to recover the loss from the attorney or any other source; and whether

there are other sources, such as insurance, fidelity bonds, or surety agreements, to reimburse the claimant's loss. The Trustees may require a claimant to submit additional information that may be necessary to determine a claim.

b. The Fund shall promptly acknowledge receipt of the claim, which shall be assigned a claim number.

c. A claim shall be filed no later than three years after the claimant knew or should have known of the dishonest conduct of the attorney.

4. Processing claims.

a. Whenever it appears that a claim is not eligible for reimbursement pursuant to these guidelines, the claimant shall be advised of the reasons why the claim is not eligible for reimbursement, and that unless additional facts to support eligibility are submitted to the Fund within 50 days, the claim shall be dismissed.

b. The Office of the Attorney Regulation Counsel of the Colorado Supreme Court shall serve as the staff agency for the Fund and shall assist the Trustees as follows:

- (1) Investigating and reporting on all claims;
- (2) Recommending denial of those claims received that are clearly not covered by the Fund;
- (3) Recommending denial of those claims when the underlying grievance matter has been closed by the Office of Attorney Regulation Counsel without discipline or the Claimant has withdrawn the claim;
- (4) Preparing the committee agenda and recording the minutes of the committee meetings;
- (5) Presenting of claims to the Trustees;
- (6) Notifying claimants of ultimate disposition;
- (7) Coordinating payouts;
- (8) Monitoring subrogation rights on previously paid claims;
- (9) Preparing of annual Fund reports;
- (10) Acting as custodian of all Fund records including, but not limited to, minutes and all bank records; and
- (11) Paying only those claims authorized or approved by a majority of the Trustees at a meeting duly called at which a quorum was present either in person or via teleconference.

c. A certified copy of an order disciplining an attorney for the same act of conduct alleged in a claim, or a final judgment imposing civil or criminal liability therefor, shall, for the purpose of these guidelines, be evidence that the attorney committed such act.

d. All claims that are eligible for reimbursement from the Fund shall be investigated by the Office of the Attorney Regulation Counsel, which shall furnish to the Trustees a written report of each investigation.

e. Upon receipt of the investigation report, the Trustees shall determine whether to conduct additional investigation. If the attorney whose alleged conduct gave rise to the claim has not been previously notified of the claim, a copy of the claim shall be provided to the attorney. The attorney shall be invited to respond to the claim within 20 days.

f. The Trustees may request that testimony be presented to complete the record. Upon request, the claimant and the attorney, or their respective representatives, shall be given an opportunity to be heard.

g. The Trustees shall determine, in their sole discretion, whether a claim merits reimbursement from the Fund, and the amount, time, manner of its payment and the conditions upon which payment shall be made. The award of a claim shall require the affirmative vote of at least four Trustees.

h. If services were performed that were ultimately useful to the claimant, the amount of the claim for which useful services were performed will customarily be denied.

i. Unless the Trustees direct otherwise, no claim shall be awarded during the pendency of a disciplinary proceeding involving the same act of conduct that is alleged in the claim.

j. In the exercise of their discretion in determining claims, the Trustees shall consider, together with such other factors as they deem appropriate:

(1) The amount of money available and likely to become available to the Fund for the payment of claims, and the size and number of claims that have been or are likely to be presented;

(2) The amount of the claimant's loss as compared with the amount of losses sustained by other claimants who may merit reimbursement from the Fund;

(3) Any conduct of the claimant that contributed to the loss; and

(4) The existence of other sources to reimburse the claimant's loss, such as insurance, fidelity bonds or surety agreements.

k. Written notice of the Trustees' determination shall be provided to the claimant and the attorney whose alleged conduct gave rise to the claim, or the representatives.

5. Reconsideration of claims. A claimant who is denied reimbursement in whole or in part may request that the Trustees reconsider the claim by filing an application with the Fund no later than 30 days following receipt of the Trustees' determination. If a

claimant fails to request reconsideration, or the original determination of the Trustees is confirmed, the Trustees' determination shall be final.

