



COVID-19 and Its Effects on the Legal Industry

With the COVID-19 pandemic, along came a multitude of new issues confronting businesses, including law firms. And unfortunately, so too comes the potential for an increased frequency in liability claims. Some examples of the risks include matters involving certain practice areas, such as:

- Real Estate: new directives on how to handle transactions, and business closures delaying the closing of transactions, creating issues down the road in the event deals fall through; also, landlord/tenant lease issues, particularly the collection of rents;
- Trust & Estates: with the unfortunate increase in the number of people passing away unexpectedly due to the pandemic, the focus will be on an increase in transfer of property and wealth, and on whether or not estate documentation is in proper order, etc.;
- Labor & Employment: quick changes in regulations resulting in more concerns regarding adequate compliance by business, with attorneys having to learn new areas of complicated and diverse laws;
- Tax: again with quick changes in regulations, there is the potential for increase in errors; and
- Litigation: as courts reopen, there will be a rush of work and each court may have different procedures as it opens, all needing attention; difficulty with witness and documentation preparation and filing, along with remote operations causing difficulty in team and supervisory collaboration.

The most common errors that may occur include, but are not limited to:

- Administrative Error - Working from home, suspension of legal deadlines/lack of clarity in tolling provisions, reduced staff, technology issues, COVID-19 scheduling changes, mail sitting in offices, etc.;
- Failure to Know the Law - Taking on work outside of your area/dabbling, regulations changing rapidly, and difficulty staying on top of changes, also the concern that one tries too quickly to become a "COVID-19 legal specialist";
- Negligence/Failure to Communicate - Especially with a number of attorneys still working from home, issues may arise concerning staying in the scope of engagement or modifying where need to, documenting conversations, notifying parties of pending deadlines, communications, costs/verdict outcomes;
- Lack of Supervision - Sustained remote operations may result in lone wolf scenarios and wellness-related concerns;
- Counterclaims in Fee Suits - Historically some fee suits generate legal malpractice counterclaims, so not staying on top of billing and allowing clients to get behind in payments may cause issues; and
- Cyber-Related Claims - Using remote technology for meetings, virtual notary tools, or home systems, for example, rather than known, secured business systems for communication and handling workload, may lead to breaches of confidentiality, as well as an increase in hacks.

Awareness of the potential risk is half the battle. Consider the above and other factors in this unprecedented time, and develop the proactive steps that you can take to mitigate risk in these areas. And know that there are lawyers professional liability insurance carriers out there that have substantial risk management resources to assist you. For example, as part of the CATIC Agent Lawyers Professional Liability Insurance Program that we have in place with The Hanover Insurance Group, The Hanover not only offers valuable coverages, it also offers risk management services, with experts to help you manage the risks that could ultimately lead to claims. Best of all, most of these risk management services come at no cost to Hanover policyholders.

To find out more, contact [Colleen M. Capossela](#) at CATICPro (860-513-3131). If you use

a different insurance provider, contact your carrier today to see what resources they can provide to assist you in managing these risks.

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