

# Salvatore Graziano Evaluates SEC Policy Changes and Implications in *The D&O Diary*

March 6, 2026

BLB&G Partner Salvatore Graziano discusses the implications of recent SEC policy changes for D&O insurers in the guest article “Will Allowing Companies to Block Shareholder Suits Create a D&O Mess?” published by *The D&O Diary*.

In the article, Sal addresses the SEC’s 2025 reversal of its decades-old policy prohibiting forced arbitration clauses in public companies, emphasizing it being a significant change with wide-ranging implications. He highlights that critics argue this undermines market integrity, shields fraudulent companies from accountability, and jeopardizes investors. Sal also evaluates the impact on directors’ and officers’ liability insurance, noting the potential for higher legal costs, unpredictable claims assessments, and increasing settlement values due to complexities in individual arbitration proceedings, adding the absence of PSLRA discovery stays and multi-forum dispute risks could further amplify costs and uncertainties. Sal concludes that, rather than encouraging IPOs, the SEC’s policy reversal threatens to deter companies from pursuing public status, creating significant disruptions for corporations and insurers alike.