

CLIENTS' SECURITY BOARD
OF THE
SUPREME JUDICIAL COURT OF MASSACHUSETTS



ANNUAL REPORT
TO THE
SUPREME JUDICIAL COURT
FISCAL YEAR 2019

September 1, 2018 - June 30, 2019



**CLIENTS' SECURITY BOARD
of the Supreme Judicial Court
of Massachusetts
June 30, 2019**

Dear Reader,

Because the Board changed its fiscal year to align with the Supreme Judicial Court's, this Annual Report covers the ten months ended June 30, 2019. This period was an especially productive one in carrying out the CSB's mission to discharge the collective professional responsibility of the members of the bar regarding thefts of client funds.

The Board made awards of over \$2.3 million during this period, which is significantly higher than our normal level of \$2 million annually. Consistent with our past experience two dishonest lawyers accounted for nearly 90% of the awards. In October we awarded a non-profit institution \$776,500 to reimburse it for the theft of escrow funds by Kirk Griffin and in May we awarded a family partnership \$1,290,000 for the theft of investment funds by Arthur McCabe. Our Deputy General Counsel Adam Lutynski, with assistance from our Legal Specialist Bernice Addonizio, ably represented us in both cases that were complicated and document intensive. To date, the Board has reimbursed Kirk Griffin's former clients about \$890,000 and Arthur McCabe's former clients approximately \$2,700,000, making him the leading cause of awards in the CSB's history. Helping to restore the good name of the bar in these two case was rewarding but no more so than making a \$2,000 award to an undocumented client of an unscrupulous immigration lawyer.

In June the SJC adopted amendments to the rules applicable to the CSB. This project was encouraged and supported by the SJC and was the culmination of several years of effort by past and present Board members and our staff. The amended rules:

- Are in plain English and gender neutral
- Employ standardized language throughout
- Conform to the Board's existing practices
- Reflect the current multijurisdictional nature of law practice
- Modernize investment requirements for the Clients' Security Fund
- Update administrative provisions.

As with other client protection organizations, we face the challenge of making sure that victims of lawyer theft are aware of the CSB without unnecessarily damaging the reputation of the legal profession. In the period our General Counsel Karen O'Toole, working jointly with bar counsel and its attorney and consumer assistance program, increased the Board's outreach activities with presentations at citizens groups, bar associations and victim-witness assistance

offices. A collateral benefit of this activity is introducing the legal community to the rewards of Board service and of representing claimants pro bono before the Board. Outreach will continue to be a priority in fiscal 2020

The period also saw former Chair Ethan Jeffery and former Vice Chair and Treasurer Martin Newhouse complete their terms of service after lasting contributions to the adjudication of claims as well as to the governance and financial structure of the Board. In another transition, General Counsel Karen O'Toole in June announced her plan to retire at year end after 30 years of service to the Board. We are conducting a search for her successor and in the coming year will celebrate in proper fashion Karen's extraordinary contributions to the Board. The Board continues its oversight of the outside investment manager of the Clients' Security Fund. And as a matter of good practice the Board has rotated its independent accounting firm.

The Board continues to be a national leader in the field of client protection and is proud to serve with the Board of Bar Overseers (licensing and discipline) and Lawyers Concerned for Lawyers (lawyer assistance) as one of the three agencies implementing the SJC's program of lawyer self-regulation.

I would like to thank the Court for the opportunity to serve as Chair and its support of our activities. I would also like to express my appreciation to my fellow Board members for their contributions and collegiality and to our exceptional staff for their hard work, good humor and unfailing dedication to our mission.

Very Truly Yours,



W. Lee H. Dunham, Chair

FY 19 – SIGNIFICANT NUMBERS

Total Awarded	\$2,339,881.18
Claims Adjudicated	42
Total Awards	35
Lawyers Responsible	17 out of 59,341 (0.03%)
# Claims Pending, Year-End	56
\$ Claims Pending, Year-End	\$4,132,390.76

PRO BONO LAWYERS

The Board is pleased to acknowledge and thank the following lawyers who generously contributed their time and talents during FY 2019 to represent claimants before the Board for which service, by Court Rule, they may not receive compensation.

