



# CAN THE CLIENT SECURITY FUND HELP YOU?

Place  
Stamp  
Here

STATE BAR OF CALIFORNIA

1149 South Hill Street

Los Angeles

CA 90015-2299

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## What other steps should I take?

The Fund can reimburse you **only** if a lawyer lost your money or property through an act of theft **and** has been disciplined through the State Bar discipline system. Depending on the seriousness of the offense, a lawyer can be given a warning, put on probation, suspended from practicing law for a period of time, or disbarred - prohibited from practicing law in California.

The processing of an application for reimbursement from the Fund is separate from the handling of any discipline complaint you may have filed. The Client Security Fund is responsible for handling your application for reimbursement; the Office of the Chief Trial Counsel is responsible for your discipline complaint.

If you have not already done so, you need to file a discipline complaint against the lawyer. For a discipline complaint form, write or call toll-free:

**The State Bar of California - Intake Unit**  
**1149 South Hill Street**  
**Los Angeles, CA 90015-2299**  
**Telephone: (800) 843-9053**

Also depending on the circumstances, you may be able to take the lawyer to court or seek criminal charges against the lawyer. Since the law does not allow the State Bar to give you legal advice, you may want to consult a new lawyer about these matters. The filing of a CSF application does **not** stop any statute of limitations from running so you should continue to explore other remedies available to you. For example, any legal deadline for filing a lawsuit is not stopped or extended because you filed an application. In case a deadline is approaching, you should act promptly. If you do not know a lawyer who can help, call a Lawyer Referral Service in your area; the services are listed in the Yellow Pages of the telephone directory.

## Can the Client Security Fund help you?

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This brochure is only a summary of the CSF Rules. Eligibility for reimbursement is determined under the complete rules; please refer to the CSF Rules for complete details.

### 1 What is the Client Security Fund?

The Fund reimburses clients who have lost money or property due to theft or acts tantamount to theft committed by a California lawyer acting in a professional capacity. This is a State Bar program supported entirely by California lawyers. The Client Security Fund reimburses eligible applicants up to \$50,000, or \$100,000 for losses occurring on or after January 1, 2009.

### 2 What kind of losses are covered?

The fund can reimburse you up to \$50,000, or \$100,000 for losses occurring on or after January 1, 2009, for thefts by a lawyer. It covers money or property lost because a lawyer was dishonest. It does not cover a loss simply because the lawyer acted incompetently or failed to take a certain action.

Typical losses covered:

- theft of personal injury settlement funds or other funds entrusted to the lawyer;
- failure to refund fees when the lawyer performed no services;
- the borrowing of money from a client without the intention or the reasonably anticipated ability to repay it;
- obtaining money or property from a client by representing that it would be used for investment purposes when no investment is made.

By law, the Fund is only allowed to reimburse for dishonest conduct. The Fund does not cover “interest,” “incidental or consequential losses” or “expenses” caused by the attorney. Examples of incidental or consequential losses would include fees you paid another attorney or damages caused by the attorney’s malpractice, negligence or incompetence.

To qualify for reimbursement from the fund, you must be able to show that the money or property came into the lawyer’s hands.

### 3 Who can apply?

If you believe your loss is covered, you can apply for reimbursement. You do not have to be a United States citizen.

However, under our rules, certain applicants are excluded. If you are the spouse or other close relative of the lawyer in question, or the lawyer’s business partner, employer or employee, or a business controlled by the lawyer, the fund cannot reimburse you. Also, the fund cannot reimburse for losses suffered by government entities or agencies.

### 4 Who decides whether an application will be paid?

The Client Security Fund Commission decides whether you qualify for reimbursement from the fund, and, if so, whether part or all of your application will be paid. The Commission is made up of seven volunteers - four lawyers and three non-lawyers - appointed by the State Bar Board of Governors.

### 5 How can I apply?

For a CSF application form, write or call:

**The State Bar of California - Client Security Fund**  
1149 South Hill Street  
Los Angeles, CA 90015-2299  
Telephone: (213) 765-1140  
<http://www.calbar.ca.gov>

Filing an application is free. You do not need a lawyer to apply but you may hire one if you wish.