

Supreme Court Says SOX Protects Employees Of Contractors; Little Impact Likely on Safety

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Ed Foulke was quoted in an article entitled “ Supreme Court Says SOX Protects Employees Of Contractors; Little Impact Likely on Safety,” featured in *Bloomberg BNA*.

According to the article, the whistle-blower protections of Section 806 of the Sarbanes-Oxley Act apply to employees of privately held companies that are contractors or subcontractors of a publicly traded company covered by the law. The U.S. Supreme Court held in a 6-3 decision on March 4 (Lawson v. FMR LLC, 2014 BL 57958, U.S., No. 12-3, 3/4/14).

Some labor lawyers said the decision probably won't have an impact on subcontractors who file whistle-blower complaints over worker safety.

“The case doesn't address a safety issue as such,” said Ed.

According to the article, Ed envisioned a scenario in which building subcontractors working for a publicly traded company would want to be very careful about actions that could trigger a retaliation claim. The Supreme Court's ruling could apply, for example, if an employee of a subcontractor was retaliated against for reporting that money had been misspent on construction equipment.

“The coverage already provided by Section 11(c) in the safety context is broader than that offered by the Supreme Court in Lawson,” Ed explained.

[Read the entire article here.](#)

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