Brian Champion, Esq.
Libby, O'Brien, Kingsley & Champion
Kennebunk, ME

Douglas R. Hyne, Esq.
Lovenberg & Associates, P.C.
Boston, MA

Steven W. Kasten, Esq.
Looney, Cohen & Aisenberg, LLP
Boston, MA

Claims Activity Chart 1975-2019

Fiscal Year	Claims Filed	Claims Adjudicated	Claims Dismissed	Awards Made	Total Awards
1975-1979	195	126	76	50	\$148,767.80
1980	126	60	38	22	\$71,208.00
1981	42	126	61	65	\$244,276.18
1982	30	29	9	20	\$80,212.00
1983	35	40	7	33	\$152,005.00
1984	45	42	17	25	\$141,125.67
1985	46	34	12	22	\$224,904.17
1986	23	38	7	31	\$214,810.75
1987	42	34	12	22	\$503,776.00
1988	28	24	13	11	\$267,954.24
1989	51	40	16	24	\$146,720.06
1990	74	73	18	55	\$759,025.23
1991	71	55	20	35	\$624,592.42
1992	124	85	16	69	\$968,894.77
1993	146	95	22	73	\$1,111,181.93
1994	109	157	27	130	\$1,203,911.62
1995	90	103	35	68	\$1,602,217.70
1996	139	100	33	67	\$1,696,870.13
1997	81	113	30	83	\$2,058,900.92
1998	119	102	46	56	\$1,254,229.91
1999	80	98	32	66	\$2,119,675.47
2000	83	108	22	86	\$2,744,848.83
2001	119	70	15	55	\$1,963,555.27
2002	82	94	25	69	\$1,066,379.91
2003	116	56	11	45	\$1,055,477.00
2004	90	157	58	99	\$2,412,597.49
2005	81	81	26	55	\$2,203,527.19
2006	91	93	51	42	\$1,653,026.91
2007	77	88	31	57	\$1,958,904.76
2008	108	89	21	68	\$2,654,436.60
2009	95	116	33	83	\$1,328,039.01
2010	82	106	14	92	\$2,397,677.77
2011	106	97	34	63	\$2,059,194.55
2012	85	113	27	86	\$2,111,791.36
2013	108	83	14	69	\$2,801,665.59
2014	121	142	28	114	\$1,324,815.87
2015	59	86	25	61	\$2,949,085.20
2016	47	50	22	28	\$846,842.96
2017	68	62	15	47	\$500,701.48
2018	89	101	10	91	\$1,297,094.04
2019	49	42	7	35	\$2,339,881.18
TOTAL				2,372	\$53,264,804.54

Defalcations & Awards by Disciplined/Deceased Lawyers

Disciplined Lawyer	Town	County	No. of Awards	Amount Awarded	Defalcation Amounts
Arthur J. McCabe	Andover	Essex	1	\$1,290,000.00	\$1,290,000.00
Kirk Y. Griffin	Marblehead	Essex	1	\$776,493.00	\$776,493.00
*Christopher McHallam	Medway	Norfolk	3	\$92,016.16	\$92,016.16
# William J. Clary	Scituate	Plymouth	2	\$49,589.00	\$49,589.00
David B. Stein	Swampscott	Essex	2	\$28,032.17	\$28,032.17
# James P. Hentz	Upton	Worcester	10	\$23,250.00	\$23,250.00
Timothy J. Hadley	San Francisco, CA	San Francisco	1	\$23,218.21	\$23,218.21
David Zak	Cambridge	Middlesex	3	\$18,807.00	\$18,807.00
# Gerard Joseph Walsh	Boston	Suffolk	2	\$9,223.97	\$9,223.97
Philip Morgan Markella	Plymouth	Plymouth	2	\$7,500.00	\$7,500.00
Jeffrey R. Mazer	Ipswich	Essex	2	\$6,000.00	\$6,000.00
Nancy F. Flahive	Springfield	Hampden	1	\$5,000.00	\$5,000.00
# John F. Cullen	Thornton, NH	Grafton	1	\$5,000.00	\$5,000.00
# Michael N. Abodeely, Jr.	Westborough	Worcester	1	\$2,500.00	\$2,500.00
James T. Grew	N. Hampton, NH	Rockingham	1	\$1,650.00	\$1,650.00
Lee Samuel Kaplan	Sharon	Norfolk	1	\$1,300.00	\$1,300.00
Rachael Quinlan	Springfield	Hampden	1	\$301.67	\$301.67
TOTAL			35	\$2,339,881.18	\$2,339,881.18

