



Goldman Sachs Chief Executive Lloyd Blankfein has hired high-profile Washington defense attorney Reid Weingarten, according to a government source, as the Justice Department continues to investigate the bank.

Blankfein, 56, is in his sixth year at the helm of the largest U.S. investment bank, which has spent two years fending off accusations of conflicts of interest and fraud.

The move to retain Weingarten comes as investigations of Goldman and its role in the 2007-2009 financial crisis continue.

The news spooked already jittery investors. Goldman shares fell sharply in the final minutes of regular trading after Reuters reporting the hiring, finishing down 4.7 percent at \$106.51, their lowest level since March 2009.

They slipped further in after-hours trade to \$105.45.

The Senate's Permanent Subcommittee on Investigations (PSI) in April released a scathing report that criticized Goldman for "exploiting" clients by unloading subprime loan exposure onto unsuspecting clients in 2006 and 2007, and concluded that its top executives misled Congress during testimony in 2010.

Goldman has said it disagreed with many of the report's conclusions, but took seriously the issues addressed. The Justice Department launched its investigation in late April.

On Monday, Goldman said: "As is common in such situations, Mr. Blankfein and other individuals who were expected to be interviewed in connection with the Justice Department's inquiry into certain matters raised in the PSI report hired counsel at the outset."

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