



USI AFFINITY LEGAL ADVISORY

Managing AI Risks with Law Firm Guidelines



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Prepared by the USI Affinity Lawyers' Professional Liability Team

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Whatever your stance on the use of AI tools in the legal workplace, the risks of using them — or not — are now a reality. Firms are navigating questions around confidentiality, accuracy, efficiency, and professional responsibility as the technology becomes embedded in legal work. Beyond established AI-enabled technologies like eDiscovery and legal research platforms, AI is already being used in many firms in informal and inconsistent ways.

As adoption accelerates across the profession, clear AI guidelines are essential. Without them, firms face unmanaged risk and potential exposure in both client matters and claims scenarios. The following considerations outline core elements law firms should address.

Approved Tools

Define which AI tools are permitted and prohibited, with clear distinctions between public (open) AI platforms and proprietary (closed) systems. Establish criteria for evaluating and approving vendors, including security, data handling, and compliance standards.

Permitted and Prohibited Use

Specify approved and restricted use cases across legal workflows. Identify where AI may be used to support efficiency, such as research or summarization, and where its use is limited or prohibited, such as high-risk areas like legal analysis or court filings without appropriate review.

Confidentiality and Data Security

Establish strict guidelines governing the use of AI with respect to sensitive firm and client information. Outline what types of information may and may not be entered into specific AI systems, if any, and under what conditions.

Human Oversight

Document requirements for meaningful human review of all AI-generated or AI-assisted work. Reinforce that attorneys remain responsible for the accuracy, completeness, and professional judgment reflected in all work product.

Ethics and Disclosure

Set expectations for when and how AI use is disclosed internally and to clients, including in engagement letters and on a matter-specific basis. As AI becomes more widely adopted, firms should also consider in what contexts non-use of AI may need to be addressed, particularly as standards and client expectations shift.

Training and Internal Controls

Ensure attorneys and staff are trained on proper AI use, supported by clear policies and consistent enforcement. Establish ongoing oversight mechanisms to monitor compliance, reinforce responsible use, and adapt controls as AI capabilities and risks evolve. ■

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