

PIABA: SMALL INVESTORS IN NEED OF ATTORNEYS SHOULD DO THEIR HOMEWORK

Experienced Attorneys Are Available to Help Investors With Smaller Claims, Not Just Larger Disputes.

WASHINGTON, D.C. – March 6, 2019 -- Investors face difficult choices if their relationship with their financial advisor sours. Investors may be left wondering whether they need an attorney, and how to go about finding competent representation. Investors with smaller claims may be concerned that they will be unable to find an attorney willing to help them.

The Public Investors Arbitration Bar Association (PIABA) is a major resource for investors in disputes with the securities industry. PIABA provides [information about its members on its website](#). PIABA recently updated the information available about members to include whether they handle smaller cases. For more information, go to [“Find an Attorney”](#) on the PIABA website.

PIABA President Christine Lazaro, who is director of the Securities Arbitration Clinic, St. John’s University School of Law, said: **“Investors should turn to experienced individuals who understand what a broker's obligations are and then how to navigate the arbitration process. The job of protecting investor’s rights is one that is best left to the specialized attorneys who know it best. PIABA’s web site helps harmed investors find attorneys with this type of on-point experience.”**

Additional guidance is also available to investors about how to find the best attorney for their needs. [The PIABA Foundation](#) and [FINRA](#) staff recently issued guidance to investors about [“Securities Arbitration - Should You Hire an Attorney?”](#)

Here are the questions investors should ask when screening attorneys:

- **Do you have experience representing investors in securities arbitrations?** Experience matters. Representation by someone with specialized legal knowledge of the investments sold to you **and** the procedures that apply to the arbitration process are important. Ask how long the attorney has been in business and how many securities arbitration cases he or she has handled.
- **How will you represent my interests?** Aggrieved investors commonly do not understand, or cannot articulate, the extent of their harm. A critical component to effective representation is your attorney's ability to communicate to you, the opposing counsel and, ultimately, the arbitration panel any underlying problems with the investments or actions at issue. Your attorney should also be expected to articulate the regulatory standards your investment professional is held to, and how those standards were breached.
- **How are you paid?** Attorneys are paid under different arrangements. Many attorneys who specialize in representing investors in securities arbitrations do so on a contingent fee basis. This means the attorney is willing to advance their time with the hope and expectation of

recovering money from the investment firm or professional. Read the fee agreement presented by the attorney to make sure that you understand the terms.

In 2017, PIABA issued a report, *“A Menace to Investors: Non-Attorney Representatives in FINRA Arbitration,”* that cautioned that investors who are forced to rely on arbitration to deal with problem stockbrokers and brokerage firms need to think twice before they hire “non-attorney representatives” (NARs) to handle their cases.

In response to non-attorney representation concerns, FINRA’s Board of Governors took steps last December to propose rules barring NARs from their arbitration forum.

ABOUT PIABA

The Public Investors Arbitration Bar Association is an international, not-for-profit, voluntary bar association of lawyers who represent claimants in securities and commodities arbitration proceedings and securities litigation. The mission of PIABA is to promote the interests of the public investor in securities and commodities arbitration, by seeking to protect such investors from abuses in the arbitration process, by seeking to make securities arbitration as just and fair as systemically possible and by educating investors concerning their rights. For more information, go to www.piaba.org.

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