

Merrill settles with client associates for \$12M

Dispute stems from overtime payments between 2010 - 2012; deal must be reviewed by court

By **Andrew Osterland**

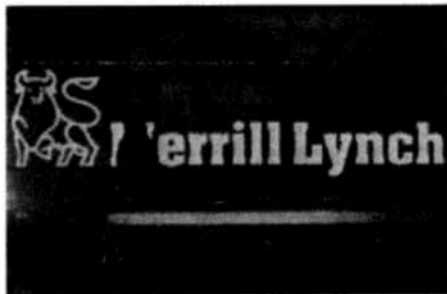
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(Photo: Bloomberg News)

Merrill Lynch late last week settled a lawsuit filed on behalf of a potential class of 12,000 client associates seeking compensation for unpaid overtime work between 2010 and 2012.

The settlement, according to law firm Stowell & Friedman Ltd., was for \$12 million and does not involve any injunctive relief by Merrill in terms of its employment practices.

“We think this is a good result and we commend our clients for coming forward and filing the case,” lead attorney Jennifer Schoen Gilbert said. The six lead plaintiffs in the case were Nancy Martignago, Amy Ferguson, Cindy Sellers, Caterina Derkash, June Parman-Flax and Robin Grandusky.

Client associates support Merrill Lynch financial advisers servicing clients and developing new business. There are five classes of potential claimants — four state law classes in Maryland, Washington, New York and California, and a fifth federal class that covers all claimants not working with Merrill in one of those states.

It's unclear how large the claimant group will be, as the federal case is an opt-in lawsuit, meaning claimants would have to opt-in to the settlement. The recovery of individual claimants, the majority of whom are women, according to Suzanne Bish, another Stowell & Friedman lawyer who worked on the case, will be based on a formula that takes into account associates' individual circumstances and work experience.

"We believe this settlement provides a fair recovery, but if class members believe their circumstances are unique, they can still pursue their own claims," Ms. Bish said.

Bill Haldin, a spokesman for Bank of America, which owns Merrill Lynch, confirmed the settlement but had no further comment.

The United States District Court for the Southern District of New York will now review and rule on the settlement.

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