

Sexual Misconduct and D&O Claims

Kevin LaCroix, writing in **The D&O Diary**, discusses a recent scholarly article that takes a detailed look at director and officer claims arising out of allegations of sexual misconduct.

The University of Chicago Law School article examines the potential bases of liability, and considers the relative social utility of this kind of litigation, as well as the practical implications for corporate boards and their organizations.

LaCroix writes: “The authors conclude that ‘in some instances, corporate fiduciaries will indeed be liable to shareholders when workplace-sexual misconduct occurs at companies.’ In light of this conclusion, it would be prudent for companies and their executives to take steps to reduce their potential exposure to these kinds of suits.”

Read the article.