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DRAFT #11: For 10/19/18 COPRAC Meeting

**13-0004 Collecting Unpaid Fees**

\* Schmid  
[Dilworth]

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11 **ISSUE:** To enforce an uncontested default judgment against a former client for  
12 unpaid legal fees, may an attorney use information concerning the client's  
13 assets and bank accounts that the attorney received during the course of  
14 the attorney's representation to levy upon or collect against those assets  
15 and accounts?  
16

17  
18 **DIGEST:** Information about a client's assets and bank accounts acquired by virtue of  
19 the attorney's representation of a client is generally confidential within the  
20 meaning of Bus. & Prof. Code § 6068(e) and cannot be used or disclosed  
21 by the attorney. Evidence Code § 958 may provide an exception to this  
22 general rule, permitting an attorney for purposes of establishing the  
23 amount and entitlement to an unpaid legal fee to reveal otherwise  
24 confidential information as reasonably necessary to establish the claim.  
25 However, where the client does not contest the attorney's claim it is  
26 unlikely that disclosure of more than a *de minimus* amount of otherwise  
27 confidential information would be reasonably necessary to establish the  
28 claim. Once the default judgment is entered against the client, the claim is  
29 established and the purpose for the evidentiary exception to nondisclosure  
30 is satisfied. Because no exception to confidentiality then applies, the  
31 attorney may not use the client's confidential information to collect the  
32 judgment. Like any judgment debtor, an attorney may enforce the  
33 judgment through post-judgment collection procedures, including post-  
34 judgment discovery, but may not use or disclose client's previously  
35 acquired confidential information in so doing.  
36

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38 **AUTHORITIES**  
39 **INTERPRETED:**

Bus. & Prof. Code § 6068(e)  
Rule 1.6, Confidential Information of a Client Evid. Code §§ 952,  
954, 958  
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44 **STATEMENT OF FACTS**  
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46 Attorney represents Client in an action in which substantial amounts of Client’s banking, asset  
47 and financial information is relevant. Such information is provided to the Attorney by the Client  
48 and is also obtained through subpoenas from banks and other financial institutions through  
49 discovery in the action. During the course of the representation, Client tells Attorney that he has  
50 additional assets, but has transferred them to shell companies to keep them out of the reach of his  
51 creditors. Those assets are not relevant to the action in which Attorney represents Client and no  
52 information concerning them is produced or used to litigate the case.  
53

54 Attorney is representing Client on an hourly basis and submits monthly bills to the Client, who,  
55 for the most part, pays them promptly by check. As the representation is nearing conclusion,  
56 Client runs out of money and does not pay Attorney’s last three invoices. Client does not dispute  
57 the amount of the invoices or the Attorney’s right to payment, but simply does not pay them. At  
58 the conclusion of the matter, Attorney files suit against Client. Client does not respond to the  
59 complaint or assert and defense to Attorney’s right to payment of the amount demanded in the  
60 complaint. Attorney obtains a default judgment against Client for the balance remaining due on  
61 Client’s account. Client does not contest the entry of judgment and takes no steps to appear or  
62 challenge entry of the judgment. Client does not voluntarily pay the judgment.  
63

64 May Attorney: (1) Use or disclose the banking and financial information provided in the  
65 accounting action in which Attorney represented Client to levy upon or encumber Client’s assets  
66 to enforce the judgment? (2) File a complaint or take other actions against Client seeking to  
67 reach the assets Client transferred to shell companies? (3) Use or disclose the banking account  
68 number and financial institution information reflected on the checks used to pay Client’s  
69 invoices from Attorney to levy on the account?  
70

71 **DISCUSSION<sup>1</sup>**  
72

73 **Is the Banking, Asset and Financial Information Received by Attorney Confidential**  
74 **Information Subject to the Attorney’s Duty of Confidentiality?**  
75

