

CASE STUDY:

Omni Bridgeway helps Australian investors recover over 90% of their losses

In mid-2007, various Australian public and private sector investors in a Lehman Brothers financial product saw the value of their investments plummet, despite the products receiving AAA and AA ratings by credit ratings agency Standard and Poor's (S&P).

Omni Bridgeway funded several representative proceedings (class actions) in the Federal Court of Australia on behalf of the investors, including an action against Standard & Poor's on behalf of about 90 local councils, churches and charities in Australia over allegations it engaged in misleading and deceptive conduct in awarding the Lehman Brothers products the stellar credit ratings.

The cases in Australia were groundbreaking in achieving resolutions of claims against a ratings agency over the types of complex financial products widely cited as one of the factors that triggered the 2008 Global Financial Crisis.

The case against Lehman Brothers was **successful in the Federal Court**, and the S&P claim was also successfully resolved with a settlement and led to the investors recovering the vast majority of their losses. Without the mechanism of a funded class action, these returns would not have been achievable for local councils, such as the City of Swan in Western Australia.

"Without litigation funding from Omni Bridgeway, the councils, churches and charities adversely affected would have likely ended up with less than 6c in the dollar. With Omni Bridgeway's backing, we achieved a great financial outcome recovering at least 92c in the dollar. There is no way we could have funded the litigation ourselves and Omni Bridgeway was prepared to back the case all the way to the High Court if needed. With their funding we were able to engage top lawyers and even the playing field. I found them very easy to work with, reasonable, transparent and commercial. They added very significant value and come highly recommended."

COLIN CAMERON, THEN EXECUTIVE MANAGER OF CITY OF SWAN,
ONE OF THE CLAIMANT COUNCILS.

"A welcome end to the monumental David and Goliath style action. As one of the few Australian local governments prepared to stand up to these international giants of the finance sector, we hope this settlement will finally see the conclusion of this eight year saga."

MICK WAINWRIGHT, THE MAYOR OF CITY OF SWAN. **SOURCE:** [Link](#)



READ MORE about how Colin Cameron took his Local Council's fight to Wall Street to recover the lost millions in this article: [Link](#)



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