

Hollywood's Recent Contribution to Mergers & Acquisitions

Multiple corporate leaders have recently been ousted as the #METOO era continues to progress. Now more than ever you need to guard against potential damage in an M&A transaction through Morals Clauses and Disgrace Insurance.

Get expert analysis and practical guidance for "Weinstein Clauses" in M&A transactions below:

SURVEY:
Corporate Execs Optimistic About M&A Market in 2019

ARTICLE:
Sexual Harassment and Corporate Law, 118 Colum. L. Rev. 1583

LEXIS PRACTICE ADVISOR:
Sexual Misconduct Allegations During Deal Transactions

The image shows the text "#METOO" in a hand-drawn, sketchy font. The letters are thick and irregular, with some internal shading and cross-hatching, giving it a graffiti-like or artistic feel. The background is plain white.

Morality Clauses

While morals clauses in employment agreements with Hollywood entertainers have existed since at least the 1920s, they have renewed importance in the #MeToo era. The clauses spell out what kinds of events or behavior would trigger the termination of the contract with the talent, executive or endorsement personality. Greenberg Glusker partner Schuyler Moore, a partner in Los Angeles who practices entertainment and corporate law, says, "*particularly when you are building a brand around a personality, you have got to build a morality clause into each contract. This gets into the issue of public opprobrium and perception in the public eye.*" [Reputation Protection; Worried About A Harvey, Travis or Roseanne At Your Company? Here's What GCs Can Do., Corporate Counsel, October 1, 2018.](#)