

Goldman Sachs covered up sexual misconduct of top lawyer: lawsuit

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Goldman Sachs staged a sham investigation to cover up a top lawyer's steamy office affair — and then pushed out an attorney who tried to blow the whistle, an explosive lawsuit claims.

Former vice president Marla Crawford alleged in a Monday lawsuit that the Wall Street powerhouse punished her for speaking out against its global head of litigation, Darrell Cafasso, who she claims carried on an affair with a younger subordinate in violation of the bank's rules — and under the protection of his boss and friend, Goldman's general counsel Karen Seymour.

Cafasso became “infatuated” with the junior lawyer, identified as Jane Doe, upon arriving at Goldman in 2018, Crawford's complaint alleges, adding that it was “hardly a secret” that Cafasso “frequently drank to excess” at company events. Jane Doe confided to Crawford that Cafasso had told her, “I think I'm falling in love with you” and “I have feelings for you I have never had for anyone else but my wife,” according to the suit.

Cafasso invited the junior lawyer out to drinks and had one-on-one meetings with her on a regular basis, promising that if she acquiesced to his advances, he would “return the favor” professionally, the suit claims. An affair began, and he appeared to make good on his offer, giving her high marks on performance reviews where she had been struggling, according to the suit.

In October 2019 Cafasso's wife, having learned of the affair, called Jane Doe and told her she was “praying for her,” according to the suit. Cafasso then turned on his paramour, telling her “You're a temptress” and “You're the Devil's pawn,” blaming her for his own conduct, the suit claims. Eventually, the junior lawyer received a call from Cafasso and his wife alerting her that the affair was over, according to court papers.

The lawsuit alleges that Doe quit Goldman in embarrassment, then hired Gloria Allred, the famed litigator who has represented many of Bill Cosby's victims. She “was likely paid a sum of money and forced out of the bank,” and was “likely forced to sign a non-disclosure agreement preventing her from speaking about her experiences,” according to the suit.

Goldman's chief counsel, Karen Seymour, tapped white-shoe law firm Weil Gotshal to conduct an internal investigation into Cafasso's behavior, but the probe was a sham and Crawford and other potential witnesses weren't interviewed, the suit alleges. According to

the suit, Seymour “told another senior lawyer that it was a ‘sticky situation,’ adding, ‘Let’s try to put this genie back in the bottle.’”

The suit comes as Seymour and Cafasso played key roles in cutting Goldman’s record-setting \$2.9 billion settlement with the US Department of Justice over the bank’s role in the 1MDB fraud scandal. Seymour had hired Cafasso upon taking the reins of Goldman’s legal team. The two had worked together at Sullivan & Cromwell, where Crawford claims Cafasso had been rumored to have had more than one sexual indiscretion.

Cafasso took just two weeks off before returning to work. When Crawford complained, Cafasso turned on her, giving her poor marks on her annual review. In September 2020, Crawford allegedly was notified her job as associate general counsel was moving to Dallas, and that she could move there and take a pay cut to keep it. She claims she was forced to quit as she is caring for her 83-year-old mother.

Cafasso and Seymour declined to comment through a Goldman spokesperson.

“We conducted a review of the allegations in this complaint and found that they were completely without merit,” a Goldman spokesperson said in a statement. “As part of a broader legal division restructuring, the plaintiff was offered her same job in a different location, an opportunity she declined. Given the lack of merit to plaintiff’s claim of retaliation, we have been unable to resolve the matter and thus have no choice but to contest it through the proper legal channels.”

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.” Crawford said in a statement. “I will hold Goldman and its senior lawyers accountable for the blatant retaliation perpetrated against me.”