

IN THE SUPREME COURT OF THE STATE OF NEVADA

IN THE MATTER OF AMENDMENT TO  
SCR 86.5 REGARDING THE CLIENTS'  
SECURITY FUND.

ADKT 0453

**FILED**

FEB 08 2012

TRACIE LINDEMAN  
CLERK OF SUPREME COURT  
BY *[Signature]*  
CHIEF DEPUTY CLERK

ORDER AMENDING SUPREME COURT RULE 86.5

WHEREAS, the Board of Governors of the State Bar of Nevada filed a petition in this court seeking amendment of Supreme Court Rule (SCR) 86.5; and

WHEREAS, this court held a public hearing on the proposed amendment; and


WHEREAS, this court has determined that amendment of SCR 86.5 is warranted, accordingly

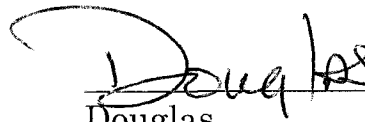
IT IS HEREBY ORDERED that Rule 86.5 of the Supreme Court Rules shall be amended and shall read as set forth in Exhibit A.

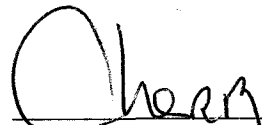
IT IS FURTHER ORDERED that this rule amendment shall be effective 30 days from the date of this order. The clerk of this court shall cause a notice of entry of this order to be published in the official publication of the State Bar of Nevada. Publication of this order shall be accomplished by the clerk disseminating copies of this order to all subscribers of the advance sheets of the Nevada Reports and all persons and agencies listed in NRS 2.345, and to the executive director of the State Bar of Nevada. The certificate of the clerk of this court as to the accomplishment of the above-described publication of notice of entry and

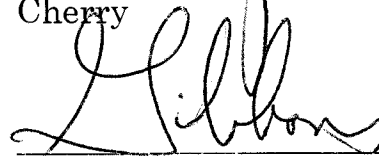
dissemination of this order shall be conclusive evidence of the adoption and publication of the foregoing rule amendments.


Dated this 8<sup>th</sup> day of February, 2012.

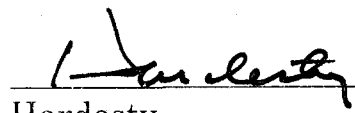
  
\_\_\_\_\_, C.J.  
Saitta

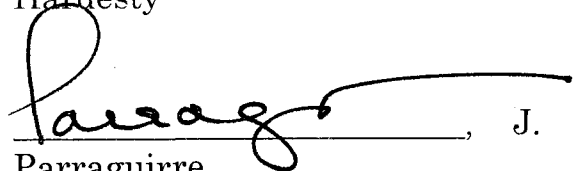
  
\_\_\_\_\_, J.  
Douglas

  
\_\_\_\_\_, J.  
Cherry

  
\_\_\_\_\_, J.  
Gibbons

  
\_\_\_\_\_, J.  
Pickering

  
\_\_\_\_\_, J.  
Hardesty

  
\_\_\_\_\_, J.  
Parraguirre

cc: All District Court Judges  
Constance Akridge, President, State Bar of Nevada  
Kimberly Farmer, Executive Director, State Bar of Nevada  
Clark County Bar Association  
Washoe County Bar Association  
First Judicial District Bar Association  
Administrative Office of the Courts

## PROPOSED AMENDMENTS TO SUPREME COURT RULES

### Rule 86.5. Board of governors authorized to establish clients' security fund.

1. Establishment. The board of governors [~~may establish~~] shall maintain, from dues paid by members of the state bar, voluntary contributions and any other sources which may become available, a clients' security fund for the purpose of providing reimbursement, in whole or in part, as a matter of grace and not of right, to persons who have sustained loss by reason of a dishonest act of a member of the state bar, acting in his capacity as an attorney and counselor at law, in the nature of defalcation or embezzlement of money or the wrongful taking or conversion of money, property or other things of value, and [~~may~~] shall provide for the administration [~~and termination~~] of such fund. The board of governors is authorized to invest such funds as is provided for in paragraph 11 of Rule 86.

2. Confidentiality. The clients' security fund shall maintain the confidentiality of claims for reimbursement, as well as its investigations, proceedings and reports related to claims for reimbursement. After payment of a claim for reimbursement has been authorized, the clients' security fund may publicize the nature of the claim, the amount of reimbursement, and the name of the lawyer. The name and the address of the claimant shall not be publicized by the clients' security fund unless specific written permission has been granted by the claimant. This rule shall not be construed to:

(a) Limit the clients' security fund from revealing information reasonably necessary to the investigation of claims;

(b) Deny access to relevant information by professional discipline agencies or other law enforcement authorities as the clients' security fund shall authorize;

(c) Prevent the release of statistical information that does not disclose the identify of the lawyer or the parties; or

(d) Limit the use of such information as is necessary to pursue the clients' security fund subrogation rights.

3. Immunity. The Clients' Security Fund Members and Bar Staff shall be immune from civil liability for all acts in the course of their official duties, except acts involving intentional misconduct.

4. Subpoena Power. In conducting investigations and hearings pertaining to a claim, the chairperson of the clients' security fund or his/her designee may issue subpoenas to compel the attendance of witnesses to testify before the clients' security fund and served in the same manner as subpoenas issued out of the district court. In case of the refusal of any witness to attend or testify or produce any papers required by the subpoena, the clients' security fund may seek enforcement in the district court in and for the county in which the hearing is pending by petition. The district court may enforce a subpoena to compel the attendance and testimony within this State and/or for the production of books, papers and documents upon conditions determined by the court so as to make the clients' security fund proceedings fair, expeditious and cost effective.