

Bailey Glasser Defeats Motion To Dismiss On Behalf of McBride & Sons Employees

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On September 26, Judge William Kennelly, US District Court for the Northern District of Illinois, ruled that five of the six claims raised by employees of McBride & Sons, a St. Louis-based residential home builder, would not be dismissed. McBride & Sons had argued that all of the claims against them should be dismissed instead of the single count that Judge Kennelly dismissed in his ruling.

The case centers on a series of 2017 transactions through which John Eilermann, Jr., McBride's CEO, and Michael D. Arri, McBride's CFO, purchased a controlling interest in McBride from the Employee Stock Ownership Plan (ESOP), a retirement savings vehicle that had been offered to McBride employees. The employees claim that Eilermann and Arri worked with the plan's trustee, GreatBanc Trust Company, to decide on a sale price far below market rates, allowing the executives to purchase the company from the employees at below fair market value.

The tale is not unfamiliar to Bailey Glasser's ERISA group, which has a long history of representing employees in lawsuits over ESOP transactions. The Bailey Glasser team included Gregory Porter and Mark Boyko. Porter noted that they filed the case to "assure that the workers who rebuilt McBride & Son after the financial crisis receive the fair benefit their decade of hard work."

A copy of the Court's order can be found [here](#).

Attorneys

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Practice Areas

ERISA, Employee Benefits & Trust Litigation