

WHAT TO DO IF YOU ARE ASKED TO CROSS THE LINE

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“I WALK THE LINE”

JOHNNY CASH

*I keep a close watch on this heart of mine
I keep my eyes wide open all the time
I keep the ends out for the tie that binds
Because you're mine, I walk the line*

*I find it very, very easy to be true
I find myself alone when each day is through
Yes, I'll admit that I'm a fool for you
Because you're mine, I walk the line*



CORPORATE GOVERNANCE, COMPLIANCE AND ACCOUNTABILITY STANDARDS

- Personal Ethics and Morals
- Company Standards
 - Code of Business Conduct/Ethics
 - Conflict of Interest Policies
 - Workplace Conduct Policies (EEO, Federal Contractor Requirements, etc.)
- Fiduciary Duties
- FCPA
- SEC Reporting and Certification
- Sarbanes-Oxley
- State Law
- Federal and State Criminal Statutes

LIABILITY EXPOSURES FOR IR PROFESSIONALS

- Termination of Employment
- Shareholder and Other Third Party Actions
- Claims Against IR Executive by Company
- Criminal Prosecution

- Indemnification and Defense of Claims
 - Do not assume you are automatically protected
 - Indemnification and defense under corporate bylaws and/or state law
 - D&O and EPL insurance coverage
 - Contractual protection
 - Impact of bankruptcy

WHISTLEBLOWER PROTECTIONS IN EMPLOYMENT STATUTES

- Anti-retaliation provisions generally protect an employee's oral complaints, filing of written complaint or claim, testifying in support of a claim, or assisting or participating in the investigation of a claim or hearing, but varies by statute
- Generally protect “opposing” an illegal practice
 - Reasonable and good faith
 - Not unreasonably disruptive
- You may not have to be correct to be protected – many statutes require only good faith belief

HOW CAN IR PROFESSIONALS PROTECT THEMSELVES?

- Corporate Whistleblower Hotlines and Complaint Procedures
- Sarbanes-Oxley Sections 806 and 1107
- State Whistleblower Protections
- Protections for Refusing to Commit an Illegal Act
 - California
 - New York
 - Texas
- Qui Tam Claims
- Taking Steps to Protect Yourself

RECENT NOTEWORTHY CASES

TERMINATION AND SEVERANCE ISSUES

- Confidentiality
- Handling and Retention of Company Property and Data
 - Computer Fraud and Abuse Act
 - Defend Trade Secrets Act
 - Uniform Trade Secrets Act
- Non-Disparagement Provisions
- Providing Assistance to Prior Employer Following Departure

Larry Stuart is Board Certified in Labor & Employment law by the Texas Board of Legal Specialization and is licensed to practice in Texas, California and New York. Larry represents executives and companies in connection with employment matters, including litigation of employment disputes; review, drafting and negotiation of employment agreements; management training and coaching; and investigation of Code of Conduct and EEO complaints.

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