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FOR IMMEDIATE RELEASE

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NH SECURITIES BUREAU SETTLES TELEMARKETING INVESTIGATION OF MERRILL LYNCH FOR \$400,000

CONCORD, NH (December 30, 2014) – The New Hampshire Bureau of Securities Regulation (the Bureau) has finalized a Consent Order with Merrill Lynch, a broker-dealer based in New York, New York, regarding compliance with New Hampshire law and with applicable telemarketing rules. The Bureau’s investigation was based on a review of complaints filed on the Federal Trade Commission’s (FTC) Consumer Sentinel Network, a secure web site that allows individuals receiving unwanted telemarketing calls to file complaints and also provides federal and state agencies with resources to root out such calls.

According to the Consent Order, during its investigation, the Bureau determined that, in violation of New Hampshire law, Merrill Lynch agents licensed in New Hampshire placed applicable telemarketing phone calls to New Hampshire residents who were not clients of Merrill Lynch at the time of the calls and whose numbers appeared on Merrill Lynch’s internal do not call list or on the FTC’s National Do Not Call Registry. Further, during the course of its investigation, the Bureau determined that Merrill Lynch did not reasonably supervise the telemarketing activities of its agents licensed in New Hampshire.

“This is the Bureau’s sixth significant telemarketing-related investigation in as many years” said Bureau Staff Attorney Eric Forcier. Forcier added that “we hope that these types of investigations and these types of settlements are causing broker-dealers to take telemarketing compliance more seriously.”

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According to Bureau Staff Attorney Adrian LaRochelle, “the Bureau has discovered that telemarketing violations typically stem from a general misunderstanding of telemarketing compliance. Many of the Bureau’s investigations have revealed that broker-dealers do not fully understand the extent of the rules and how to effectively establish procedures to ensure compliance with them.”

Bureau Deputy Director Jeffrey Spill added that “the Bureau continues to take a strong stance on telemarketing abuses and, moving forward, will not hesitate to pursue any licensee of our office who fails to follow applicable telemarketing rules.”

As part of the Bureau’s settlement, Merrill Lynch has agreed to cease and desist from further violations of New Hampshire securities law and has agreed to and completed enhancements to its telemarketing policies and procedures including how Merrill Lynch agents licensed in New Hampshire telemarket in the state and the process for and frequency of Merrill Lynch’s review of those telemarketing activities. In addition to enhancing its policies and procedures, Merrill Lynch has agreed to pay an administrative settlement in the amount of \$400,000.