76 The first step in determining whether Attorney may use or disclose the banking, asset and  
77 financial information received from Client during the representation is to determine whether it is  
78 privileged and/or confidential. An attorney’s duty of confidentiality is a core aspect of the  
79 attorney-client relationship. The duty, well recognized as a “very high and stringent one,”  
80 imposes on the attorney an obligation to “maintain inviolate the confidence, and at every peril to  
81 himself or herself to preserve the secrets, of his or her client.” Cal. Bus. & Prof. Code  
82 § 6068(e)(1); *Flatt v. Superior Court*, 9 Cal. 4th 275, 289 (1994). “Secrets” in this context  
83 include “information obtained by the lawyer during the professional relationship, or relating to  
84 the representation, which the client has requested to be inviolate or the disclosure of which might  
85 be embarrassing or detrimental to the client.” COPRAC Form. Opns. 1993-133, 1988-96, 1986-  
86 87, 1981-58 and 1980-52; Los Angeles Bar Ass’n Opns. 386 (1980), 436 (1985), 452 (1988) and  
87 498 (1999); *Wutchumna Water Co. v. Bailey*, 216 Cal. 564, 574 (1932) (lawyer may not “use  
88 against his former client knowledge or information acquired by virtue of the previous

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<sup>1</sup> Citations in this opinion to the California Rules of Professional Conduct refer to those which were in effect as of November 1, 2018. This opinion includes citations to cases, formal ethics opinions, and other authorities that refer to CRCP in effect prior to that date.

89 relationship”). Rule 1.6 prohibits an attorney from revealing information protected by Business  
90 & Professions Code § 6068(e)(1).

91 Confidential information includes attorney-client privileged information, but protects a much  
92 broader scope of information than the more narrow privilege. *See* COPRAC Form Opn. 2016-  
93 195. Unlike the attorney-client privilege, for example, confidential information may not be  
94 revealed regardless of the source of the information. Rule 1-600, comment 2 (“The principle of  
95 lawyer-client confidentiality applies to information a lawyer acquires by virtue of the  
96 representation, whatever its source, and encompasses matters communicated in confidence by  
97 the client, and therefore protected by the lawyer-client privilege, matters protected by the work  
98 product doctrine, and matters protected under ethical standards of confidentiality, all as  
99 established in law, rule and policy.”); Los Angeles Bar Ass’n Form. Opn. 436 (1985). Also  
100 unlike attorney-client privileged communications, where the presence of a third party may  
101 destroy the privilege, confidential information may include any information acquired during the  
102 course of the representation, even if that information is publicly available or revealed to others.  
103 *See* Los Angeles Bar Ass’n Opn. 436 (1985); *Matter of Johnson*, 4 Cal. State Bar Ct. Rptr. 179,  
104 189 (Rev. Dep’t 2000).

105 1. Client’s Financial Information Provided or Received to Litigate the Action

106 Here, Attorney acquired Client’s banking and asset information during the course, and by virtue,  
107 of the representation. The banking and asset information received directly from the client is both  
108 privileged and confidential. The information acquired from others through discovery in the case  
109 is also confidential because it was obtained during the course of Attorney’s representation of  
110 Client and its disclosure by Attorney to levy upon Client’s assets would be detrimental to Client.  
111 It is therefore “secret” information within Business & Professions Code § 6068(e). Thus,  
112 Attorney may not freely disclose or use the financial information provided or received to litigate  
113 the case, and may not use it to levy upon or encumber Client’s assets to enforce the judgment  
114 unless an exception to confidentiality applies.

115 2. Information Concerning Client’s Hidden Assets

116 Even though not directly related to Attorney’s representation of client in the lawsuit, the  
117 information communicated to Attorney during the professional relationship about the assets  
118 transferred by Client to shell companies to keep them out of creditors’ reach is confidential,  
119 secret, information, as disclosure of it would be embarrassing or detrimental to Client.  
120 Moreover, as the information was communicated to Attorney in confidence during the course of  
121 Attorney’s representation of Client, in addition to being confidential, it would also be privileged.  
122 Evid. Code §§ 952, 954. Thus, Attorney cannot file a complaint or take other actions against  
123 Client seeking to reach the hidden assets, unless an exception to confidentiality applies.

