

NEW YORK STATE LEGISLATURE

July 30, 2019

Carmine Di Sibio Chairman and CEO Ernst & Young- EY Five Times Square New York NY 10036

Dear Chairman Di Sibio,

We write to express our disappointment with the efforts by Ernst & Young to deny your former partner, Karen Ward, a reasonable opportunity to have her claims of sexual harassment and gender discrimination heard in a court of law. By limiting her recourse to forced arbitration at a personal cost of hundreds of thousands of dollars, you are effectively silencing her and sending a message to your other employees that their claims will not be given a fair hearing and that they will have to pay exorbitant costs to simply have their claims heard. This case is a particularly egregious example of the abuses that led New York State to pass legislation banning such forced arbitration agreements in cases of harassment and discrimination in the first place.

New York State is not alone in rejecting forced arbitration in cases of harassment. The private sector has also recognized that these requirements are vestiges of a past where sexual misconduct in the workplace was tolerated or ignored. Companies such as Microsoft, Uber, Google, Facebook, Lyft, Slack, Airbnb, Skadden, Arps, Slate, Meagher & Flom LLP, Sidley Austin, Kirkland & Ellis, and Orrick, Herrington & Sutcliffe LLP have voluntarily dropped mandatory arbitration requirements. It is disturbing that Ernst & Young is unwilling to recognize the negative impact arbitration requirements have on the ability of workers to get a fair hearing and the chilling effect these agreements can have on reporting.

While the problems with forced arbitration are clear, the facts in this case are even more troubling. Ernst & Young has insisted that Ms. Ward pay half the costs of arbitration, which have already added up to \$185,000 with the case still in the discovery phase. If she had been permitted to file in court, she would have only had to pay \$450 in court costs to have her case heard. It is obvious to us that requiring claimants to pay such exorbitant costs is a major obstacle to justice for victims of harassment.

Ernst & Young ostensibly created the "Women. Fast Forward" program to "highlight [y]our own commitment to the advancement of women in the workplace" and to "offer leadership and guidance as [you] call upon others to put gender on their agenda." However, Ernst & Young cannot be a leader on gender equality while it is so far behind the curve in addressing workplace harassment and continues to place barriers in the way of victims who are merely seeking a fair chance at justice.

We urge Ernst & Young to reconsider its outdated approach to addressing gender inequity and show that it is committed to providing all employees with a harassment-free workplace by ensuring they have access to our justice system to address discrimination claims. Ernst & Young's current policy of outrageously expensive, binding arbitration imposes impossible burdens on those who seek relief. It is time for Ernst & Young to move beyond lip service and make the systemic changes necessary to truly be a leader in addressing inequality in the workplace.

Sincerely,

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Joseph R. Lentol Assembly Member, District 50

John Liu Senator, District 11

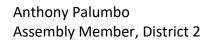
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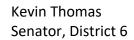
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