*Deceased while under disciplinary sanction.

#Deceased while not under disciplinary sanction.

FIDUCIARY: THE MISUSE OF FUNDS HELD BY AN ATTORNEY ACTING AS A FIDUCIARY ARISING FROM AN ATTORNEY-CLIENT RELATIONSHIP.

Disciplined Lawyer	No. of Awards	Total Awards	% of Total Awarded
Kirk Y. Griffin	1	\$776,493.00	100.00%
Total	1	\$776,493.00	100.00%

REAL ESTATE: MISAPPROPRIATION OF DEPOSITS, ESCROWS, PURCHASE MONEY OR SALE PROCEEDS IN PURCHASE, SALE, AND RE-FINANCE TRANSACTIONS.

Disciplined Lawyer	No. of Awards	Total Awards	% of Total Awarded
Timothy J. Hadley	1	\$23,218.21	100.00%
Total	1	\$23,218.21	100.00%

PERSONAL INJURY SETTLEMENT: MISAPPROPRIATION OF PROCEEDS FROM THE SETTLEMENT OF PERSONAL INJURY MATTERS.

Disciplined Lawyer	No. of Awards	Total Awards	% of Total Awarded
David B. Stein	1	\$22,000.00	85.52%
#Gerard Joseph Walsh	1	\$3,723.97	14.48%
Total	2	\$25,723.97	100.00%

TRUSTS AND ESTATES: THE MISAPPROPRIATION OF ASSETS FROM A TRUST, AN ESTATE, OR THEIR RESPECTIVE BENEFICIARIES BY AN ATTORNEY ACTING AS AN ATTORNEY OR AS A FIDUCIARY, EXECUTOR OR TRUSTEE.

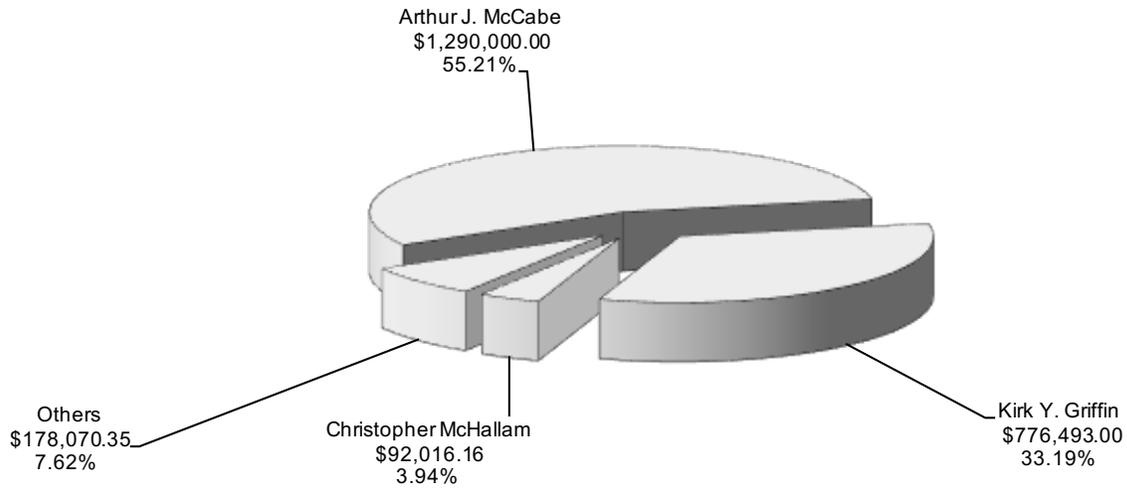
Disciplined Lawyer	No. of Awards	Total Awards	% of Total Awarded
Arthur J. McCabe	1	\$1,290,000.00	89.98%
*Christopher McHallam	2	\$91,516.16	6.38%
#Gerard J. Walsh	1	\$5,500.00	0.38%
#William J. Clary	1	\$46,589.00	3.25%
Total	5	\$1,433,605.16	100.00%

