

KEY FACTS AND FIGURES ON CLASS ACTIONS IN AUSTRALIA

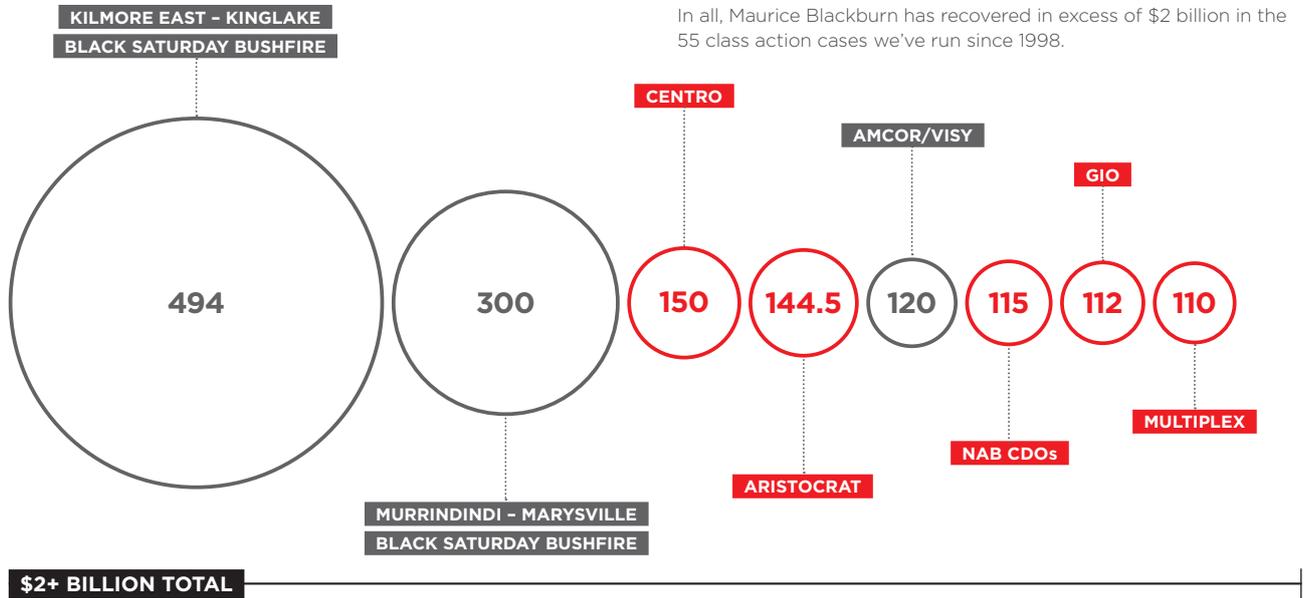


Australia's biggest class actions settlements (\$million)

All these cases were run by Maurice Blackburn Lawyers
■ Shareholder class actions

This top eight list represents over \$1.6 billion in recoveries for people who have been wronged by the corporate conduct of large organisations.

In all, Maurice Blackburn has recovered in excess of \$2 billion in the 55 class action cases we've run since 1998.



Quality Get the best lawyers on the case



Maurice Blackburn is clearly the most experienced firm in this field. We are the only firm to have delivered clients settlements over \$100 million in shareholder class actions and we have done so five times.

The class actions team at Maurice Blackburn has also recently set new records for class action settlements in the Victorian bushfires cases, bringing \$800 million to victims of Black Saturday.

We have a proud reputation for excellence in class actions, driven by a desire to ensure that all shareholders have access to a meaningful private redress system. It is a reputation measured not solely on our record recoveries, but also on the type of cases we take on, and the way in which we run and manage those cases for our clients.

Our reputation for excellence in this field can only encourage defendants to engage us in early settlement discussions, resulting in better returns and lower costs to our clients. For example, in the Leighton Holdings class action, we achieved a recovery for shareholders of over 90% of their losses within months of issuing.



Class Actions The story by the numbers since inception in 1992

329

329 class actions have been filed (*Morabito*)

14.9

Average of 14.9 class actions per year* (*Morabito*)

0.3%

Class actions account for around 0.3 per cent of Federal Court matters

3

Average of only 3 securities actions per year (*Allens Linklaters*)

↓15%

Fewer than 15% of cases involved litigation funders, and more class actions were filed in the first 11 years of the regime, when almost no commercial funding was involved (180), than in the past 11 years (149) (*Morabito*)

↓50%

Less than half of all cases settle (46%) although that number is rising as the regime matures and parties better utilise the efficiency of the process for remedy.**

* The 329 Part IVA proceedings that were filed on or before 3 March 2014 were brought with respect to a total of 216 legal disputes. Thus, the average number of legal disputes that have been litigated as class action proceedings before the Federal Court (every 12 months since 4 March 1992) is 9.8.

