MEMBER ATTENDANCE:
P = present in person; T = present telephonically; A = absent.

☐ Rosemary H. Rosales (A)
☒ James B. Penny (P)
☒ Robert E. Schmitt (P)
☒ Matthew A. Gerst (P)
☒ Sandra L. Etherton (P)

OTHER ATTENDEES:

Guests: None
State Bar Staff: Karen Oschmann, CPF Administrator
             Linda Shirey, Administrative Assistant
             Kathy Gerhart, CFO
             Lisa Panahi, General Counsel
             Patricia Seguin, Legal Services Manager

Minutes taken by: Karen Oschmann, CPF Administrator

PUBLIC SESSION

I. CALL TO ORDER
   Called to Order by: James Penny
   Time: 10:00 a.m.

II. Review and approval of meeting minutes

Individuals addressing the Board of Trustees: Karen Oschmann
Discussion: The May 7, 2018 CPF meeting minutes were submitted for approval.

Motion: To approved the May 7, 2018 CPF meeting minutes
Made by: Matthew Gerst
Seconded by: Robert Schmitt
Motion: Passed – Unanimous

II. FINANCIAL UPDATE

Individuals addressing the Board of Trustees: Kathy Gerhart, James Penny

Discussion: The Fund’s total assets are currently approximately $2.6 million, and the Fund paid approximately $134,000 in claims in the first quarter of 2018. The Fund is on track to pay out more in claims than originally budgeted. There were no other outstanding issues regarding the financial report.

Kathy Gerhart proposed that she be authorized to have administrative access to CPF banking online, in order to administer the Positive Pay feature recently instituted by the Trustees.

Motion: That Kathy Gerhart be given administrative access to CPF banking online, subject to internal controls, to implement and administer Positive Pay.
Made by: Matthew Gerst
Seconded by: Robert Schmitt
Motion: Passed – Unanimous

III. APPROVAL OF 2nd QUARTER 2018 STATE BAR INVOICE

Individuals addressing the Board of Trustees: Kathy Gerhart, James Penny

Discussion: The SBA Invoice for the second quarter of 2018 was presented for payment approval.

Motion: To approve payment of the second quarter 2018 State Bar invoice.
Made by: Robert Schmitt
Seconded by: Matthew Gerst
Motion: Passed – Unanimous

IV. ANDRICH CRIMINAL RESTITUTION

Individuals addressing the Board of Trustees: Lisa Panahi

Discussion: State Bar General Counsel, Lisa Panahi, discussed a recent inquiry from the Maricopa County Attorney’s Office Victim Services Division, asking if the Fund wished to submit a restitution request in the criminal matter against former attorney, Devin Andrich. The Fund has paid out $165,279.70 in claims against Mr. Andrich. Karen Oschmann will contact the Restitution Specialist
to compare claimant names with the victims listed on the MCAO restitution request. If the CPF claimants are included on that list, Karen will set a telephonic meeting of the Trustees to discuss requesting restitution.

Motion: N/A  
Made by: N/A  
Seconded by: N/A  
Motion: N/A

V. ADMINISTRATOR’S QUARTERLY UPDATE

Individuals addressing the Board of Trustees: Karen Oschmann

Discussion: Karen Oschmann reported that there are 69 open claims, as of August 22, 2018 – 24 claims are on today’s meeting agenda; three are pending review; 2 are stayed; and 40 are in investigation. It was noted that the Trustees prefer the quarterly update to not include claims on the current meeting agenda.

Motion: N/A  
Made by: N/A  
Seconded by: N/A  
Motion: N/A

EXECUTIVE SESSION – 11:00 a.m.

VIII. CLAIMS CONSIDERATION

Discussion: The Trustees considered and decided on the following claims:

<table>
<thead>
<tr>
<th>Claim No.</th>
<th>Lawyer</th>
<th>Action Taken</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPF-18-0041</td>
<td>Guy F. Brown (deceased)</td>
<td>Request for reconsideration – Denied, claimant already reimbursed</td>
</tr>
<tr>
<td>CPF-17-0066</td>
<td>Judd S. Nemiro</td>
<td>Request for reconsideration – Denied, no new information provided</td>
</tr>
<tr>
<td>CPF-17-0036</td>
<td>Timothy W. Steadman</td>
<td>Request for reconsideration – Approved $1,500.00</td>
</tr>
<tr>
<td>CPF-17-0037</td>
<td>Lyndon B. Steimel</td>
<td>Request for reconsideration – Denied, fee dispute</td>
</tr>
<tr>
<td>CPF-17-0098</td>
<td>James F. Brook (deceased)</td>
<td>Approved $6,548.15</td>
</tr>
<tr>
<td>CPF-17-0091</td>
<td>James F. Brook (deceased)</td>
<td>Approved $7,000.00</td>
</tr>
</tbody>
</table>
CPF-17-0093  James F. Brook (deceased)  Denied – Fee Dispute
CPF-17-0086  John F. Goodson (deceased)  Decision deferred – Trustees need more time to review the claim packet.
CPF-17-0080  T. Anthony Guajardo  Approved $1,220.00
CPF-17-0068  T. Anthony Guajardo  Approved $670.00
CPF-17-0095  Charles R. Hamm (deceased)  Approved $3,000.00
CPF-17-0087  Scott M. Lieberman  Approved $3,350.00
CPF-17-0076  Stanford E. Lerch  Approved $2,925.00
CPF-17-0083  Kristi Michelle Morley  Approved $5,500.00
CPF-17-0092  Judd S. Nemiro  Denied – Fee Dispute
CPF-17-0077  Judd S. Nemiro  Denied – Fee Dispute
CPF-17-0078  Judd S. Nemiro  Denied – Fee Dispute
CPF-17-0100  Judd S. Nemiro  Approved $2,250.00
CPF-17-0099  Lyndon B. Steimel  Approved $1,835.00
CPF-17-0079  Wendell Wilson, Jr. (deceased)  Approved $3,000.00
CPF-17-0093  James Roger Wood  Approved $2,500.00
CPF-17-0090  James Roger Wood  Approved $7,500.00
CPF-17-0089  James Roger Wood  Approved $2,500.00
CPF-17-0097  Olga Zlotnik (deceased)  Approved $2,000.00

The Trustees approved a total of $53,298.15. All approved claims were eligible for payment as of the date of this meeting.

PUBLIC SESSION – 11:50 a.m.

VIII. READING OF CLAIM DECISIONS

Individuals addressing the Board of Trustees: James Penny
XV. CALL TO THE PUBLIC

Individuals addressing the Board: None

XV. ADJOURN

Motion: To adjourn the meeting.
Made by: Robert Schmitt
Seconded by: Matthew Gerst
Motion: Passed - unanimous

Meeting adjourned by: James Penny
Time: 12:05 p.m.