

LIDDLE & ROBINSON, L.L.P.

800 THIRD AVENUE
NEW YORK, N.Y. 10022

(212) 687-8500

FACSIMILE: (212) 687-1505

www.liddlerobinson.com

MIRIAM M. ROBINSON (RETIRED)

JAMES A. BATSON
BLAINE H. BORTNICK
ETHAN A. BRECHER
DAVID I. GREENBERGER
MICHAEL E. GREBERT
JAMES R. HUBBARD
JEFFREY L. LIDDLE
DAVID M. MAREK
CHRISTINE A. PALMIERI
MARC A. SUSSWEIN

JEFFREY ZIMMERMAN
STEPHEN J. STEINLIGHT
ANDREA M. PAPARELLA
REBECCA A. SAENGER
LISA D. SIDMAN
DINA N. WEINBERG
DAVID H. FELDSTEIN
AMY L. STUTIUS*

*AWAITING ADMISSION TO THE BAR

PRESS RELEASE

AUGUST 6, 2007

ALL PRESS INQUIRIES SHOULD
BE ADDRESSED TO ANTHONY G. MANGO, ESQ.

Anthony G. Mango, Esq.
Mango & Iacoviello, LLP
14 Penn Plaza, Suite 2200
New York, New York 10122
(212) 695-5454
Co-counsel for Majid
Borumand

Jeffrey L. Liddle, Esq.
James R. Hubbard, Esq.
Michael E. Grenert, Esq.
Liddle & Robinson, L.L.P.
800 Third Avenue
New York, New York 10022
(212) 687-8500
Co-counsel for Majid
Borumand

(New York, New York) – On Friday, August 3, Majid Borumand filed in federal court in New York a request for permission to join the lawsuit brought by the U.S. Equal Employment Opportunity Commission (EEOC) on his behalf against Merrill Lynch for employment discrimination based on his national origin (Iranian) and religion (Muslim). The complaint Mr. Borumand seeks permission to file expands upon the charges brought by the EEOC, seeking damages because Merrill Lynch “discriminated against Mr.

Borumand by treating him differently than non-Iranian/non-Muslim employees in the terms and conditions of his employment, including his compensation and job title, the location of his work station, and the termination of his employment, which was also in retaliation for his complaints about this unlawful discrimination.”

According to Mr. Borumand’s complaint, “Throughout his employment by defendant, Mr. Borumand was subjected to numerous derogatory, discriminatory comments directed at his national origin and religion, which fostered a hostile environment. James Gatheral, a Managing Director and Head of the Quant group for defendant [Merrill Lynch] and Mr. Borumand’s manager for most of his tenure with defendant, at one point asked Mr. Borumand ‘Majid, how can we trust you? How do we know that you are a nice guy – maybe you read the Koran and get ideas.’ On another occasion, Gatheral, while hypothetically discussing who might be cut from the group if necessary, stated the following in the weekly Quant group meetings that Mr. Borumand regularly attended: ‘Quants are like Israelis and Traders are like Palestinians. There are just so many Palestinians, but Israelis are limited. We cannot afford losing Quants compared to Traders the same way we cannot afford losing Israelis compared to Palestinians.’ Mr. Borumand was told by his supervisor, Kishor Laud, that he should not walk around the trading floor because ‘people get scared nowadays.’ On another occasion, Mr. Borumand was taunted by a colleague that the ‘FBI will have you deported’ and he was asked, ‘are you planning to bomb an airplane?’”

“Despite the fact that Mr. Borumand was hired by defendant as a Quantitative Analyst and performed the work of a Quantitative Analyst, and that defendant listed his position as ‘VP/Quantitative Analyst’ in its Petition to the federal government for a work visa for Mr. Borumand and averred that the duties of a Quantitative Analyst required, at a minimum, a Master’s in Mathematics or a similar degree, and that no American was available who met the job requirements, defendant internally categorized Mr. Borumand for headcount/payroll purposes as a Senior Programmer (technology worker) in the model/analytics development group of the technology group as a means to try to justify a lower pay grade for him, since technology employees are typically paid substantially less than Quantitative Analysts.”

“In late 2003 and early 2004, all of the employees in the model/analytics development group of the technology group who performed similar functions to Mr. Borumand were formally ‘promoted’ to join the Quantitative Analysts (Quant) group. These individuals’ work locations were moved to where other Quants were located, and were seated on the trading floor where the traders with whom they worked were located. Despite the fact that these individuals were Mr. Borumand’s co-workers and peers, he was the only one who was denied this formal ‘promotion.’ Moreover, Mr. Borumand was prohibited from sitting on the trading floor with his peers, despite the facts that the other Quants were seated on the trading floor and that the work he performed was quantitative analysis related to the work conducted by the convertible bond traders who used his work product on the trading floor. Mr. Borumand was left isolated as the only employee in the model/analytics development group of the technology group other than a recently hired temp/consultant who, unlike Mr. Borumand, did not perform the work of a

Quantitative Analyst and had not earned a college degree, much less a Master's and Ph.D. as Mr. Borumand had. Nevertheless, Mr. Borumand continued to perform duties of a convertible bond Quant, and was supervised by, reported to, and had his performance reviewed by the managers of the Quant group."

"Gatheral was replaced by Yoni Epelbaum as Managing Director of the Quant group. Under Epelbaum, an Israeli citizen, defendant's discriminatory treatment of Mr. Borumand continued. Epelbaum refused to speak with Mr. Borumand outside of Quant group meeting, cancelled prescheduled meetings with him, and marginalized and failed to recognize his contributions to the Quant group.

"Ultimately, ... only about three months after Epelbaum took over as manager of the Quant group, Mr. Borumand was informed that he was being terminated from defendant's employ. Mr. Borumand was told that his position was 'eliminated' as part of a 'reduction in force,' despite the fact that defendant was actually in a hiring phase at the time, actively recruiting Ph.D.s in general and Quantitative Analysts in particular for employment. While defendant terminated the employment of Mr. Borumand, it retained the temp/consultant member of the technology group and made him an official member of the Quant group despite the fact that he did not even have a college degree, much less a Master's degree or Ph.D. as did Mr. Borumand. Mr. Borumand holds a Ph.D. degree in Theoretical Physics and a Master's degree in Mathematical Finance from the University of Wisconsin-Madison."

On July 19, 2007, in a case involving another Iranian employee, Merrill Lynch was ordered by an NASD arbitration panel to pay an Iranian former broker \$1.6 million for, among other things, having, after "learning over lunch that Claimant was a representative of an ethnic minority," "basically sent [him] to a corner to be eventually terminated."