** The most frequent way in which Part IVA proceedings have been resolved is through settlement. In fact 46% of the resolved Part IVA proceedings were settled. Forty percent of resolved Part IVA proceedings, which were filed in the first 11 years of Part IVA's operation, were settled. The percentage of settled Part IVA proceedings was significantly higher in the next 11 years: 56%, representing a mature and more efficient CA regime.

The table below, from the Productivity Commission's 2014 report Access to Justice Arrangements, shows Australian and American shareholder class action statistics for 2013.

2013	Shareholder class actions	Population (approx.)	Actions per million people	Listed companies	Actions per company
Australia	5	23 mil	0.2	2195	0.002
US	166	319 mil	0.5	4972	0.03

When compared by:

– **Population**

Shareholder class actions were 2.4 times more prevalent in the United States than Australia;

– **Number of listed companies**

Shareholder class actions were almost 15 times more prevalent in the United States than Australia.

While there is a perception that the numbers are increasing, the facts are clear and uncontroversial. The number of class actions, particularly shareholder class actions, in Australia is low and steady. Further proof below:

	Australia	Canada	United States	AUS v CAN (Nominal)	AUS v US (Nominal)
Total number of securities class actions	33¹ (1999-2013)	111² (1997-2013)	3,216³ (1997-2013)		
Average number of securities class actions per year	2.20	6.53	189.18	4.33 3 times	186.98 85 times
Securities class actions per 24m people (Australian population) per year	2.20	4.44	14.65	2.24 2 times	12.45 6 times
Securities class actions filed per million per year	0.09	0.18	0.61	0.09 2 times	0.52 6 times

Note: Australian population = 24m per Legg/Emmerig article

Note: US population = 310m per Legg/Emmerig article

Note: Canada population = 35.3m per Statistics Canada Q1 2014 estimate at <http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=0510005&paSer=&pattern=&stByVal=1&p1=1&p2=31&tabMode=dataTable&csid=>

– Unlike the USA, in Australia we have an adverse costs system, which means the loser pays. Given the huge costs of running class actions litigation, sums in the millions and tens of millions of dollars, this is an extremely strong and effective deterrent protecting our Courts from spurious cases.

– This is only further strengthened by a security for costs requirement that sees plaintiff's often also required to provide millions of dollars up front in order to satisfy a Court that the defendant's fees can be covered in the event of a loss.

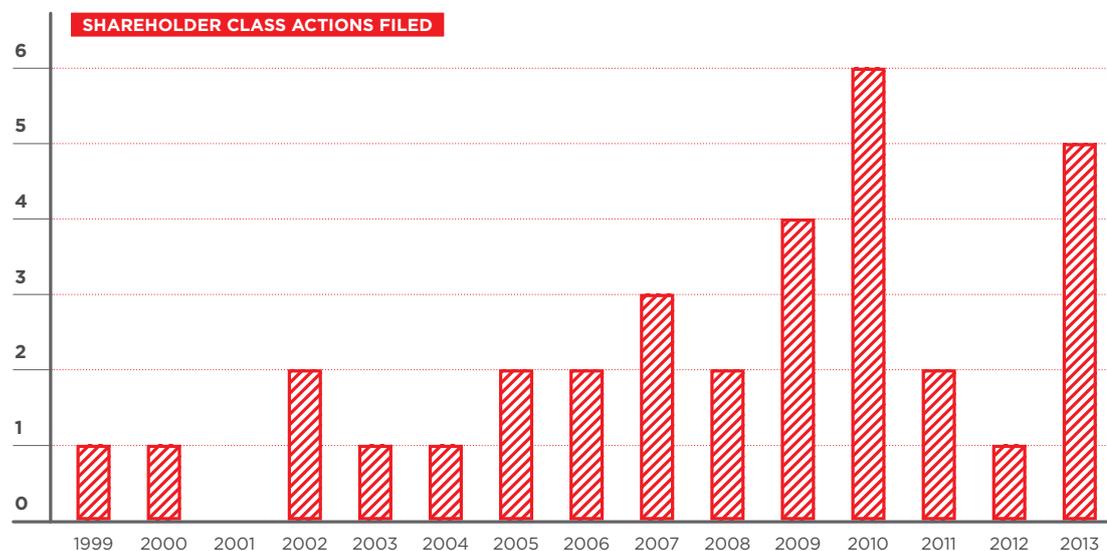


Figure 2: Sourced from Allens Linklaters Class Actions in Australia Report, 2014. Displayed as it appears in the Productivity Commission's Access to Justice Arrangements Report, 2014