124 3. Bank Account Information From Check Used to Pay Attorney’s Invoices

125 The checks received by Attorney from Client to pay Attorney’s invoices reveal the Client’s bank  
126 and checking account number. Whether client payment checks are privileged under Evidence  
127 Code § 952 or confidential under Bus. & Prof. Code § 6068(e) has not been directly decided in  
128 California.

129  
130 The bank account information on client checks could be considered a client “secret” if deemed to  
131 be acquired “by virtue of” the attorney-client relationship or “during the professional  
132 relationship” because disclosure of the account information to levy upon the account would be  
133 using the information against the former client and is likely to be detrimental to the client.  
134 Whether the checks could be considered to be information independent of, and not relating to,  
135 the Attorney’s representation of Client and therefore not protected in the same manner that the  
136 Supreme Court in *Los Angeles County Board of Supervisors v. ACLU* found attorney invoices  
137 outside the scope of an attorney’s representation and therefore not privileged, is an open issue.  
138 *See Los Angeles County Board of Supervisors v. ACLU*, 2 Cal. 5th 282 (2016) (“Invoices for  
139 legal services are generally not communicated for the purpose of legal consultation. Rather, they  
140 are communicated for the purpose of billing the client and, to the extent they have no other  
141 purpose or effect, they fall outside the scope of an attorney’s professional representation.”). The  
142 *ACLU* case, however, dealt with attorney-client privilege, not the much broader ethical duty of  
143 confidentiality, and did not involve a proposed use of the invoices by the attorney against his  
144 former client, as Attorney here proposes to use the check information.

145  
146 Thus, it is likely in this context that the account and bank information contained on the check are  
147 client secrets within the meaning of § 6068(e) such that Attorney could not use the bank and  
148 account information or disclose it to any third party, including a third party levying officer,  
149 unless some exception to confidentiality applies.

150

151 **An Attorney Generally May Not Use Client Confidential Information**

152

153 An attorney is generally not entitled to use or disclose confidential or privileged information.  
154 Business & Professions Code § 6068(e) contains two obligations: (1) to “maintain inviolate the  
155 confidence” of the client and (2) “at every peril to himself or herself to preserve the secrets” of  
156 the client. The first obligation includes more than just not communicating facts learned in the  
157 course of the representation; otherwise the second enumerated duty would be superfluous. The  
158 first requires that the attorney not do anything to breach the trust reposed in the attorney, which  
159 is a duty that goes beyond nondisclosure. *See, e.g., In re Soale*, 31 Cal. App. 144, 152-53  
160 (1916); Calif. State Bar Opn. 1996-146; Calif. State Bar Opn. 1987-93; Calif. State Bar Opn.  
161 1993-133; Calif. State Bar Opn. 1986-87.<sup>2</sup>

162 Thus, attorneys are prohibited not only from disclosing, but also from using, a client’s  
163 confidential information against the client. *Id.*; *see also Wutchumna Water Co. v. Bailey*, 216

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<sup>2</sup> While most opinions and cases distinguish between the duty to maintain a client’s secrets as separate from the duty to maintain a client’s confidence (singular), some have used the word “confidences” (plural) as synonymous with client “secrets.” *See e.g.,* COPRAC Form. Opn. 2012-183; *City and Cnty. of San Francisco v. Cobra Solutions, Inc.*, 38 Cal. 4th 839, 846 (2006) (discussing “confidences” (plural) as shorthand for “secrets” and implicating the duty of confidentiality, while also noting the separate duty of loyalty). Those opinions and cases however were focused on the duty to preserve a client’s confidential information, and simply use “confidences” (plural) as synonymous with client secrets. The independent duty to maintain a client’s confidence was not implicated in those opinions and authorities. Several local bar association opinions do appear to blur the line between the independent duties imposed by § 6068(e) to maintain a client’s confidence and the duty to preserve client secrets, describing §6068(e) as imposing only a duty to maintain client “confidences and secrets,” but those opinions appear to be against the weight of authority and inconsistent with the plain language of § 6068(e). *See, e.g.,* Los Angeles Bar Ass’n Form. Opns. 386 (1980), 436 (1985), 452 (1988) & 466 (1991).