6. Payment of awards.

a. Claimants shall be reimbursed for losses in amounts to be determined by the Trustees. No award shall be in excess of \$50,000.00 per claim and the Fund shall not pay more than \$100,000.00 for losses caused by one attorney, unless otherwise determined by the Board of Trustees.

b. Awards shall not include interest. Attorneys' fees, consequential damages, and other incidental and out-of-pocket expenses shall not be reimbursed by the Fund. Additional taxes, interest, late charges and similar penalties finally incurred by a claimant as the direct result of an attorney's misappropriation may be eligible for reimbursement in the discretion of the Trustees. The investigation report in a claim which involves such an element of loss shall contain an estimate of the amount of such loss and a recommendation whether the loss merits reimbursement from the Fund. The Trustees will reconsider all claims previously approved, but not wholly paid, at the final meeting of each calendar year, including for the year the claim was initially approved and two successive years. (For example, assuming the claim was partially paid at the December 2014 meeting, then the committee shall reconsider the claim at the final meeting in 2015 and in 2016. As another example, if the claim was partially paid at the April 2015 meeting, then the Committee shall reconsider the claim at the final meetings in 2015, 2016, and 2017.)

c. No claim for reimbursement shall be paid until the claimant transfers to the Fund, in such form as the Trustees shall authorize, the claimant's rights against the attorney whose dishonest conduct caused the claimant's loss and any other person or entity who may be liable for the claimant's loss.

d. Payment of claims shall be made in such amounts and at such times as the Trustees deem appropriate and may be paid in lump-sum or installment amounts.

e. If a claimant is a minor or is incompetent, the award may be paid to a parent, guardian, committee or the attorney of the claimant, on behalf of and for the sole benefit of the claimant.

f. All payments of awards of reimbursement from the Fund shall be made from the Fund.

g. Payments to the Fund shall be dependent upon the allocations made to the Fund each year by the Colorado Supreme Court pursuant to C.R.C.P. 252.2(b).

7. Fiscal year. The Fund will operate on a fiscal year basis, concurrent with the fiscal year of the Office of Attorney Regulation Counsel.

8. Meetings and Officers. Meetings of the Trustees shall be subject to the call of the chairperson or the call of a majority of the Trustees. The Trustees shall meet at least annually for the consideration of claims. The Trustees shall keep accurate records of their action which shall be open to inspection at any and all times by any Trustee or by any member of the Colorado Supreme Court or by any person or persons authorized by the Colorado Supreme Court to inspect said records. Nothing set forth in this guideline shall preclude the inspection of the records by any person or persons designated as auditors of the Fund. The Trustees shall have the right to disclose information from their records to any person employed by the Trustees for the purpose of seeking restitution of any claim paid by the Fund and to disclose said information publicly in the prosecution of its subrogation rights.

9. Duties of Officers.

a. The chair shall preside at all meetings of the Trustees and generally coordinate and supervise the administration of the Fund.

b. If the chair is absent or otherwise unable to serve, the vice chair shall undertake the duties of the chair.

c. The chair shall utilize the services of the Office of Attorney Regulation Counsel, which shall have (1) custody of the monies and other assets of the Fund; (2) receive all payments to the monies of the Fund in the manner authorized by the Trustees; (3) make disbursement from the Fund authorized by the Trustees; (4) invest the monies of the Fund in the manner authorized by the Trustees; (5) cause an annual accounting to be made of the Fund; (6) maintain appropriate records; and (7) file such tax or information returns as may be required of the Fund. Disbursements from the Fund shall be made upon direction of the Board of Trustees and by the signature of Attorney Regulation Counsel, or for those amounts \$5,000 or more, by the signature of Attorney Regulation Counsel and one of the liaison justices. The chair may, authorize payment of administrative expenses from the Fund.

d. The Office of Attorney Regulation Counsel shall prepare minutes of each meeting of the Trustees and shall maintain the original records of the Trustees, including a separate file for each claim for all claims for reimbursement filed with the Fund.

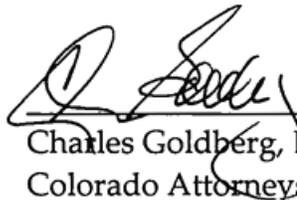
10. Fund of last resort. Claimants should reasonably exhaust other remedies before seeking reimbursement from the Fund. Other remedies include bonds, professional liability policies, third party responsibility, the defalcating attorney's partners and deceased attorney's estate. Neither the Trustees nor the Fund nor its staff shall incur any liability for non-payment of claims or for erroneous payments.

11. Investment. All Fund assets may be invested, as authorized by C.R.C.P. 252.7(a)(5): (1) in bonds, notes or other securities of or guaranteed by the

United States or a federal agency, and (2) in interest bearing accounts or certificates of any bank, trust company, or savings and loan association which are insured by the Federal Deposit Insurance Corporation of the United States or protected pursuant to the Public Deposit Protection Act (PDPA), C.R.S. § 11-105-101, et. seq.

12. Amendment. These Guidelines and Regulations may be amended by a vote of at least four of the Trustees.

Date of Adoption: These Guidelines have been adopted on June 16, 1999, which are effective, and amended March 23, 2005 and June 11, 2015.



Charles Goldberg, Esq., Chair
Colorado Attorneys Fund for Client Protection
Colorado Supreme Court



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Special thanks to BRYAN LOPEZ for his photography used in this report.