

Goldman Sachs accused of covering up sexual misconduct allegation

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Goldman Sachs attempted to cover up allegations of workplace sexual misconduct by its head of litigation and fired a female lawyer for raising concerns over his behaviour, a lawsuit filed in New York claims.

Marla Crawford, a former associate general counsel at the bank, alleged she was discriminated against and fired after complaining about the behaviour of its global head of litigation, Darrell Cafasso.

Crawford is suing the US investment banking giant, alongside Cafasso and Goldman's general counsel, Karen Seymour.

The lawsuit claimed Cafasso used his position of power to “romantically prey upon a much younger and vulnerable female colleague”.

Crawford was a confidant of the alleged victim – referred to as “Jane Doe” – who was “dealing with difficult personal matters outside of work”, according to the complaint.

The lawsuit alleges that Cafasso asked Jane Doe out for drinks in August 2019 and then continued to meet her both for drinks and “frequent ‘closed door’ meetings in his office – far beyond what might have been reasonably necessary for their work”.

Jane Doe told Crawford she “was becoming increasingly uncomfortable” about the situation and “felt trapped given the power dynamic in the relationship”, according to the filing.

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Crawford attempted to speak up about the alleged misconduct, the lawsuit stated, and was subsequently fired after 10 years of “exemplary performance.”

Seymour and Goldman hired law firm Weil, Gotshal & Manges to conduct an investigation with the intention to quickly “sweep it under the rug,” the suit claimed. Cafasso returned to work after two weeks, while the alleged victim left the bank, it said.

City A.M. has contacted Goldman Sachs for comment. Seymour declined a Reuters request for comment, while Cafasso was not available for comment.

In a statement issued to Reuters, Goldman rejected the claims detailed in the lawsuit. “We conducted a review of the allegations in this complaint and found that they were completely without merit,” a spokesperson said.

“The general counsel took all appropriate actions, including ensuring there were thorough investigations by our HR function, after the incidents that form the basis of the plaintiff’s complaint,” they added.

As part of a broader legal division restructuring, Crawford was offered her same job in a different location, but declined the offer, the spokesperson said.

In a statement issued via her lawyer, Crawford said: “As a lawyer and professional, I always try to stand up for what is right. Unfortunately for Goldman’s top lawyers, that made me a liability. I will hold Goldman and its senior lawyers accountable for the blatant retaliation perpetrated against me.”