UNEARNED RETAINER: CLIENT MONEY ACCEPTED BY AN ATTORNEY WHO FAILED TO PERFORM THE AGREED UPON LEGAL SERVICE. THESE CLAIMS SHOULD NOT BE CONFUSED WITH FEE DISPUTES OR MALPRACTICE CLAIMS WHERE AN ATTORNEY NEGLIGENTLY PERFORMS LEGAL SERVICES CAUSING FINANCIAL LOSS TO A CLIENT.

Disciplined Lawyer	No. of Awards	Total Awards	% of Total Awarded
Nancy C. Flahive	1	\$5,000.00	6.18%
# James P. Hentz	10	\$23,250.00	28.76%
Lee Samuel Kaplan	1	\$1,300.00	1.61%
Philip Morgan Markella	2	\$7,500.00	9.28%
Jeffrey R. Mazer	2	\$6,000.00	7.42%
*Christopher McHallam	1	\$500.00	0.62%
David B. Stein	1	\$6,032.17	7.46%
David Zak	3	\$18,807.00	23.26%
James T. Grew	1	\$1,650.00	2.04%
# John F. Cullen	1	\$5,000.00	1.74%
#Michael N. Abodeely, Jr.	1	\$2,500.00	3.09%
Rachel Quinlan	1	\$301.67	1.00%
# William J. Clary	1	\$3,000.00	3.71%
Total	26	\$80,840.84	100.00%

*Deceased while under disciplinary sanction.
#Deceased while not under disciplinary sanction.

Lawyers with Highest Defalcations



Awards by Categories

Category	No. of Awards	% of Total Awards	Total Awarded	% Total \$\$ Awarded	Total Defalcation	% of Total Defalcation
Unearned Retainer	26	74.29%	\$75,633.84	3.23%	\$75,633.84	3.23%
Trusts & Estates	5	14.29%	\$1,438,812.16	61.49%	\$1,438,812.16	61.49%
PI Settlement	2	5.71%	\$25,723.97	1.10%	\$25,723.97	1.10%
Fiduciary	1	2.86%	\$776,493.00	33.19%	\$776,493.00	33.19%
Real Estate	1	2.86%	\$23,218.21	0.99%	\$23,218.21	0.99%
	35	100.00%	\$2,339,881.18	100.00%	\$2,339,881.18	100.00%

RESTITUTION

Category	Amount Collected
Court Ordered	\$10,660.75
CSB Activity	\$2,405.15
Voluntary	\$16,660.00
Total	\$29,725.90

BASIS FOR DISMISSED CLAIMS

Category	No. of Claims
No Defalcation	5
Fee Dispute	1
Restitution	1
Total	7

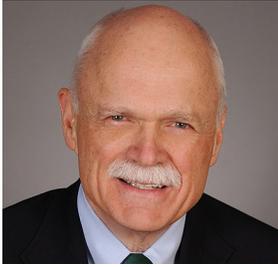
CLAIMS PENDING

Basis	# of Claims Pending	\$ Total Claims
Real Estate	8	\$526,324.97
PI Settlement	4	\$310,001.00
Trusts & Estates	8	\$1,385,774.40
Unearned Retainer	27	\$1,205,219.39
Bankruptcy	2	\$43,856.00
Settlement	3	\$71,702.00
Fiduciary	4	\$589,513.00
Total	56	\$4,132,390.76

