

Board returns \$2.1m to lawyers' victims

Report says 29 attorneys stole from 83 clients

By Martin Finucane
ASSOCIATED PRESS

They dress sharply. They speak well. They know the law.

But a certain small percentage of lawyers are thieves.

A state board says it has returned a record high of about \$2.1 million to people who were ripped off by 29 lawyers.

The Massachusetts Clients' Security Board report covered the fiscal year that ended Aug. 31.

The lawyers in trouble represented fewer than one-tenth of 1 percent of all of the lawyers licensed in the state, said Karen D. O'Toole, an official at the board, which is overseen by the Supreme Judicial Court.

"It is devastating when your money is stolen, but the number of thieves that the Clients' Security Board sees each year is quite small in comparison to the total number of lawyers that exists," she said.

The board, using money from lawyers' annual registration fees, repays money stolen by lawyers who have been suspended or disbarred by the SJC. In many cases, the lawyers also have faced criminal charges.

Eighty-three victims received payments, said O'Toole, who helps people make claims to the board.

The board was established in 1974. The amount paid out to victims first reached more than \$1 million in 1993.

Lawyers typically steal money from clients who have given them money for a trust or estate, from the proceeds from a personal injury claim, and from escrow funds given for real estate sales.

"People are shocked," O'Toole said. "Almost always they have known the lawyer for a long period of time. And over that period of time, they have developed a trust in the lawyer. . . . Often, claimants will say the loss of trust was as devastating

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as the loss of funds."

A single lawyer accounted for most of the money returned by the board.

A total of \$1.3 million was returned to the clients of John Lock of Spencer, most of whom were elderly people. Lock allegedly took clients' money, saying he would place it in a trust, but no trusts were established.

Lock was found dead in his home in September, an apparent suicide, a few days before his trial on larceny and fraud charges.

Mary Ryan, president of the Boston Bar Association, said: "Any number is too high."

But she also said: "You're talking about 29 lawyers out of what I believe to be around 40,000 practicing attorneys in the state."

Ryan said the establishment of the Clients' Security Board itself showed that lawyers were taking steps to ensure that their members behave ethically — and that the public was protected.

"The legal profession does as much to police itself, if not more, than any other profession," she said.

Board repaid record \$1.7m to lawyers' victims

By Thomas Grillo
GLOBE CORRESPONDENT

A board established by the state Supreme Judicial Court to repay clients bilked by their lawyers awarded nearly \$1.7 million to claimants this year, the largest amount in the board's 22-year history.

According to the Clients' Security Board annual report released yesterday, 67 settlements were made against 35 lawyers.

Three attorneys, Fred M. Delloriano, Thomas E. Cargill Jr. and Peter J. Brennan were responsible for about 50 percent, or \$848,883, of the awards.

Karen O'Toole, a board attorney, said while the amount is nearly \$95,000 more than last year, the complaints represent a tiny fraction of the 88,000 active lawyers in the state.

"You have a better chance of winning the lottery than ever coming across a dishonest lawyer," she said. "But if you're a victim, it is devastating."

The primary complaints involved cases in which attorneys received advance payments yet did no legal work, the theft of personal injury and probate checks, and the failure to pay real estate proceeds upon the sale of a home.

Victims, according to O'Toole, made up a cross section of the population. Some were highly educated, while others were not, O'Toole said. "The one thing they share is that they trusted their lawyers."

Patricia Buttner was one of 100 victims who got relief from the board. The Sudbury resident accused her attorney, Peter J. Cahill, of Gloucester, with pocketing \$123,000 due her from the estate of her late father.

"My father put every bit of faith in

this man and my family was very impressed with him," Buttner said. "He was charming, well educated and from a good family. But four years after my father's death, we never saw any money or an accounting of it."

Buttner warns consumers to be diligent when it comes to monitoring their lawyer. Cahill, who was disbarred in 1994, repeatedly rebuffed her questions by saying probate takes time, she recalled.

In 1991, Buttner hired another attorney, David A. Wallace of Whittemore & Wallace in Framingham, who helped her recoup \$64,000 from malpractice insurance and another source and \$30,000 from the Client Security Board.

"The action of the board in disbarring Mr. Cahill speaks for itself, and I support it," said Wallace.

The 35 lawyers named in the annual report have been disbarred or suspended.

Some are serving jail time.

Since its inception, the Clients' Security Board has awarded nearly \$10 million in claims. The fund is paid for by Massachusetts Bar Association dues. No public money is used.

Still, the board has no way of knowing whether the 100 cases adjudicated this year represent the actual number of clients who were bilked by lawyers. "We only know the ones who call us," O'Toole said.

Joshua Kratka, attorney for the Massachusetts Public Interest Research Group, a consumer organization, said the board needs to increase its public profile.

