

N E W S

New York State

Lawyers' Fund for Client Protection

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Lawyers' Fund Increases Maximum Award

(Albany, NY-- 4/2026) The New York Lawyers' Fund has increased the coverage it provides to law client victims of dishonest conduct in the practice of law.

Since 2015, the Fund's maximum limit on an award of reimbursement has been \$400,000 per client loss. That ceiling has now been raised to \$450,000.

The Lawyers' Fund is financed by New York's legal profession. A small portion of the biennial registration fee paid by all New York attorneys supports all awards and administrative costs of the Lawyers' Fund. No taxpayer money is used for this client protection program. Of every dollar the Fund receives, over 90 cents goes directly to client reimbursement.

The Lawyers' Fund is administered by a seven-member Board of Trustees appointed by the State Court of Appeals, New York's high court. The Trustees serve without compensation. Since 1982, the Fund has restored more than \$277 million to victimized law clients. There are over 360,000 registered lawyers in New York State. Over the 43 years of the Fund's existence, a small number of former lawyers each year have been responsible for the dishonest conduct resulting in awards. The Trustees' awards in 2025 were attributable to dishonest conduct by 21 now suspended, disbarred or deceased lawyers.

Losses covered by the Lawyers' Fund include the theft of estate assets, real estate down payments and litigation settlement proceeds. While ordinarily the Fund does not reimburse for investment losses, when a lawyer embezzles his or her clients' money through the vehicle of a phony investment, the Fund will provide compensation. The Fund can not compensate for alleged malpractice or resolve fee disputes.

The Lawyers' Fund is located in Albany. Telephone: 800-442-3863. Website: www.nylawfund.org