164 Cal. 564, 574 (1932); *Elan Transdermal Ltd. v. Cygnus Therapeutic Sys.*, 809 F. Supp. 1383,  
165 1387 (N.D. Cal. 1992) (Attorneys may not “use against his former client knowledge or  
166 information acquired by virtue of the previous relationship.”); *Oasis West Realty LLC v.*  
167 *Goldman*, 51 Cal. 4th 811, 823 (2011) (duties of loyalty and confidentiality bar an attorney  
168 “from *both* disclosing *or* using the former client’s confidential information against the former  
169 client” (emphasis in original)).

170 The duty of secrecy extends to both present and former clients. *Commercial Standard Title Co.*  
171 *v. Superior Court*, 92 Cal. App. 3d 934, 945 (1979); *see also Wutchumna Water Co.*, 216 Cal. at  
172 571; *Matter of Lilly*, 2 Cal. State Bar Ct. Rptr. 473 (1993) (“The fiduciary relationship makes it  
173 improper for an attorney to act contrary to . . . the interests of his present *or former* client.”  
174 (quoting 1 Witkin, *Cal. Procedure* (3d ed. 1985) Attorneys, § 102, p. 122 (emphasis in original)).

175 “In addition to not being able to directly reveal or use confidences after the termination of the  
176 relationship, an attorney may not *act* in a way which would undermine his continuing duty to  
177 protect the confidential relationship.” *Styles v. Mumbert*, 164 Cal. App. 4th 1163, 1168 (2008)  
178 (emphasis in original).

179 Thus, even though Attorney here no longer represents Client, Attorney’s use or disclosure of  
180 Client’s confidential banking, financial and hidden asset information against Client to collect on  
181 the Attorney’s judgment would violate both aspects of the Attorney’s duties under § 6068(e) and  
182 is prohibited, unless some exception to the duties imposed by Bus. & Prof. Code § 6068(e)  
183 applies.

184 **Do Any Exceptions to the Duty of Confidentiality Apply Because Attorney is Attempting to**  
185 **Collect Attorneys’ Fee?**

186  
187 Although the ABA Model Code contained an exception to confidentiality permitting a lawyer to  
188 reveal confidences or secrets “necessary to establish or collect his fee . . .” (see DR 4-101(C)),  
189 that exception was removed from the Model Rules (see Model Rule 1.6) and no such exception  
190 has ever been included in California’s Rules of Professional Conduct. California, however, does  
191 have the so-called self-defense exception to privilege, as set forth in Evidence Code § 958.

192  
193 **Evidence Code § 958**

194  
195 Evidence Code § 958 is an exception to the more narrow attorney client privilege. The exception  
196 applies only to *communications* “relevant to an issue of breach, by the lawyer or by the client, of  
197 a duty arising out of the lawyer-client relationship.”

198 There is no similar exception to confidentiality in either the State Bar Act or Rules of  
199 Professional Conduct. Rule 1.6 (which prohibits an attorney from revealing confidential  
200 information), Discussion 2, however, indicates that the Rule prohibits disclosure “except with the  
201 informed consent of the client or as authorized or required by the State Bar Act, these rules, *or*  
202 *other law.*” (Emphasis added). Evidence Code § 958 may fall within this “other law”  
203 exception. *See also Fox Searchlight Pictures, Inc. v. Paladino*, 89 Cal.App.4th 294, 313 (2001)  
204 (the apparently absolute obligation imposed by § 6068(e) to maintain client confidences is  
205 “modified by the exceptions to the attorney-client privilege contained in the Evidence Code”)

