

FIRE KEN LEWIS FOR THE \$3 BILLION IN MERRILL LYNCH BONUSES

I've been meaning to point to Andy Stern's call to give Ken Lewis, CEO of Bank of America, the same treatment Obama gave Wagoner—the boot.

Both Rick Wagoner and Ken Lewis sunk large public companies – putting thousands out of work and toppling the American economy – while accepting billions in taxpayer bailouts. Yet only Wagoner got a pink slip. It's time for Treasury Secretary Geithner to replace Ken Lewis as CEO and let real reform take hold at Bank of America.

And Change to Win's petition calling to fire Lewis.

But this tidbit—courtesy of Howie—will really make you want to oust Ken Lewis.

In its last days as an independent company, Merrill gave performance-based bonuses exclusively to employees earning \$300,000 a year or more and holding a rank of vice president or higher, according to their financial statements. \$3.62 billion was handed out to these executives – a sum equal to 36.2 percent of the \$10 billion in taxpayer funds that were allocated to Merrill as part of the Troubled Asset Relief Program (TARP) before the bonuses were paid.

The company had been failing as a result of misadventures in the now infamous mortgaged-backed securities market which began crumbling with the decline of home values as the bubble burst.

The performance bonuses were determined

by Merrill's compensation committee on December 8, 2008, before Merrill revealed that it lost \$15 billion in the final three months of 2008, unusual timing according to court documents filed by New York Attorney General Andrew Cuomo in an ongoing suit against Merrill's former CEO.

In prior years, Merrill paid performance bonuses of this type after the end of the year, in January or February of the next year.

[snip]

The questionable timing and the amounts of these bonuses were not revealed to Bank of America shareholders when they voted to acquire Merrill. These facts raise questions about what government officials knew about the bonuses and when they knew it, according to Kucinich's letter.

\$3.62 billion would keep **all of GM** in business for a month or two. But you and I are dumping that on a bunch of Merrill Lynch guys who brought down our finance system.