Information on filing a claim for reimbursement can be found at
www.masscsb.org
 or
 contact the
Clients' Security Board
99 High Street, 2nd Floor
Boston, MA 02110
Telephone: 617-728-8700
Fax: 617-482-8000

Board Members

W. Lee H. Dunham, Esq., Chair, was appointed to the Board effective January 1, 2015. He is a retired partner of Sullivan & Worcester LLP and practiced corporate and securities law. Mr. Dunham served as managing partner of the firm from 1996 to 2002. He has served on the Board of Bar Overseers and was Chair from 2013 to 2014. He has also served as Co-Chair of the Boston Bar Association Senior Lawyers Section and as a Director of Greater Boston Legal Services and received its Southgate Volunteer Award. Mr. Dunham received a B.A. from Harvard College and a J.D. from Yale Law School.



Judi Goldberg, Esq., Vice Chair, was appointed to the Board effective January 1, 2015. She is a Senior Policy Analyst in the Massachusetts Office of the Inspector General. She has also worked as a litigation associate at McDermott, Will and Emery, Deputy General Counsel in Governor Romney's Legal Office, Deputy General Counsel for the Executive Office of Health and Human Services, and as in-house counsel at Five Star Quality Care, Inc., a publicly-traded company that manages senior living facilities across the country. Ms. Goldberg earned a B.A. in psychology and sociology from Boston University, an Ed.M. from Harvard University in counseling processes, and a J.D. from Boston University where she was the managing editor of the Law Review.



Regina Snow Mandl, Esq., was appointed to the Board effective March 1, 2017. She is a partner at The Wagner Law Group where she is the head of the trusts and estates and family law teams. Ms. Mandl received her BA, cum laude from New York University where she was elected to Phi Beta Kappa, and her J.D. from Boston College Law School. Ms. Mandl's professional activities include the American Inns of Court, where she served on the Executive Committee and member of the Board of the American Inns of Court Foundation in Washington, D.C., and as past president of the Massachusetts Probate and Family American Inn of Court. She also serves on the Board of the New York University Lawyer Alumni Mentoring Program. Ms. Mandl was a two-term hearing officer for the Massachusetts Board of Bar Overseers. Recognitions include Massachusetts Lawyers Weekly Top Women of Law in 2014, Who's Who in America, and SuperLawyers.



David R. Chenelle, Esq., Secretary, was appointed to the Board effective June, 2018. He is a Partner and Director of Perkins & Anctil, P.C., located in Westford, MA where he manages the firm's Condominium Lien Enforcement and Bankruptcy departments. He also works closely with the firm's Community Association clients providing guidance and representation for lien enforcement and general matters. He is an active member of the CAI New England (CAI-NE) chapter participating in its attorneys' committee. He is a strong advocate for his clients and specializes in the representation of consumer, commercial and business clients in all aspects of the bankruptcy process. He is an active member of the Massachusetts Bar Association; New Hampshire Bar Association; past Co-Chair of the Worcester Bar Association's Bankruptcy Section; a member of the Local Rules Committee for the U.S. Bankruptcy Court, District of Massachusetts; the National Association of Consumer Bankruptcy Attorneys (NACBA); the American Bankruptcy Institute (ABI) for which he is a frequent speaker; and has been appointed by the Supreme Judicial Court as a Commissioner in an Attorney Suspension case. Mr. Chenelle received his BS from Lowell Technological Institute; MBA from UNH, and his JD from the Massachusetts School of Law. In his earlier professional career, Attorney Chenelle spent 14 years in the manufacturing industry working as an engineer and manager for various defense contractors.



Board Members

Steven B. Stein, Esq. Treasurer,



was appointed to the Board effective June, 2018. He is the managing counsel of the Travelers Indemnity Company staff counsel offices in Massachusetts and Rhode Island where he concentrates on handling subrogation matters including property, automobile, workers' compensation and bond cases. Prior to becoming managing counsel he served as associate managing counsel, practice group leader and senior counsel. Before joining Travelers, he was employed in private practice at Batty & Stein. Mr. Stein received his B.A. degree in History and Economics from State University of New York at Binghamton in 1979 and his J.D. from Boston University School of Law in 1982 where he was involved in the National Trial Competition. He is admitted to practice in Massachusetts, Rhode Island and Florida. He served for many years as a Boston Municipal Court Pre-Trial case conference volunteer and is a Massachusetts Bar Association Legal Fee Arbitration Board Arbitrator, and former chair and board member.

