

## Job news & views

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### **A risky way of ensuring you stay employed in 2011**

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**Sarah Butcher**

Banks' subprime securities businesses are the source of serious legal headaches today. **RBS** faces a billion dollar legal lawsuit in the US. And the UK's Serious Fraud Office has stepped in to **scrutinise** the sale of asset backed securities by Deutsche Bank, among others.

RBS and Deutsche shares fell 10% and 9% this morning respectively. Coincidentally, Josef Ackermann warned this morning that Deutsche may need to make job cuts if markets don't improve in **September and beyond**.

Perversely, today's legal headaches offer a possible route for individual Deutsche bankers and others to ensure they're not selected for redundancy.

In this morning's **Financial Times** article, Richard Alderman, director of the Serious Fraud Office, encourages whistleblowers with knowledge of illegal activity surrounding subprime securities to come forward as they are, "the best source of evidence."

As we have noted **before**, whistleblowing can be of indemnifying yourself against redundancy. This is because anyone unfairly made redundant because they've blown the whistle can claim unlimited compensation. The threat of an enormous payout may make banks think twice before putting whistleblowers on the redundancy list.

The FSA makes whistleblowing easy with both a **direct line** and email address for its whistleblowing team.

Legally, whistleblowing can constitute anything from alleging personal mistreatment (being bullied or paid an unreasonably small bonus) to reporting securities fraud, says James Davies at employment lawyers Lewis Silkin. As soon as an allegation has been made, you are protected by the UK's **whistleblowing laws**.

Davies says serious whistleblowing allegations (about fraud) are likely to carry more weight with banks than claims of personal mistreatment: "A bank that thinks you're cynically raising a whistleblowing case to avoid being made redundant or gain a larger payoff, won't take you very seriously," he suggests.

Ronnie Fox at City law firm Fox, says he's currently representing a whistleblower who's claiming they were dismissed following a whistleblowing claim, but whose former employer is claiming they were dismissed for poor performance.

However, Fox cautions against whistleblowing without careful forethought. "If you the blow the whistle once, you might find it very difficult to get another job in the banking industry," he says. "You need to think long and hard before making an allegation."