



General

Myth

David A. Mallach
Penhurst Publishing
978-0-578-12295-3
(July 1, 2013)

David A. Mallach gets readers invested in a surprisingly captivating fictional story about what's wrong in today's investment world.

When their supposedly safe investments fall apart, a retired couple begins to go broke ... fast. To save themselves, they hire a lawyer and spark a legal proceeding that could shatter the financial world. With this, David A. Mallach launches a surprisingly captivating fictional story about what's wrong in today's investment world, why once safe retirement investments may be risky, and who is responsible for the personal financial crises many people face today.

Mallach manages to clearly define some issues impacting retired and near-retired people's nest eggs today. Through fiction, he questions the strategies used to safeguard people's life savings and suggests that a better way might be needed. It's a call to action and discussion for investment professionals. It's an insightful story that gives everyday investors some issues to consider as they work with their own financial advisers. And it's an engrossing tale of the behind-the-scenes legal and political maneuvers that impact Wall Street today.

When Henry and Norma Thompson's retirement dreams begin to disappear with their life savings, they hire attorney Lucien Marat to represent them at an arbitration hearing. Their claim? Their investment adviser, Valerie Brown, is responsible. As the case progresses, it focuses on concerns about the investments chosen and processes used to choose them. It could not only cost Brown her job, it could also open the entire industry up to lawsuits. As each side makes its case, it becomes clear that everything hinges on the evidence of one important witness. And what he says proves explosive. The arbitrators' job won't be easy, Marat has ulterior motives that could impede his own case, and Brown, who could be a scapegoat, could lose everything. And the Thompsons? The arbitrators must decide who is the real killer of their dreams.

Mallach's writing is sharp and compelling. His characters are well crafted. A simple tap on the lip, for example, speaks volumes about Brown. Stains on Marat's clothes reveal that he is a sloppy as he is brilliant.

But the true strength is Mallach's ability to make complicated financial issues clear. And to make them unexpectedly interesting. The format of an arbitration hearing allows for drama, even though, in many ways, the book's underlying purpose appears to be to question current investment practices. Yet the plot is well paced. And the cliffhangers are effective, as when the arbitrators first realize the significance of the case: "'This is a watershed moment.' 'Yes, I know.' The door bursts open ... 'Folks, you ain't heard nothing yet.'"

Readers should be aware that this book is not intended to suggest any particular investment strategy, though one is prominent. And they should expect a more subtle kind of legal drama than an author like John Grisham might present. However, anyone interested in the issues facing Wall Street today, in understanding personal financial risks they might not have considered, or in a really juicy courtroom drama, will find this book to be a worthwhile investment.

Diane Gardner