Four Things Every GC Should Know About Love Contracts

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A 2007 survey revealed that approximately 40 percent of U.S. workers have dated a coworker and that another 40 percent would consider doing so. Inevitably, most workplace relationships end. Some end badly, and many of those result in litigation involving claims of coercion and/or retaliation, despite the fact that most of these relationships are consensual at the outset. In response to litigation arising from workplace relationships, many businesses have implemented nonfraternization policies designed to prohibit or discourage workplace relationships. But these policies have had limited effect.

In response to the limited effectiveness of nonfraternization policies and to prevent workplace romances from blossoming into litigation, many companies have developed employee relationship acknowledgements, otherwise dubbed "love contracts," in which employees in relationships make certain disclosures to their employers. Properly implemented and appropriately drafted, love contracts will reduce the likelihood of litigation arising from workplace relationships. In the event of litigation, an effective love contract will bolster an employer's defenses and increase the prospect for prevailing on summary judgment or at trial.

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