

# What Law Firms Need to Know About Online Payment Theft and Protecting Client Data

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Cyberattacks have become an unfortunate part of conducting any type of financial business online. Cybercriminals constantly search for new ways to steal the financial data of consumers. Within the legal community, cybersecurity is largely seen as one of the greatest challenges faced by law firms.

While these attacks can take on various forms, law firms face a heightened risk for online payment theft as they increasingly accept online payment for service compensation. This post will take a closer look at these thefts and the steps that law firms can take to prevent them.

## What is Online Payment Theft?

Card-Not-Present transactions occur when the cardholder does not physically present their method of payment to the law firm. This can occur through a website payment portal, over the phone, or an internet payment link.

According to cyber experts, these digital payments have become a target for cybercriminals, making online payment theft a major concern for the legal industry and one that all law firms need to seriously consider. These thefts typically happen in one of the following ways:

- **Attacks on outdated systems** – Payment processing programs require regular updates to address evolving cyber threats. This is because these systems are consistently vulnerable to bugs and problems when necessary updates do not occur. Hackers can identify these

weaknesses and use them as an opening point to access sensitive client payment data.

- **Remote access scams** – These hacks occur when an outside party uses access tools to fraudulently control the payment platform. When this is done, the hacker may be able to collect client payment information and/or divert funds into a fraudulent account.

## **Protecting Online Payment Processes**

Law firms can take some specific steps to mitigate the ever-present threat of fraud and theft in their online payment processes. First and foremost, firms should refrain from processing client banking and credit card information within their own systems. This is because it is highly unlikely that a firm's in-office system has the level of security necessary to adequately protect the payment process and meet the firm's professional duty of care.

Law firms need a third-party system that is solely focused on the duty of securing every aspect of the online payment process. Online payment processors connect law firms to a money-transferring platform. They drive necessary payment data between the client, the firm, and their banking institutions. This data is extremely sensitive and it needs to be adequately protected from start to finish.

Online payment processors typically employ cybersecurity professionals who constantly search for new cyber threats and implement tactics to prevent thefts. With the right processing platform in place, firm leaders can feel confident about the safety and security of their online payment procedures.

When identifying that perfect processing system, law firms need to choose providers that offer the following security features:

- PCI Compliance means that the company is following Payment Card Industry Data Security Standards, which include 12 key requirements, 78 base requirements, and 400 test procedures.

- Up-to-date security measures that address the latest cyber threats. Cybercriminals constantly evolve their techniques, so outdated safety measures may not stand up to new threats. Law firms need a payment processing system that regularly updates and improves its features.

Outside of the features offered by law firm payment processing companies, firms can take some additional steps to further protect payment data. For instance, firms can encourage clients to make payments through their client portals and require strong passwords for access to those personal portal accounts.

Firms should also keep track of every single transaction. With regular monitoring, firms can more quickly identify any problems that arise and address them as soon as possible. These simple steps can provide an extra layer of valuable online payment protection.

## **Current Payment Integration Solutions**

There are a lot of payment integration tools on the market for law firms to choose from. While some are general and applicable to all industries, others are particularly targeted to law firms. These options offer features that help law firms manage requirements placed on them by their state bar associations. Here are some of the current online payment stars within the legal industry:

- Law Pay has been an industry standard for years, with the ability to integrate with most legal practice management software. It has been approved by 48 state bar associations for payment acceptance in compliance with ABA and IOLTA guidelines.
- LexCharge is another payment processing tool exclusively designed for lawyers and law firms. Its features include built-in capabilities for managing trust payments, accounts and disbursements. It can also be integrated with a variety of legal practice management applications.
- Stripe is an online payment platform that caters to companies in multiple industries. It allows law firms to manage payments directly

from their website. However, as a general payment processing tool, Stripe does not handle legal trust/IOLTA accounting.

- TimeSolvPay was created by TimeSolv Legal Billing, a company that has built a stellar reputation for providing state-of-the-art billing services to law firms. Their latest CPI-compliant offering securely accepts both credit card and ACH payments online or in-person. Their most innovative feature allows law firms to securely store client payment data and run hundreds of scheduled payments with a single click.

### **Law Firms Can Take Measures to Prevent Online Payment Theft and Protect Client Data**

When choosing an online payment process provider, law firm leaders need to do their research to ensure that they are choosing a platform that integrates necessary security measures. In addition, they should take small security steps that can make a huge difference for the firm and its clients. To learn more about TimeSolvPay, click [here](#) to schedule a free consultation.