

## OPEN LETTER

**FROM:** CHAU PHAM  
**TO:** JAMES P. GORMAN, CHAIRMAN AND CEO - MORGAN STANLEY  
**DATE:** JANUARY 16, 2019  
**RE:** WOMEN'S RIGHTS AT MORGAN STANLEY

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Dear Mr. Gorman,

I write this open letter to request that Morgan Stanley voluntarily release me from the arbitration agreement I am allegedly bound by, so that I am able to pursue my claims of discrimination based on gender, pregnancy and my need to pump breast milk when I returned to Morgan Stanley following maternity leave in court, rather than in a confidential arbitration forum. The reason for my request is simple. Morgan Stanley misleadingly represents to shareholders, clients and investors that it **“breaks down barriers for women.”** In terms of gender diversity, you recently said that Morgan Stanley is,

**“not where we want to be, but we’re making progress.”**

Forcing female employees to pursue discrimination claims in secrecy is not “making progress.” You recently said that you **“don’t have a problem with transparency,”** but mandatory arbitration is the opposite of transparency. Worse, Morgan Stanley claims that it is helping women **“thrive in the competitive world of financial services”** when it knowingly intimidates its female employees to pursue claims of sexual harassment, gender and pregnancy discrimination in secret arbitration proceedings. Taking away a woman’s right to a trial by a jury of her peers and providing perpetrators of discrimination with the comfort of secrecy only serves to facilitate bias and the continued marginalization of women on Wall Street. Worse, Morgan Stanley’s motives for using arbitration are clear because it only began forcing executives to waive their right to open court after the EEOC filed a class action against Morgan Stanley on behalf of female employees for systemic promotion and compensation discrimination. In 2004, as part of a Consent Decree, Morgan Stanley agreed to pay \$54 million to resolve those claims. Unfortunately, it appears that little has changed to help enhance advancement opportunities for women within Morgan Stanley.

I am not alone in holding the position that arbitration harms female employees. Recently, 20,000 Google employees across the world staged a walkout in protest of Google’s protocols for claims of sexual discrimination. **Google** dropped mandatory arbitration. Similarly, companies across the country have recognized that forcing women into mandatory arbitration proceedings is tremendously harmful and contrary to all notions of justice. **Microsoft, Uber Technologies,** and the world’s largest law firm, **Kirkland & Ellis,** among others, are voluntarily doing away with mandatory arbitration for gender-based discrimination, simply in recognition that it is wrong.

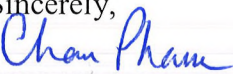
When Microsoft decided to do away with forced arbitration for victims of sexual harassment, it issued the following statement: “The silencing of people’s voices has clearly had an impact in perpetuating sexual harassment.”

No female employee at Morgan Stanley should have to worry about losing client accounts or reduced compensation because she experiences childbirth. It is no wonder that women cannot make it to the top at Morgan Stanley when scheduling time to pump breast milk on the Outlook calendar *for the whole team to see* results in marginalization. Being a dedicated mother and being a dedicated Vice President at Morgan Stanley are not mutually exclusive roles. I am reaching out to you so that other women do not have to experience professional derailment at the precise point when their careers are poised to reach higher executive levels.

Media outlets report that you have pledged your commitment to increasing female leadership at Morgan Stanley. But Mr. Gorman, I was terminated a mere 22 days after returning from maternity leave. Days later, Morgan Stanley hosted a “women’s summit” for more than 350 individuals worldwide. If your pledge to support female employees is sincere, you should jump at the opportunity to make positive changes for women who work for Morgan Stanley today. My request to proceed with my case in an open, public forum, rather than in the secrecy of arbitration is just one such opportunity.

As the attached complaint with the Equal Employment Opportunity Commission (“EEOC”), makes clear, sadly, what happened to me at Morgan Stanley is not unique. Because of this, I am asking the EEOC to investigate my discrimination claims on a class-wide basis on behalf of all similarly situated female employees. Morgan Stanley is a leading global financial services firm with offices in more than 41 countries and over 55,000 employees. Being an employer of that magnitude and scope carries with it a moral obligation to lead by example and be at the forefront of social justice movements. I am sure you would agree with that proposition, and I hope that you “do the right thing” and allow me to litigate my claims in open court. As research shows, I also hope you can appreciate how all employees, including myself, feel like there really is no “choice” but to consent to arbitration when Morgan Stanley messages that it is the mandated venue. Unless an employee is willing to “rock the boat,” she is bound to the silence of closed-door arbitration.

As you know, I am represented by counsel, Wigdor LLP. However, for the reasons above, I wanted to reach out personally to ask that you release me from the arbitration agreement. I look forward to your response.

Sincerely,  
  
Chau Pham