

VLP Partner Melissa Krasnow Quoted in Law360 Article “Appleby Data Breach Highlights Law Firms' Unique Risks”

VLP Partner Melissa Krasnow was quoted in the *Law360* article “Appleby Data Breach Highlights Law Firms' Unique Risks.” The article reported on the recent leak of high-profile clients' investment data from the offshore law firm Appleby. The leak exposed the offshore interests of big-name individuals and businesses around the world.

This leak, the article noted, drives home the legal and ethical pitfalls that arise from lawyers' failure to protect the records of individuals and businesses expecting the strictest confidentiality. In addition to the issues that other large companies face in the wake of a major data breach, the consequences that law firms and their lawyers face are compounded by the responsibilities they have under professional conduct rules governing client confidentiality and electronically stored data.

“Fundamental to any law firm relationship is confidentiality, and particularly in the case of Appleby, the firm was given some extremely sensitive data about transactions and high-profile people involved,” Ms. Krasnow told *Law360*. “Confidentiality is paramount, and that was breached by this incident.”

“A lot of clients are presumably working with this offshore firm for purposes of confidentiality and secrecy,” she added. “Having regulators open investigations based on this leak probably wasn't the intended consequence of having work handled by the Appleby law firm. In fact, it was probably just the opposite.”

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