

Addressing Misconduct

William J. Hochul, Jr.
SVP, General Counsel, Secretary
Delaware North Companies, Inc.





INVESTOR'S CORNER

Tesla's Elon Musk faces the SEC in hearing over contempt charges (Updates)

Nissan and ex-Chairman Carlos Ghosn indicted in pay scandal, Kyodo reports

Ghosn, who is credited with rescuing Nissan from near-bankruptcy, could face as long as 10 years in prison if convicted.

BUSINESS

Wells Fargo CEO Quits In Wake Of Consumer Financial Scandals

March 28, 2019 - 5:09 PM ET

Hertz Global to pay \$16 million fine to settle accounting case: SEC

1 MIN READ



Doctor dragged off United Airlines flight after watching viral video of himself: 'I just cried'

Dr. David Dao spoke in his first public interview since the incident.

Wynn Resorts Concealed Alleged Sexual Misconduct By Steve Wynn, Investigation Finds

April 02, 2019 Updated Apr 02, 2019 11:23 AM

By [Callum Borchers](#)



Warning Some viewers may find
the following footage distressing

(Some) Costs of Misconduct

- ▶ Lawsuits
- ▶ Reputation
- ▶ Turnover
- ▶ Time
- ▶ Client Relationships
- ▶ Productivity

Anatomy of Response

1. “Day One” or Short Term
2. “Day Two” or Intermediate Term
3. Long Term

Day One Objective

Understand the issue and establish the scope of the investigation.

Day One

- The Questions
- The Responsibilities
- The Conversations

Responsibilities – Rule 1.13

(Organization as Client)

- ▶ (a) A lawyer employed or retained by an organization represents the organization acting through its duly authorized constituents.
- ▶ (b) If a lawyer for an organization knows that an officer, employee or other person associated with the organization is engaged in action, intends to act or refuses to act in a matter related to the representation that is a violation of a legal obligation to the organization, or a violation of law that reasonably might be imputed to the organization, and that is likely to result in substantial injury to the organization, then the lawyer shall proceed as is reasonably necessary in the best interest of the organization. ...

Day One

“You may
delay, but
time will not”



Day Two Objective

Analyze the evidence and memorialize findings.

Day Two

- Day One Lives On...
- Are Changes Necessary?
- What is the State of “the Brand?”
- What is the State of “the Liability?”

Day Two



What is past is prologue.

~ William Shakespeare

AZ QUOTES

Long Term Objective

Implement remedial measures and prevent future misconduct.

Long Term

- Days One and Two Live On...
- Review and Analyze Response
- Create Crisis Resistant Culture
- Reporting

Key Takeaways

- ★ Time Is Always of the Essence
- ★ Responders Must Have Knowledge, Authority and Experience
- ★ Risk Mitigation is Possible
- ★ Ideal Opportunity* for Counsel

*Michigan State, University of Southern California

Thank You!