



FOR IMMEDIATE RELEASE  
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## **CII Lauds Delaware Bar Proposal to Prohibit Corporate Fee-Shifting Provisions**

**Washington, D.C., March 9, 2015** — The Council of Institutional Investors (CII) today welcomed the legislative proposal by the Corporation Law Council of the Delaware Bar Association to prohibit Delaware stock corporations from adopting fee-shifting provisions in their governing documents.

“The Delaware Bar Association's draft proposal benefits investors and the state of Delaware,” Jeff Mahoney, CII general counsel, said. “Barring fee-shifting provisions strengthens the accountability of Delaware companies to their shareholders. It also safeguards Delaware's pre-eminence as the adjudicator of U.S. business disputes.”

"Fee-shifting" corporate bylaws that require shareholders who sue companies to pay the legal fees if they lose in court are a growing threat to board accountability. CII has [expressed](#) strong opposition to these bylaws. Fee-shifting bylaws create prohibitively high hurdles for shareholders to pursue litigation for meritorious claims.

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*The Council of Institutional Investors (CII) is a nonprofit association of pension funds, other employee benefit funds, endowments and foundations, with combined assets that exceed \$3 trillion. CII is a leading voice for effective corporate governance and strong shareowner rights. CII educates its members, policymakers and the public about corporate governance, shareowner rights and related investment issues, and advocates on its members' behalf.*