

Merrill to pay ex-offshore broker \$750,000 in defamation case

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Merrill Lynch has been ordered to pay its former offshore broker Miguel Andres Ballestas \$750,000 in damages for defamation in a case involving his dismissal back in 2014.

The US wirehouse had initiated the arbitration claim against Ballestas in June 2014, according to the Finra arbitration filing published on Monday, stating he was in breach of contract for 'unjust enrichment' and not repaying the sum of \$407,451 for a promissory note dating back to 2009.

Ballestas, who'd been with Merrill for almost 27 years prior to his exit, fought back with a counterclaim alleging defamation as well as wrongful termination. In his counterclaim he requested a total of \$26 million in damages, claiming compensation for loss of income, pension benefits and mental pain and anguish, among other claims.

Ballestas has since joined independent broker-dealer Bolton Global Capital in Miami where he formed the Ballestas Group, part of Bolton's network of independent advisors. His group oversees over \$200 million in client assets primarily from Mexico, Colombia and the US.

In its arbitration filing, Finra stated that Merrill Lynch was 'liable for defamation' on his U5 termination form and were to pay Ballestas \$750,000 in compensatory damages.

In response to the decision, Merrill Lynch spokesman William Hauldin said: 'We are disappointed that there was any award, but we are gratified that it is a small fraction of the \$26 million sought.'

The arbitration panel also recommended the expungement of his termination file to remove any mention of insider trading and replace it with 'conduct resulting in loss of management's confidence'.