

# IS BUYING LEGAL MALPRACTICE INSURANCE ALWAYS A GOOD BUSINESS DECISION?

One Hour of CLE Credit, including 0.5 Hour Ethics Credit

{ Test 58 }

Please complete the following quiz by selecting the most accurate response/answer to the statements and questions below:

1. Carrying legal malpractice insurance is one step lawyers can take to protect the interest of clients.
  - a. True
  - b. False
2. Less than 1 percent of lawyers practicing in the U.S. will face an allegation of malpractice in any given year.
  - a. True
  - b. False
3. Malpractice claims can take six to 24 months to resolve.
  - a. True
  - b. False
4. Lawyers who are sued often see their income pick up for a period of time.
  - a. True
  - b. False
5. Legal malpractice insurance premiums are as expensive as medical malpractice insurance premiums can be.
  - a. True
  - b. False
6. Legal malpractice insurance premiums are higher for newer lawyers due to their inexperience.
  - a. True
  - b. False
7. A choice to forego purchasing malpractice insurance can result in missed business from:
  - a. Referring attorneys
  - b. New clients
  - c. A and B
  - d. None of the above
8. Taking a self-insured approach is often not effective due to:
  - a. The lack of diligence in setting aside money
  - b. The cost-effectiveness of building your own funds versus purchasing insurance coverage
  - c. The amount of time and money spent in handling a malpractice claim on your own
  - d. All of the above
9. "Having malpractice insurance invites claims. No insurance means no one will ever sue me because there's no deep pocket," is a miscalculated rationale.
  - a. True
  - b. False
10. Putting malpractice insurance in place is a cost-effective way to protect assets and provides peace of mind if and when a claim is made.
  - a. True
  - b. False
11. Legal malpractice claims for uninsured lawyers are not a leading cause of lawyer bankruptcy because a significant number of claims are resolved without any kind of loss being paid.
  - a. True
  - b. False
12. Given the risk of a claim arising increases every year a lawyer continues to practice, if a lawyer stays in practice for 25 years, his or her malpractice insurance premium will increase every year for those 25 years due to this ever-increasing risk.
  - a. True
  - b. False
13. Should something go wrong, the true purpose of a malpractice policy is to protect:
  - a. Your assets
  - b. Your reputation
  - c. Your clients
  - d. Your partners
14. Which of the following is not a benefit that comes with the purchase of malpractice insurance?
  - a. Ready access to experienced professionals
  - b. Can help with client acquisition and retention
  - c. A guarantee that the insurer is financially stable
  - d. Asset protection
  - e. Peace of mind

**THREE EASY STEPS  
TO CLE CREDIT – \$45**

- 1) Read the article on pages 21-22.
- 2) Answer the quiz questions on page 23. Each question has only one correct answer.
- 3) Send completed quiz along with this form and \$45 processing fee.

Name \_\_\_\_\_

Law Firm/Organization \_\_\_\_\_

Address \_\_\_\_\_

State/Zip \_\_\_\_\_

NV Bar Number (Required) \_\_\_\_\_

**MAIL CHECK PAYMENT TO:**

State Bar of Nevada, 3100 W. Charleston Blvd., Suite 100, Las Vegas, NV 89102      **Check Number:** \_\_\_\_\_

**FAX CREDIT CARD PAYMENT TO: (702) 463-5730**      *Notice: do not send credit card payment info via regular or electronic mail.*

**Please bill my**     VISA     MC     AMEX     DISCOVER

Name on card: \_\_\_\_\_

Billing Address (if different from above): \_\_\_\_\_

Signature: \_\_\_\_\_

Card #: \_\_\_\_\_      Exp: \_\_\_\_\_      Sec. Code: \_\_\_\_\_

3 or 4 digit code on credit card

*Articles for CLE credit are valid up to the end of the third calendar year after publication or until a rule change renders the article outdated, whichever is comes first.*

## State Bar Publication: **Contract Templates for Nevada Attorneys**



The first edition from the state bar's Publications Committee, Contract Templates for Nevada Attorneys provides lawyers with **more than 60 sample contract templates** covering the most commonly used transactions, such as lease agreements and deeds of trust. Written by Nevada attorneys, these forms have been adapted from documents actually used in practice.

The manual includes forms designed as a starting point for practitioners to craft custom agreements. The templates can and should be adjusted to fit your clients' specific needs or requirements.

Available only in digital format, Nevada Contract Templates for Attorneys is available for immediate download.



**Purchase your copy through the state bar's CLE store, at:**  
<https://members.nvbar.org/cvweb/cgi-bin/msascartdll/ProductInfo?productcd=PUB-885-D>