

Prepared Remarks of Qudisia Shafiq  
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Good afternoon. My name is Qudisia Shafiq and I am a third-year law student at the Georgia State University College of Law, where I am a student intern in the Investor Advocacy Clinic. Thank you for giving me this opportunity to speak today. I would like to talk to you about our clients, “the little guy.” I will spend my time describing who our clients are, why they come to us, and why our clinic is so important for both clients, like them, and students, like me.

**First, I would like to describe our clients.** Every semester, we receive dozens of phone calls – calls from investors across the country. They are regular, middle-class Americans: hairdressers and homemakers, mechanics and skilled tradesmen, paralegals and schoolteachers - who are successful in their own professions but unsophisticated in financial matters. Despite their different backgrounds, they all share one misfortune: they entrusted a financial adviser who ultimately failed them. They thought they were being responsible. They worked hard to routinely save or received a small inheritance, thinking they were contributing to a comfortable retirement. They have lost up to \$100,000 of their hard-earned money and have no other access to legal help. Most of our clients are near or past the age of retirement. Just like you and me, they hoped to spend this time with their families and friends, grandkids and great-grandkids - not with us and financial advisors in an arbitration proceeding. Our clients trusted their financial adviser, and now they are trusting us.

**Which leads me to my second point, *the reason our clients contact our Clinic.*** Before finding us, our clients do more than just contact attorneys - they write to their state and local representatives, they call their state securities and/or insurance regulators, they visit their public libraries to get help researching the products they did not know about, and they navigate the internet to learn as much as they can from FINRA and SEC. The point is, they try to do everything they can to educate themselves on their own before coming to us.

Our clients come to the clinic because their trust for their broker was misplaced. Something went wrong, but their claims are too small and they cannot afford private legal representation. The only difference between our clients and a private law firm's clients are the economic damages involved. For our clients, our help may be the only thing that makes it possible to pay the mortgage *and* afford their medication in the same month, or for one individual, having to decide between purchasing toilet paper and dog food. So when the industry and law firms view \$100,000 in damages to be a small number, I can assure you that it is anything *but* small for our clients. And frankly, I don't know about you, but that is a lot of money for me, too.

By this point, our clients feel like the legal system is unable to help people like them. Securities arbitration is a highly specialized field where the cases are complex and the damages are difficult to determine, so we cannot simply ask investors to represent themselves. Even for us to determine whether a claim exists requires extensive research that can take weeks or even months, in one case, nearly 80 hours' worth. We even have to do math, which is a surprise to most of us who went to law school to avoid it.

So investors come to us, with a glimmer of hope, that *we*, as their last resort, will be able to assist them. That the legal system *hasn't* let them down. That someone will listen to them and make sense of what happened.

When we listen, we discover our clients truly and deeply trusted their broker on both a personal and professional level. While successful in their respective careers, they did not understand the investing world. They didn't even *know* they were supposed to ask questions. That guidance, they believed, was the service they hired the broker to provide. Our clients did not know about the products they were being sold. They can't explain REITs or why their broker recommended oil and energy investments. Our clients do not understand how their broker was being paid or that they could purchase lower-fee investments that were more suitable for them. Our clients do not know

what arbitration clauses are or that they had agreed to one. And they certainly did not know about FINRA or its role.

**So what do clinics like ours do?** Because our clinic is our clients' last chance at recovery, our work helps restore their faith in a just and equitable legal system. At the same time, students like me get firsthand experience of what it really means to be a lawyer – ethically, professionally, and personally. I returned to the clinic for a second semester because I get to help innocent clients, whose trust was betrayed by a person called a “professional,” learn to trust professionals again. How? Even if we cannot help them, we can be a sympathetic ear, even if we are not able to take it on. Even if they don't have a claim, we will spend the time (over 80 hours in the case of one potential client) to ensure that there is no possible way we can help them.

But we do more than represent clients. We educate investors. We demystify the process by informing investors about their broker's role and responsibilities. We unpack investment products and make education fun by creating simple crossword puzzles and nursery rhymes to explain complicated products. We evaluate FINRA rules from our clients' perspectives. And most importantly, we fill the gap between the little investor and the large investor to ensure every investor's interest is truly represented.

Our clients should not be punished for not choosing to go law school or not having a nearby securities clinic – and they should certainly not be punished for having a “small” claim, because securities regulations were designed to protect investors just like them: the “little guys” (and “gals”). The Investor Advocacy Clinic, along with the existing 15 other clinics nationwide, teaches students like me how to better help the little guy feel not feel so “little” anymore.