



## Merrill Lynch Advisors Are "Insulted" By Retention Packages

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How do some Merrill Lynch financial advisors feel about the retention packages being offered by Bank of America? "Insulted."

That's the claim from a recruiting firm heavily courting those advisors. Darin Manis, CEO of RJ & Makay, told me he's heard from "dozens" of Merrill FA's over the weekend who are so unhappy they may leave, something Bank of America CEO Ken Lewis has wanted to avoid.

The problem isn't with high-flying producers bringing in at least \$1.75 million in annual revenues. Those employees will most likely get 100 percent of their annual revenue as a retention bonus, spread out over seven years. The bad feelings are among those making less. A financial advisor producing \$700,000 in revenues is being offered \$175,000 in cash over seven years and a 25% growth bonus over three years. Manis says that same producer could get a lot more defecting to a competitor—"around \$850,000 in cash on about a 9 year deal plus another \$700,000 or so back end bonuses (after one to two years)."

Well, whether to stay or go would seemingly be a no-brainer. Except, is anyone really hiring? "Everybody's hiring," Manis claims (what do you expect him to say? He's a recruiter!). Manis says it would be very easy for a Merrill advisor with a "decent book" to get a new job, and he expects to see many of them do just that before the current retention offer expires November 14th.

Manis says there's another reason some Merrill Lynch advisors may leave sooner rather than later. Merrill Lynch was one of the founding firms which established the Protocol for Broker Recruiting in 2004. That allows financial advisors to move from one firm to another, taking clients with them without being sued, as long as they abide by certain rules. Manis says Bank of America has not been a party to that Protocol, and once the acquisition of Mother Merrill is final, financial advisors who leave may risk prosecution if they solicit clients to go with them.

A Bank of America spokeswoman wasn't aware of any potential Protocol conflict. As for the "insulted" financial advisors, she points out there are 16,000 Merrill advisors being offered retention packages, and "there are just as many you can find who think it's great."

**HERE'S MY FAVORITE PART**

[Check out this video RJ & Makay](#) has to try to recruit Merrill advisors to go to other firms. It's on the company's web site and also YouTube.