David R. Kerrigan, Esq.



was appointed to the Board effective December 26, 2018. He is a litigator with the firm Kenney & Sams, P.C. where he represents clients in challenges to state regulations and statutes and in defending and asserting civil rights claims drawing upon his experience as a former Chief of the Government Bureau of the Massachusetts Attorney General's Office. His administrative law practice includes representing individuals involved with a variety of trades – contractors, plumbers, electricians and engineers - with disputes with professional licensing boards alleging violations of professional conduct standards. As a commercial litigator, he represents clients with construction and employment disputes, employment discrimination claims, breach of lease claims, and franchise disputes. Mr. Kerrigan received a B.A. from Colby College and a J.D. from Boston University School of Law.

Gary M. Weiner, Esq.



was appointed to the Board effective December 26, 2018. He is the sole shareholder of Weiner Law Firm, P.C. located in Springfield, where his primary area of practice is bankruptcy, commercial litigation, and collection. Mr. Weiner has been on the panel of Chapter 7 Trustees for the United States Bankruptcy Court for District of Massachusetts, Western Division since 1997. Mr. Weiner was the recipient of the 2013 Pro Bono Publico Award from the Massachusetts Justice Project and Volunteer Lawyer Service. Mr. Weiner has been voted a Massachusetts Super Lawyer in Consumer Bankruptcy from 2004-2019. Mr. Weiner is a member of the Commercial Law League of America, The American Bar Association, Massachusetts Bar Association, Hampden County Bar Association, National Association of Bankruptcy Trustees, and the American Bankruptcy Institute. In the Commercial Law League of America he served as President in 2010-2011 and presently serves on the Board of Governors as the Bankruptcy Section representative. Mr. Weiner is a frequent lecturer on bankruptcy and collection topics for bar associations, various clients, and trade organizations. Mr. Weiner received his

undergraduate degree in Business Administration from Syracuse University in 1983 and his J.D. degree from Suffolk University in 1986.

William J. LeDoux Award Recipients

William J. LeDoux served as a member of the Board from 1987 to 1997, including seven years as Chairman. He distinguished himself by tirelessly advancing the Board's goals of serving the public. In 1997 the Board established this award to recognize a lawyer who has demonstrated extraordinary skill and perseverance in representing a claimant before the Board.



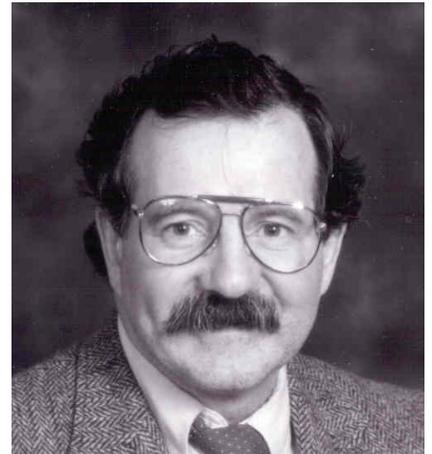
William J. LeDoux
(1931-1999)



Peter H. Sutton, Boston
1998 Recipient



Nathan H. Proctor, Oxford
1999 Recipient



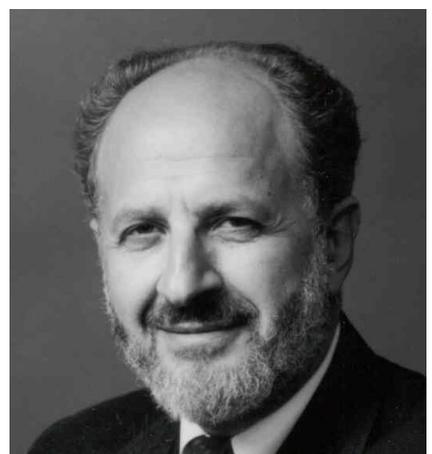
Charles F. Proctor, Oxford
1999 Recipient