206  
 207 Assuming that the exception does apply to confidential information, the scope of permissible  
 208 disclosure or use under § 958 is generally limited to that necessary to effectuate the purpose of  
 209 the exception. The purpose of the exception “is to avoid the injustice of permitting ‘a client  
 210 either to accuse his attorney of a breach of duty and to invoke the privilege to prevent the  
 211 attorney from bringing forth evidence in defense of the charge or to refuse to pay his attorney’s  
 212 fee and invoke the privilege to defeat the attorney’s claims.’” *People v. Ledesma*, 39 Cal. 4th  
 213 641, 695, 698 (2006) (quoting Recommendation Proposing an Evidence Code (Jan.1965), 7 Cal.  
 214 Law Revision Com. Rep. (1965), p. 176). Thus, section 958 permits disclosure only to the extent  
 215 necessary to respond to an issue raised by the client dispute. *See* Los Angeles Bar Ass’n Formal  
 216 Opn. 498 (1999) (Evidence Code § 958 permits disclosure only of information “reasonably  
 217 necessary to support the attorney’s position”); *McDermott, Will & Emery v. Superior Court*, 83  
 218 Cal.App.4th 378, 383-84 (2000) (attorney may disclose otherwise privileged information “to the  
 219 extent necessary to defend against the action”); *Brockaway v. State Bar*, 53 Cal. 3d 51, 63  
 220 (1991) (Section 958 “is not a general client-litigant exception allowing disclosure of *any*  
 221 privileged communication simply because it is raised in litigation.” (Emphasis in original.));  
 222 *Matter of Dixon*, 4 Cal. State Bar Ct. Rptr. 23 (Rev. Dep’t 1999) (scope of permissible disclosure  
 223 under § 958 is limited to what is essential to preserve the attorney’s rights).  
 224

225 Under § 958, the exception applies only to privileged communications “relevant to an issue of  
 226 breach.” That phrase is not defined in the Evidence Code. “Relevant evidence” under the  
 227 Evidence Code, however, is “evidence, including evidence relevant to the credibility of a witness  
 228 or hearsay declarant, having any tendency in reason to prove or disprove any disputed fact that is  
 229 of consequence to the determination of the action.” Evid. Code § 210. The question here is  
 230 whether asset information useful to collecting a judgment is information “relevant to an issue of  
 231 breach” and therefore within the exception. The Client here has certainly breached the  
 232 agreement by not paying the fee and Attorney is entitled to reveal the information necessary to  
 233 establish the uncontested claim for payment of the unpaid fees. However, once judgment is  
 234 entered, there is no disputed fact that is of consequence to determining the attorney’s action  
 235 because the matter has been adjudicated. Even if Client did contest Attorney’s claim, evidence  
 236 of collectability or Client’s financial information or assets would be irrelevant to, and generally  
 237 inadmissible in, Attorney’s breach of contract action against Client. Once the judgment against  
 238 Client was entered, all contractual rights and obligations between the parties are extinguished.  
 239 “When a party recovers a judgment for breach of contract, entry of the judgment absolves the  
 240 defendant of any further contractual obligations, and the judgment for damages replaces the  
 241 defendant's duty to perform the contract. ([Citation.]) Upon entry of judgment, all further  
 242 contractual rights are extinguished, and the plaintiff's rights are thereafter governed by the rights  
 243 on the judgment, not by any rights which might have been held to have arisen from the contract.  
 244 ([Citation].)” *Tomaselli v. Transamerica Ins. Co.*, 25 Cal. App. 4th 1766, 1770 (1994). Thus,  
 245 once judgment is entered, Client is no longer in breach and no “issue of breach” remains  
 246 outstanding.  
 247

