



**IN THE SUPREME COURT OF VICTORIA AT MELBOURNE  
COMMERCIAL COURT  
COMMERCIAL LIST**

Case: S ECI 2019 02919

Filed on: 07/08/2020 04:20 PM

No. S ECI 2019 02919

**B E T W E E N**

**MOIRA SHIRE COUNCIL & ANOTHER**

Plaintiffs

-and-

**JLT RISK SOLUTIONS PTY LTD  
ABN 69 009 098 864**

Defendant

**CLASS ACTION SUMMARY STATEMENT**

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Date of Document: 7 August 2020

Solicitors Code: 24875

Filed on behalf of: Plaintiffs

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## **What is a Class Action?**

A Class Action is an action taken by a representative plaintiff for at least seven or more people (being the **Group Members**) that have claims arising out of the same, similar or related circumstances.

## **Who is a group member in the JLT Class Action?**

Group Members in the JLT Class Action are local councils in Victoria incorporated under the *Local Government Act 1989* (Vic) (as amended from time to time) (**Victorian Councils**) who:

- a. retained the defendant, JLT Risk Solutions Pty Ltd (**JLT**), to provide insurance broking services between 1 January 2009 to 28 June 2019;
- b. obtained their Property insurance through the JLT (Municipal Asset Protection Plan) Discretionary Trust (**JMAPP**); and
- c. consent in writing to be a group member.

## **Who is the JLT Class Action against and what is the claim for?**

The lead plaintiffs, Moira Shire Council and Hobsons Bay City Council, allege on behalf of themselves and the other Victorian Councils that:

- a. JLT breached:
  - i. its general law duties and contractual duties in providing broking services, tender agent services and in making their recommendations to the Victorian Councils; and
  - ii. its fiduciary duties that it owed to local Victorian Councils in the course of placing their Property insurance through JMAPP by advancing JLT's own financial interests and thereby causing detriment to Victorian Councils.
- b. As a result of JLT's breaches:
  - i. Victorian Councils suffered loss or damage through the payment of excessive premiums that exceeded the contribution rates that were reasonably available from alternative insurers or JMAPP; and/or
  - ii. JLT received undisclosed commissions; and/or
  - iii. JLT received profits that it is required to account for.

The lead plaintiffs seek to recover those losses for themselves and the other Victorian Councils and/or require that JLT account for any profits that it made by reason of its breaches of fiduciary duty during the Relevant Period.

## **Who is the law firm acting for the plaintiff?**

Quinn Emanuel Urquhart & Sullivan LLP

## **What is the role and responsibility of the plaintiffs?**

As noted above, there are two lead plaintiffs in the JLT Class Action: Moira Shire Council and Hobsons Bay City Council. The lead plaintiffs jointly represent the Group Members and, as a result, provide instructions to Quinn Emanuel in relation to the conduct of the JLT Class Action.

**Who is the Litigation Funder, and how do Group Members may obtain further information about the Litigation Funder and the terms of any funding being offered?**

The Litigation Funder for the JLT Class Action is Harbour Fund IV LP (**Harbour**). Group Members may obtain further information, including about the terms of any funding, by contacting Quinn Emanuel directly.

If the JLT Class Action is successful, Harbour will be paid an amount equal to their total investment as well as a commission for funding the JLT Class Action.

**How are legal fees and disbursements charged including the impact of any funding equalisation order?**

Legal fees and disbursements are paid for by Harbour in accordance with the Funding Agreement and Agreed Budget between Harbour and the lead plaintiffs.

A portion of Quinn Emanuel's fees have been incurred on a "No Win, No Fee" basis (that is, not paid by Harbour). The legal costs that have not been paid are conditional and are only recoverable by Quinn Emanuel if there is a successful outcome. In the event the JLT Class Action is successful, Quinn Emanuel is entitled to seek a 25% uplift on those conditional fees (in addition to its legal costs).

All amounts recoverable by Quinn Emanuel and Harbour for legal fees, disbursements and funding commission must be approved by the Court as reasonable before being deducted from the money to be paid to Group Members. Those deductions will never exceed a Group Member's recovery.

**Are there any other Group Proceedings that have been, or are likely to be, filed that relate to the same subject matter as the present group proceeding?**

No. There are, however, similar class action proceedings commenced by Richmond Valley Council against JLT in the Supreme Court of New South Wales on behalf of NSW local councils.

**Who can Group Members contact for further information?**

Group Members may contact Quinn Emanuel at any time, at no out of pocket cost, using the following details:

Email: [councilsclassaction@quinnemanuel.com](mailto:councilsclassaction@quinnemanuel.com)

Phone: (02) 9146 3500