## Dinsmore&Shohlup

## Ohio Supreme Court Update: Preparing Mechanic's Liens on Behalf of Others Without Supervision of an Attorney is Unauthorized Practice of Law

Ohio State Bar Association. v. Lienguard, Inc.

October 26, 2010

Michael V. Passella

On August 25, 2010, the Ohio Supreme Court held that a corporation engaged in the unauthorized practice of law by preparing, signing, filing and pursuing affidavits of mechanics' lien for third parties. In *Ohio State Bar Association. v. Lienguard, Inc.*, 2010-Ohio-3827, the Court found that Lienguard, Inc. provided legal services without a license to do so by furnishing mechanics' lien related assistance for customers.

Although Lienguard did not hold its employees out as being admitted to practice law in Ohio, it prepared affidavits for mechanics' liens for at least two unrelated parties. The Court held that such conduct amounts to the unauthorized practice of law in violation of Ohio Revised Code 4705.01 and Ohio Gov. Bar R. VII(2)(A), which subjects it to civil and criminal penalties.

Because this is a complicated area of the law, legal assistance is often advisable. If you cannot prepare an affidavit for mechanics' lien in house or have questions about doing so, make sure that you consult with a qualified legal professional, not a non-licensed third party. Should you have any questions on this issue, or any issues, please feel free to contact a member of Dinsmore & Shohl's <u>Construction Law Practice Group</u>.

Click <u>HERE</u> for the Supreme Court Opinion.