248 The Court in *In re Rindlishbacher*, 225 B.R. 180 (B.A.P. 9th Cir 1998) held that § 958 does not  
 249 apply to permit an attorney who is owed a fee to file a nondischargeability complaint against the

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250 Client based on hidden asset information learned by the attorney during the representation.<sup>3</sup> This  
251 is because “[a] debtor's pursuit of a discharge is not a breach of the duty to pay; it is a right  
252 provided by the Bankruptcy Code. By seeking a discharge the client does not in any way call  
253 into question the validity of the attorney's fee or the attorney's actions. He merely seeks to obtain  
254 a benefit that the law allows. Because there is no breach of duty by the client, and no claim  
255 against the attorney which the attorney must in fairness be permitted to defend, the exception to  
256 the confidences rule for disclosure of communications necessary to allow the attorney to collect a  
257 fee does not apply.” *Id.* at 184. The *Rindlishbacher* court found an attorney breached his ethical  
258 duties and the attorney-client privilege by filing an adversary proceeding to deny his former  
259 client’s discharge. The proceeding was based on the client’s failure to disclose certain rental  
260 income – a fact the attorney learned during the course of his prior representation of client.  
261 Although the attorney claimed that he had verified the facts independently of the confidential  
262 information, the Court still held the proceeding improper. *Id.* at 184-85 (“Allowing an attorney  
263 to circumvent the confidences rules by independent verification would defeat that purpose and  
264 could make clients reluctant to be fully forthcoming in their discussions with their attorneys.”)  
265

266 Unlike the client in *Rindlishbacher*, Client here has breached a duty to pay and is not simply  
267 availing itself of a right under the Bankruptcy Code. On the other hand, like the client in  
268 *Rindlishbacher*, Client here has not called into question the validity of the attorney’s fee or the  
269 attorney’s actions. To the contrary, Client has allowed an uncontested default judgment to be  
270 entered against him. Once an uncontested default judgment has been entered in Attorney’s  
271 favor, there is no issue of breach that remains to be resolved and there is no need to submit any  
272 evidence to establish Attorney’s claim or client’s defense. Nor is there reason “to prove or  
273 disprove any disputed fact that is of consequence to the determination of the action.” Evid. Code  
274 § 210. The reason for the evidentiary exception to privilege provided by Evidence Code § 958,  
275 then, is not present. *See In re Rindlishbacher*, 225 B.R. at 183 (“The idea behind the exception  
276 to the confidences rule for collection of an attorney's fee is that the client has breached a duty by  
277 failing to pay, and the attorney must be able to defend himself against the client's charges of  
278 attorney misconduct. In other words, the client puts the attorney's actions in issue and, in  
279 fairness, the attorney must be allowed to defend, even if that defense involves the use of  
280 communications that the attorney would otherwise be bound to maintain as confidential.”); *see*  
281 *also* Cal. Prac. Guide, *Professional Responsibility*, Ch. 7-B, § 7:126 (Rutter Group 2014)  
282 (“Information protected under Bus. & Prof. C. § 6068(e)(1) may be disclosed as necessary to

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<sup>3</sup> The holding of that case appears at odds with an earlier opinion of the Los Angeles County Bar Association Professional Responsibility and Ethics Committee. That Opinion addresses former bankruptcy counsel’s efforts to collect from the debtor the attorney’s unpaid fee, including whether the attorney can exercise the rights of a creditor in the bankruptcy case, whether the attorney can use non-confidential client information concerning the client’s assets in the exercise of his rights as creditor, and whether the attorney could use confidential asset information to pursue his rights as a creditor. *See* L.A.C.B.A., Prof. Resp. and Ethics Comm., Form. Opn. No. 452 (November 21, 1998). The Committee concluded the attorney could file a claim, an adversary proceeding to contest dischargeability of his debt and otherwise seek to enforce his debt in the bankruptcy. However, the attorney could not cooperate with other creditors and the trustee to marshal assets - many of which the attorney learned as a result of his representation of the client. This is because such collective collection efforts do not fall within an exception to the attorney’s duty to maintain inviolate her clients’ secrets. In terms of using information to enforce the debt to the attorney, the Committee found (1) the attorney was barred by 6068(e) from using any information - whether privileged or secret - unless an exception to § 6068(e) applies; (2) Evidence Code § 958 is an exception and applies to both “confidences and secrets” under 6068(e); and (3) the attorney could therefore use the information, but only to the extent necessary to litigate the fee collection action in the bankruptcy.

