

MBA NEWS



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STATEMENT OF MBA PRESIDENT DAVID W. WHITE JR. REGARDING INSURANCE BULLETIN ISSUED BY INSURANCE COMMISSIONER NONNIE BURNS

CLIENT FUNDS WILL BE BETTER PROTECTED

BOSTON, Mass. — The Massachusetts Bar Association welcomes the Bulletin issued today by Insurance Commissioner Nonnie Burnes regarding settlement payments by insurance companies. The standards are consistent with the standards which the Massachusetts Bar Association endorsed in September 2007. These standards should help reduce even further the very small number of clients who do not receive their settlement funds from their lawyers.

The MBA has worked hard, and will continue to work hard, to reduce in every way possible the likelihood of attorney theft of client funds or property.

It should be noted that the number of actual cases of attorneys in the personal injury field who do not deliver funds to their clients is minute. Furthermore, the Client Security Board, which is funded by attorney dues, stands ready to fully reimburse clients who suffer actual losses because of their attorney's misconduct.

It was important to the MBA that the insurance standards preclude contact by the insurance companies with the clients, other than the sending of a copy of a check to the client. Any further contact between the companies and the clients would not be in the best interests of the client and would raise a host of ethical concerns. The MBA looks forward to continuing its efforts to protect the funds of clients, and to maintain the trust of the public in the legal profession.

Incorporated in 1911, the Massachusetts Bar Association is a non-profit organization that serves the legal profession and the public by promoting the administration of justice, legal education, professional excellence and respect for the law. The MBA represents a diverse group of attorneys, judges and legal professionals across the commonwealth.