

Lawsuit Alleges Clark Hill Fell Victim to Scam



A lawsuit filed on April 22 claims that law firm Clark Hill was tricked by hackers posing as its client, resulting in the transfer of \$1.1 million from a lawsuit settlement to the wrong bank account.

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Scammers Exploit Email Accounts

According to the suit, hackers gained unauthorized access to the email accounts of Clark Hill's client, Sinacom North America, and convinced the firm to wire the settlement funds to a fraudulent bank account. The scam reportedly involved the scammers providing altered wiring instructions using Sinacom's email addresses.

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Lack of Verification

The lawsuit alleges that Clark Hill failed to take appropriate steps to verify the authenticity of the new wiring instructions. Despite suspicions, the firm did not confirm the instructions by phone or verify the legitimacy of the receiving bank account.

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Negligence and Recklessness

The suit further claims that Clark Hill partner Steven Richman relied solely on email communication with the compromised account and neglected to verify the instructions properly. As a result, the firm purportedly wired the funds to the wrong account, with the error going unnoticed until it was too late.

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Response from Clark Hill

In response to the allegations, Clark Hill issued a statement defending the firm and Richman, emphasizing that the filed complaint may not contain all relevant facts. The firm intends to defend itself against the accusations as the case progresses.

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Conclusion

The lawsuit underscores the vulnerability of legal firms to sophisticated scams and highlights the importance of robust verification processes in financial transactions. Clark Hill's case serves as a cautionary tale for legal professionals dealing with sensitive financial matters.