

# ACCOUNTANTS LIABILITY & REGULATORY

The accounting profession and the legal and regulatory framework in which it operates is rapidly changing, exposing accountants and accounting firms to growing levels of risk. Accountants have to continuously monitor updates and new standards from case law, regulatory agencies, accounting boards, and ethics boards to prevent potential liability and malpractice claims.

Hodgson Russ has extensive experience providing comprehensive, sophisticated advice for accountants and accounting firms to help mitigate potential liabilities, evaluate risk, defend against liability claims, and advise in transactional matters. Additionally, as a full-service law firm, Hodgson Russ attorneys are able to serve our accounting clients in all major areas of law, including corporate and securities, employee benefits, estate planning, insurance law and advice, and federal and state tax planning and controversy work. As a result, we can provide our accounting clients with a multifaceted approach to the legal issues they encounter.

Hodgson Russ's accountants liability and regulatory law attorneys have successfully represented accountants and accounting firms in:

- Defending against professional liability/malpractice claims including mediation, arbitration, and trial representation
- Representing accountants in disciplinary and enforcement proceedings brought by the SEC, PCAOB, state licensing authorities, and professional accounting associations
- Implementing measures to reduce professional liability exposure, including reviewing and drafting engagement and disengagement letters that specify responsibilities and mitigate risk to our clients
- Organizing the structure of accounting firms and the acquisition of or merger with other accounting practices
- Settling internal partner disputes and third-party claims
- Dissolving partnerships and working with predecessor and successor auditors on retention requirements and applicable reports
- Advising on overall risk assessment, practice management, independence, and ethics
- Complying with Sarbanes-Oxley and other securities law requirements, PCAOB rules and regulations, state laws and regulations, and professional codes of ethics
- Insurance law, risk analysis, and risk-transfer issues

To help our clients stay up to date on the most current legal and ethical reforms in the accounting profession, Hodgson Russ provides electronic alerts and reports on new liability and regulatory matters. Additionally, Hodgson Russ attorneys frequently speak at and sponsor conferences for accountants addressing these issues.

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**In the News**

Albany Business Review- Industry roundtable: Accounting and financial planning  
*Albany Business Review*, December 4, 2015

**Publications**

Preserving the Privity Defense  
April 8, 2010

New York's Measured Mobility Comes With Increased Accountability  
October 20, 2009

The Pitfalls of an Imprecise Engagement Letter  
November 25, 2008

**Presentations & Events**

Advanced *Kovel* Issues for Accountants  
December 8, 2020

Refresher on *Kovel* Accountant Issues and Subpoenas  
October 22, 2020

Accountants Liability Seminar  
The Offices of Hodgson Russ LLP, 1540 Broadway, 24th Floor, New York, NY, September 17, 2015

The Changing Landscape of Accountants' Exposure to Liability  
New York, NY, January 26, 2011

