

# Morgan Stanley wins in whistle-Blower firing case

Morgan Stanley won the latest round in its high-profile battle with IT employee Arthur Riel, who was fired for sharing e-mails that revealed questionable management practices at the firm. Riel lost on all counts of wrongful firing, prevailing only on a single breach-of-contract complaint.

A Southern New York District judge ruled that Morgan Stanley's internal codes of conduct and ethics, which forbid retaliation against whistle-blowers, are not legally binding.

Riel prevailed on one count that the firm breached its executive incentive-compensation plan by firing him for cause in bad faith, thereby depriving him of stock and options worth several hundred thousand dollars.

**Advice:** Don't take the court's ruling about internal codes of conduct as a green light to retaliate against whistle-blowers. Depending on the accusations, employees could be protected by a number of federal and state laws.