Thomas G. Hoffman, Boston
2000 Recipient



Douglas W. Salvesen, Boston
2002 Recipient



Jerry Cohen, Boston
2003 Recipient



Laura Hancock Barry, Worcester
2004 Recipient



Hung Tran, Boston
2005 Recipient



Hang Nina T.K. Nguyen, Boston
2005 Recipient



Russell S. Channen, Haverhill
2010 Recipient



S. Peter Ziomek, Jr., Amherst
2010 Recipient



Leonard A. Frisoli, Cambridge
2012 Recipient



Timothy J. Perry, Boston
2014 Recipient



Saman S. Wilcox, Worcester
2018 Recipient

CLIENTS' SECURITY BOARD MEMBERSHIP 1974-PRESENT

*Philip J. Assiran (1981-1983)	Maria J. Krokidas (1979-1984)
John G. Bagley (2013-2018)	Elizabeth O'Neill LaStaiti (1982-1986)
Joseph H. Baldiga (2012-2016)	*William J. LeDoux (1987-1997)
Thomas O. Bean (2005-2010)	Edward J. Lee (1987-1992)
George N. Beauregard (1982-1986)	Amy S. Locke (2013-2018)
*Barry D. Berkal (1981-1986)	S. Thomas Martinelli (1975-1977)
Mark N. Berman (1997-2002)	Denzil D. McKenzie (2007-2013)
Stanley B. Bernstein (1992-1996)	Edward W. McIntyre (1999-2004)
Mark I. Berson (1995-2000)	*Stanley B. Milton (1974)
David R. Chenelle (2018 -)	Francis C. Morrissey (2010-2014)
Edward S. Cheng (2008-2013)	Guy B. Moss (2002-2007)
*Thomas H. Collins (1974-1981)	Frederick L. Nagle, Jr. (1990-1995)
J. Elizabeth Cremens (1987-1992)	Martin J. Newhouse (2013-2018)
Judith A. Cross-Donahue (1988-1998)	*Loretta Sullivan O'Brien (1992-1997)
Peter G. DeGelleke (2003-2008)	Kathryn A. O'Leary (2004-2010)
*Charles R. Desmarais (1974-1980)	Thomas E. Peisch (1994-1999)
Merrilynn R. Douglas (1989-1994)	Michelle M. Porter (2010-2014)
Patricia M. Dunbar (1997-1999)	Dorothy G. Sanders (1992-1997)
W. Lee H. Dunham (2015 -)	Mary H. Schmidt (1997-2002)
John J. Egan (2007-2013)	Edward D. Simsarian (1984-1989)
*Harrison A. Fitch (1986-1993)	Thomas G. Sitzmann (1996-2001)
John R. Gobel (2001-2006)	Regina Snow Mandl (2017-)
Charles W. Goddard (2007-2012)	Steven B. Stein (2018 -)
Judith Goldberg (2015 -)	Joseph D. Steinfield (1998-2003)
Joel S. Greenberg (1980-1988)	Peter H. Sutton (2000-2005)
*Edward B. Hanify (1974-1979)	Evelynne L. Swagerty (1999-2004)
*Paul F. Hannah (1974-1976)	*Berge C. Tashjian (1978-1980)
Ruth-Arlene W. Howe (1983-1988)	*Charles Y. Wadsworth (1977-1982)
D. Ethan Jeffery (2011-2018)	Gary M. Weiner (2019 -)
Raymond J. Kenney, Jr. (1979-1987)	Lucy W. West (2002-2007)
David R. Kerrigan (2019 -)	
Pamela Jeanne Koehr (2004-2010)	*Deceased

GENERAL COUNSEL STAFF

KAREN D. O'TOOLE
General Counsel

ADAM M. LUTYNSKI
Deputy General Counsel

BERNICE ADDONIZIO
Legal Specialist

