

Fox Rothschild Ruling Tames Fears Of Nonclient Claims In NJ, Law360, ft. Iram Valentin

Iram Valentin, partner and co-chair of the KD professional liability practice group, was quoted in an article written by Jeannie O'Sullivan for Law360 published on January 17, 2020.

The New Jersey Supreme Court's recent refusal to saddle Fox Rothschild LLP with a fiduciary duty to a victim of incarcerated Ponzi schemer Eliyahu Weinstein caged what many law firms consider a growing menace of claims brought by nonclients shouldering major financial losses, experts said.

In its Jan. 9 decision, the high court declined to widen the scope of obligations firms have to third parties, finding it would be an "impractical burden" to require lawyers to inquire about the source of funds they're asked to safeguard by clients.

Ultimately, the justices effectively put the brakes on what Hackensack, New Jersey-based attorney Iram P. Valentin said is a steady increase of tort liability upon lawyers in New Jersey.

Valentin, who chairs Kaufman Dolowich Voluck LLP's professional liability practice, said he found the decision refreshing.

"There has to be some sensible curbing on what I see as the ever-expanding liability of professionals in general, but particularly attorneys," Valentin told Law360.