"It's true that the percentage of crooked lawyers is small, but these bad apples can do an enormous amount of damage," he said. "A high priority is needed by the profession to weed them out and educate consumers about the recourse available."

Group targets bad lawyers, helps clients get bilked fees returned

By Thomas Grillo
SPECIAL TO THE GLOBE

Kimberly O'Hara thought one of the worst things that ever happened to her was contracting food poisoning from a Dorchester restaurant six years ago, but when she discovered that her attorney had stolen the out-of-court settlement check, O'Hara got sick all over again.

"This was my first experience with a lawyer and look what happened," she said.

But thanks to a little-known board established by the Supreme Judicial Court, O'Hara got her check for \$2,750 and prosecutors sent her attorney, Seymour Goldwyn, to prison.

Since its inception in 1974, the Clients' Security Board has returned \$5.9 million to claimants based on theft of \$8.9 million by lawyers. The board is funded by a \$43 annual fee paid from attorney license costs.

Although lawyers suffer from an image problem, deceptive attorneys represent a small number of the 37,000 practicing Massachusetts lawyers, said Clients' Security Board counsel Michael Fredrickson.

"There are bad apples among any group," he said. "But the percentage of such lawyers is still a tiny fraction of one percent."

According to the board's most recent report, dishonest lawyers robbed \$2.3 million from their clients in the last two years. Thirty lawyers were responsible for \$1.1 million in awards to 73 claimants in 1993. Thirty-five lawyers were responsible for \$1.2 million awarded to 130 claimants in 1994.

This represents an increase of \$721,608 over the previous two-year period and an increase from 22 lawyers in 1991 and 18 in 1992. The smallest award was \$100 while the largest totaled \$294,140. Most of the lawyers worked in solo general practice or for small firms, according to the board. Three areas of practice

comprise approximately 80 percent of the awarded amounts: trusts and estates, tort settlements and real estate.

Since 1990, 10 lawyers have been responsible for nearly 60 percent of the claims: Newton lawyer Seymour G. Goldwyn and Fred M. Dellorfanò Jr., from Cohasset, Richard Dellaria, formerly of Revere, Peter F. O'Brien of Norton, Benjamin W. Nason of Wrentham, Richard M. Letterman of Salem, Donald T. Bliss of North Attleborough, David J. Jutras of Methuen, Richard S. Burling, of Barnstable, and John J. Murphy 3d, of Wintthrop. They are no longer practicing law, according to the board, and some are in or are serving prison time.

Although lawyer groups believe the bad image of attorneys is unwarranted considering the small number of unethical lawyers, board assistant counsel Karen O'Toole acknowledged that the agency has done little to inform the public about its existence.

O'Toole wouldn't speculate on the number of cases that might be brought against lawyers if the public knew they could get their money back through the board. The board relies upon referrals, media coverage and word of mouth to get the word out, she added.

Still, O'Toole said the law is the only profession that reimburses victimized clients without the need for filing a lawsuit.

Board counsel Fredrickson believes theft by lawyers is underreported. That's why, he said, the board has no statute of limitations for attorneys accused of stealing.

"It does take time," he said. "People tend to trust their lawyers for a long time even when they turn out to be thieves."

Massachusetts Bar Association president Kay Hodge said the small number of claims adjudicated by the Clients' Security Board are the ex-

tent of rogue lawyers.

"Most people who don't get their money out of a settlement will not do it because they are expecting it," Hodge said.

Still, Hodge scolded the few attorneys who engage in bad practices.

"I'm not going to defend lawyers who breach our ethical responsibility to clients," said Hodge. "If it were up to me, I would see them drummed out of the profession at the earliest stage. But the vast majority of lawyers do not steal from their clients."

The Clients' Security Board is originally a Massachusetts Bar Association fund, she said, created by members for victimized clients and later expanded by the Supreme Judicial Court to include all lawyers, Hodge said.

Hodge believes the poor image of attorneys stems from the public's lack of understanding of what lawyers do. "And what they do know about lawyers, they often don't like."

Boston attorney Jacquelynne Bowman of the Massachusetts Law Reform said anyone looking for representation by an attorney should beware.

"Unfortunately, the public is out there on their own when it comes to choosing a lawyer," she said. "There's no watchdog agency to let the public know which attorneys are under investigation."

Bowman suggests that anyone seeking an attorney to handle financial transactions should require references. "If you needed a carpenter, you wouldn't hire someone without seeing evidence of their work."

Still, Bowman believes the handful of bad lawyers made it tough for all the good ones.

"The real struggle for lawyer image," said Bowman, "is that there are so many lawyers doing good work and then you hear about one or two lawyers who did something stupid and ripped off people that the majority of people say, 'That's a lawyer for you.'"