



## APPLYING TO THE CLIENT SECURITY FUND

This document includes instructions for completing a Client Security Fund and a checklist to help you make your application as complete as possible.

### Before you apply

Before taking the time to complete an application, the Client Security Fund Commission recommends that you familiarize yourself with what the fund does and does not cover. Start by reading the pamphlet: [“The Client Security Fund—We Are Here to Help.”](#)

It is also helpful to review the [Client Security Fund rules](#), which are the laws that govern the fund. They explain the purpose of the fund, the kinds of losses covered, the authority of the commission, and the requirements for reimbursement. All references to rules refer to the Client Security Fund rules, unless otherwise specified.

### Frequently asked questions

To help you decide whether you qualify for reimbursement—and the amount you may request—we have prepared the following answers to frequently asked questions about our program.

#### What do I need to know about the fund?

The Client Security Fund (CSF) is financed entirely by fees paid by California attorneys. The rules of the fund provide that payments may be made within the sole discretion of the State Bar and are not a matter of right. You are not automatically entitled to reimbursement. While your application will be given careful consideration and processing by our office, there is no assurance that reimbursement will be made. To qualify for reimbursement, your loss must meet all the requirements under the CSF rules.

The fund can reimburse you only if an attorney lost your money or property through an act of theft **and** has been disciplined through the State Bar discipline system. If you have not already done so, you need to [file an attorney misconduct complaint](#). Depending on the seriousness of the offense, a lawyer can be 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. The CSF is responsible for handling your application for reimbursement; the Office of Chief Trial Counsel is responsible for your discipline complaint. Once your discipline complaint is resolved, the fund can proceed with the review and processing of your application.

### **Who can receive reimbursement?**

To find out if you qualify for reimbursement, you should read all of the CSF rules. Some of the key rules to review are:

- Rule 3.430—The loss must have been caused by the dishonest conduct of a lawyer as defined under Rule 3.431, and the lost money or property must **have been received** by the attorney.
- Rule 3.430(A)—The lawyer must have been acting as an attorney or in a fiduciary capacity customary to the practice of law.
- Rule 3.431—Dishonest acts include theft of money or property, failure to refund an advance fee when little or no work was done, borrowing of money from a client without the intention to repay it, or obtaining money from a client for investment purposes when no such investment was made.
- Rule 3.432(A)—If the lawyer is living, they must have been disciplined through the State Bar proceedings based on your underlying discipline complaint, disbarred or have voluntarily resigned from the practice of law before reimbursement is made.

### **Do I need to send anything with my application?**

YES. It is important to send copies of documents that show the relationship between you and the attorney and the amount of your loss. To show your relationship with the attorney, you might wish to send such items as:

- A copy of your written fee or retainer agreement;
- Copies of canceled checks (front and back) paid to the attorney;
- Billing statements; and
- Receipts for fees.

To prove your loss, you **must** send copies of canceled checks (front and back), and copies of letters or other papers showing that the attorney received the money or property. Though you may have provided them to another State Bar office, if you send copies directly to us, it may shorten the time it takes us to process your application. If you cannot send these items, please explain why.

Please also attach a written summary of how your loss occurred in answer to Question 5(b) on the application. Your application cannot be processed without this information.

### **How long will it take to learn of the decision on my application?**

Applications generally are handled on a first-come, first-served basis, and we must process the many hundreds of applications received each year. Due to the large volume of applications currently pending, we cannot predict how long it will take before the processing of your application begins.

However, the processing time may be shorter or longer depending on three factors:

- Whether the lawyer has been disciplined;
- The availability of evidence to prove that you lost money due to an attorney's dishonesty;
- How many applications were received ahead of yours.

### **Does the filing of a Client Security Fund application affect other legal rights I might have?**

Possibly. 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 with the fund. In case a deadline is approaching, you should act promptly. 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.

### **Notice to Consumers pursuant to *Alvarado Community Hospital v. Superior Court***

The Court of Appeals decision in the case *Alvarado Community Hospital v. Superior Court etc., City of San Diego* (1985) 173 Cal App. 3d476, held that an applicant applying to the Client Security Fund may be giving up the right to pursue a civil action, for the same recovery, against a third party. In the *Alvarado* case, the court held that a client cannot accept money from the fund and at the same time challenge the settlement from the original lawsuit.

## Client Security Fund Application Checklist

- Read the brochure titled [“The Client Security Fund—We are Here to Help”](#)
- Read this information sheet.
- Read the [Client Security Fund rules](#).
- If you believe you qualify for reimbursement, please fill out the application form. You may complete the [online application](#).  
If you prefer, you may download and complete the [PDF application](#). (For mailing instructions, see below.)
- As requested in item #5(b) on the application, describe in chronological order, on a separate piece of paper, the attorney’s conduct that led to the loss. Be as detailed as possible and specify amounts and dates.
- Sign and date the application form and include the amount of loss.
- Attach copies of any documentation you may have to support your loss, such as: copies of canceled checks, copies of letters or other papers showing that the attorney received the money or property, or any other relevant documentary evidence.
- If you have not already done so, request and file a discipline complaint form. You may [fill out a complaint form online](#), download and complete a [PDF complaint form](#), or call 800-843-9053 to request that a complaint form be mailed to you.
- If you completed the PDF application, you may email it, with attached written statement and documents proving your loss, to [clientsecurityfund@calbar.ca.gov](mailto:clientsecurityfund@calbar.ca.gov).
- You may also mail your completed application, written statement, and documents proving your loss to:  

The State Bar of California Client Security Fund  
845 South Figueroa Street  
Los Angeles, CA 90017-2515
- The CSF will send you a letter informing you that your application has been received.
- Please remember to inform us of any changes in your address or telephone number.

### Important

**The authority of the State Bar is limited by law. It cannot act as your lawyer. The State Bar can discipline or recommend that an attorney be disciplined. The Client Security Fund can only advise you about the filing and processing of your application for reimbursement.**

**The CSF cannot give you legal advice or provide other legal services. It cannot advise you what your rights are in a given situation or tell you what you should do. Since the law does not allow the State Bar to give you legal advice, you may want to consult a new lawyer. If you do not know a lawyer who can help, call a Lawyer Referral Service in your area; the services are listed in the State Bar website at [www.calbar.ca.gov](http://www.calbar.ca.gov).**