

1 **Rule 14-902. Purpose and scope; establishment of Fund.**

2 (a) The Fund is established to reimburse clients for losses caused by the dishonest
3 conduct committed by lawyers admitted to practice in Utah or licensed paralegal
4 practitioners licensed in Utah.

5 (b) The purpose of the Fund is to promote public confidence in the administration of
6 justice and the integrity of the legal profession by reimbursing losses caused by the
7 dishonest conduct of lawyers admitted and licensed to practice law in Utah or licensed
8 paralegal practitioners licensed in Utah, occurring in the course of the lawyer/client,
9 licensed paralegal practitioner/client or fiduciary relationship between the lawyer or
10 licensed paralegal practitioner and the claimant.

11 (c) Every lawyer and licensed paralegal practitioner ~~has~~ have an obligation to the public
12 to participate in the collective effort of the Bar to reimburse persons who have lost
13 money or property as a result of the dishonest conduct of another lawyer or licensed
14 paralegal practitioner. Contribution to the Fund is an acceptable method of meeting this
15 obligation.

16 (d) These rules shall be effective for claims filed after August 1990, and the Committee,
17 which was previously authorized under the former resolution, may act under the terms
18 of the former resolution on claims filed prior to the effective date of these rules.

19 **Rule 14-902 Note.**

20 By resolution of the Board of Commissioners of the Utah State Bar, a Client Security
21 Fund was approved and established by the Supreme Court, effective April 9, 1977. The
22 Fund was established to provide meaningful, prompt cost reimbursements to clients
23 who had been injured by a lawyer's dishonest act. The original resolution did not provide
24 sufficient rules and/or guidelines for the Committee that was embodied by the resolution
25 to utilize in making its recommendations to the Board of Bar Commissioners. The
26 American Bar Association has adopted, as of August 9, 1989, Model Rules for Lawyers'
27 Fund for Client Protection. The following Rules adopt many of the principles from the
28 American Bar Association Model Rules, as well as features from other states and from

29 the prior resolution of the Board of Commissioners of the Utah State Bar, as approved
30 by the Supreme Court.

31 Licensed Paralegal Practitioners were included in the Fund in 2019 after the Utah
32 Supreme Court exercised its constitutional authority to govern the practice of law and
33 authorized Licensed Paralegal Practitioners to provide limited legal services in the
34 practice areas of: (1) temporary separation, divorce, parentage, cohabitant abuse, civil
35 stalking and custody and support; (2) forcible entry and detainer; and (3) debt collection
36 matters in which the dollar amount in issue does not exceed the statutory limit for small
37 claims cases.

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