

BofA's Merrill Admits Misleading Customers, to Pay \$42 Million SEC Fine

The Merrill Lynch unit of Bank of America Corp. agreed to pay a \$42 million fine under a settlement with the U.S. Securities and Exchange Commission for misleading brokerage customers about which firms processed their trades, according to a **Reuters report**.

Reporters **Lisa Lambert** and **Jonathan Stempel** write that Merrill "fell far short of the standards expected of broker-dealers in our markets," preventing customers from making informed decisions about their orders and broker-dealer relationships, according to Stephanie Avakian, co-director of the SEC enforcement division.

"The SEC said the masking ran from May 2008 to May 2013, and that Merrill kept it hidden after it ended. It said Merrill falsely told customers that more than 15.8 million orders worth over \$141 billion had occurred in-house," according to the reporters.

Read the Reuters article.