

## **INVESTOR ATTORNEYS SAY LAST-DITCH WALL STREET ATTACK ON RULE BENEFITING INVESTORS SHOULD NOT STAND**

### **Public Investors Arbitration Bar Association Says Research Shows No Significant Difference in Access to Financial Advice**

**WASHINGTON, D.C. – June 2, 2016** – The following statement was issued today by Hugh Berkson, president of the Public Investors Arbitration Bar Association (PIABA), regarding a new lawsuit from Wall Street industry trade groups, including Securities Industry and Financial Markets Association, the Financial Services Roundtable, and the U.S. Chamber of Commerce:

“The securities industry’s latest attack against the Department of Labor (DOL) fiduciary duty rule – a lawsuit filed in Federal court in Dallas – is no surprise. This is a last-ditch attempt by an industry to keep its undisclosed conflicts of interest and ability to continue to push inappropriate and high-cost products upon unsuspecting investors. Lining the pockets of brokers instead of promoting the interests of retirement savers promotes no good public interest.

PIABA members see the immense damage that occurs in the absence of the DOL fiduciary rule. Our members represent investors who believe that their trusted stockbroker, who bills himself or herself as a ‘financial advisor,’ is doing just that: simply offering unbiased advice. Investors believe their financial advisors are making recommendations to promote a safe and secure retirement. Unfortunately, and all too often, those so-called ‘advisors’ are little more than salespersons pushing the latest high-commission product upon their unwitting clients.

While the plaintiffs in the latest suit feign concern that the DOL rule somehow will deprive investors of the advice and options they need, the actual facts indicate otherwise. In truth, an academic study has demonstrated that there is no statistically significant difference in investors’ access to financial advice, options for investments, or cost of compliance for retirement investors in states that already maintain a strong fiduciary duty requirement and states that maintain no fiduciary duty requirement.

The DOL rule was issued only after careful regard was given to all stakeholders’ positions. Following the issuance of the initial draft, thousands of comments were offered by stakeholders. Not only did the DOL modify the final version of the rule after considering the various comments, it went so far as to issue a release highlighting the changes and explaining how the comments drove those changes.

We know where the public interest lies in this matter. The fact that it does not coincide with the commission-driven mentality of the brokerage industry is nowhere near a sufficient reason for striking down the eminently reasonable and fair DOL rule.”

### **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 <http://www.piaba.org>.

**MEDIA CONTACT:** Patrick Mitchell, (703) 276-3266 or [pmitchell@hastingsgroup.com](mailto:pmitchell@hastingsgroup.com).