



COMMON “D&O” CLAIMS

The most common Non-Profit Community Association Directors’ & Officers claims are:

- The Board’s failure to adhere to the By-Laws
- The Board’s failure to properly notice elections
- The Board’s failure to properly count votes/proxies
- Challenges by members regarding power granted the Board of Directors by the By-Laws
- Improper removal of Board Members
- Decisions by the Board resulting in physical damage to the association’s property
- Challenges to the assessments
- Approval of variances, generally by the architectural committee
- Breach of fiduciary duty
- Challenges to decisions of the architectural review board
- Questions or challenges regarding easements
- The Board’s failure to maintain common areas
- The board’s failure to properly disburse funds (i.e. insurance proceeds)
- Defamation by the Board of a member

Employment Related Lawsuits Statistics.....did you know....

- 56% of all cases tried result in verdicts for the employee/plaintiff
- The average plaintiff’s verdict award in employment lawsuits exceeds \$250,000., with 15% of all verdicts topping \$1 million
- The largest number of employee lawsuits are filed in Texas, California, Florida and Illinois