



# THE STATE BAR OF CALIFORNIA

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Report title: Annual Report to the Legislature by The State Bar of California  
Provision of Financial Services by Lawyers

Statutory citation: Business and Professions Code, section 6175 et seq.

Date of report: December 30, 2015

The State Bar of California has submitted a report to the Legislature in accordance with Business and Professions Code section 6177. Pursuant to section 6177, the State Bar shall report, each year by December 31, to the Legislature on the number of complaints filed against California attorneys alleging a violation of Article 10.5 of the State Bar Act (Bus. & Prof. Code §§ 6175-6177), which regulates the selling of financial products (long-term care insurance, life insurance, and annuities) to a client who is an elder or dependent adult with whom the lawyer has or has had, within the preceding three years, an attorney-client relationship.

The following summary of the report is provided per the requirements of Government Code section 9795.

Business and Professions Code section 6177 requires the State Bar to report the number of complaints, filed against California attorneys alleging a violation of Article 10.5, “the type of charges made in each complaint, the number of resulting investigations initiated, and the number and nature of any [ensuing] disciplinary actions take[n] by the State Bar...”

In 2015, the State Bar did not receive any complaints alleging violation of Article 10.5.

The full report is available for download on the State Bar’s web site at <http://www.calbar.ca.gov/AboutUS/Reports.aspx>.

A printed copy of the report can be ordered by calling 916.442.8018.



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This report is mandated by Business and Professions Code section 6177. Pursuant to section 6177, the State Bar must annually inform the Legislature about all complaints alleging that attorneys have violated Article 10.5 of the State Bar Act, pertaining to the sale of financial product services by lawyers. The State Bar did not receive any such complaints in 2015.

In 1999, the Legislature enacted Article 10.5 of the State Bar Act regulating the sale of financial products, including long-term care insurance and life insurance, by lawyers to clients who are elders or dependent adults (Bus. & Prof. Code, §§ 6175-6176; added by Stats. 1999, Ch. 454, effective January 1, 2000 [Sen. Bill No. 72]). These sales must be fair and reasonable to the clients, and lawyers must make specific written disclosures (Bus. & Prof. Code, § 6175.3).

In 2000, the Legislature enacted a statute requiring the State Bar to report to the Legislature each year on complaints alleging violations of the financial products statutes by California attorneys (Bus. & Prof. Code, § 6177; added by Stats. 2000, Ch. 442; effective January 1, 2001 [AB 2107]). The report must address the number of such complaints, “the type of charges made in each complaint, the number of resulting investigations initiated, and the number and nature of any [ensuing] disciplinary actions take[n] by the State Bar . . .”<sup>a</sup>

In 2015, the State Bar did not receive any complaints alleging a violation of the financial products statutes.

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<sup>a</sup> Business and Professions Code section 6177 reads, in its entirety:

The State Bar by December 31 of each year shall report to the Legislature on the number of complaints filed against California attorneys alleging a violation of this article. The report shall also include the type of charges made in each complaint, the number of resulting investigations initiated, and the number and nature of any disciplinary actions taken by the State Bar for violations of this article.

Since 2001, the State Bar has received 20 complaints alleging violations of the financial products statutes. The outcome or status of these complaints are:

- 11 – Closed at investigation level
- 2 – Resulted in resignation with charges pending of two members
- 7 – Involved a single member and resulted in disbarment

For further information, please contact:

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