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283 pursue an action for fees *if the claim is contested.*” (emphasis added)); Evid. Code § 958, Law  
284 Revision Commission Comments (“It would be unjust to permit a client . . .to refuse to pay his  
285 attorney’s fee and invoke the privilege to defeat the attorney’s claim.”). Here, Client has not  
286 invoked the privilege to defeat the Attorney’s claim but has instead allowed a default judgment  
287 to be entered against him.  
288

289 Moreover, the exception to privilege provided by § 958 applies only in the proceeding in which  
290 an issue of attorney or client breach is being determined. *See Styles v. Mumbert*, 164 Cal. App.  
291 4th 1163, 1169 (2008). Because § 958 provides for an *exception* to privilege, not a waiver of  
292 privilege, once the proceeding in which the exception applies is adjudicated and no issues of  
293 consequence to a determination of the merits of the attorney’s action can be disputed, there  
294 seems little basis to conclude that the privilege does not remain intact. *See People v. Ledesma*,  
295 39 Cal.4th 641, 695 (2006) (under Evid. Code, § 958, “the attorney-client privilege continues to  
296 apply for purposes of retrial after otherwise privileged matters have been disclosed in connection  
297 with habeas corpus proceedings”); *In re Miranda*, 43 Cal.4th 541, 555 (2008) (by raising  
298 ineffective assistance of counsel, former client “did not *wave* the privilege, he merely triggered  
299 an *exception* to it that is not applicable in future proceedings” (emphasis in original)); *see also*  
300 *Bittaker v. Woodford*, 331 F.3d 715, 716-723 (9th Cir. 2003)” (en banc) (waiver of the attorney  
301 client privilege by petitioner in an ineffective assistance of counsel case extends only to that  
302 litigation, and not for “all time and all purposes”).  
303

304 Thus, under the facts presented here – where Client does not contest the action and the fee  
305 contract has been extinguished and merged into a judgment against Client – § 958 would not  
306 permit attorney to use confidential or privileged information to enforce Attorney’s judgment  
307 against Client.<sup>4</sup>  
308

## CONCLUSION

309  
310  
311 An attorney may not use or disclose information concerning a client’s financial or asset  
312 information acquired during the professional relationship with client to collect on a judgment  
313 against client for unpaid fees. While an attorney is permitted to use or disclose client  
314 confidential information to establish a claim for unpaid fees against a former client, an attorney  
315 may do so only to the extent necessary to establish the claim. Once the claim is established, the  
316 reason for the exception to confidentiality is satisfied. Like all judgment debtors, attorneys may  
317 use post-judgment collection procedures to collect a judgment against a former client, but may  
318 not use or disclose confidential financial and asset information acquired during the professional  
319 relationship to do so.  
320

321 This opinion is issued by the Standing Committee on Professional Responsibility and Conduct of  
322 the State Bar of California. It is advisory only. It is not binding upon the courts, the State Bar of  
323 California, its Board of Trustees, any persons, or tribunals charged with regulatory  
324 responsibilities, or any member of the State Bar.

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<sup>4</sup> This conclusion is consistent with that reached by the North Carolina State Bar Ethics Committee in its 2016 Formel Ethics Opinion 4, holding that confidential financial information obtained through an attorney’s representation cannot be provided to the sheriff to assist with execution on a default judgment for unpaid legal fees because, after judgment is entered, the purpose for the self-defense exception is satisfied and it no longer applies.

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