

# ARRIUM CLASS ACTION

## BOGAN & WALTON v SMEDLEY & FOUR OTHERS

(Supreme Court of Victoria case number No. S ECI 2020 03281)

### FUNDING INFORMATION SUMMARY STATEMENT

#### 1. How is the Arrium Limited class action being funded?

The Plaintiffs in the Arrium Class Action have litigation funding agreements with Equite Capital No 1 Pte Ltd (**Funder**), which is a litigation funding company registered in Singapore. The Funder has entered into litigation funding agreements with the Plaintiffs and a number of group members, and the contract sets out the terms on which the Funder provides funding, including the terms on which that funding may cease to be provided.

In the event that the Plaintiffs' funding arrangements change, the Plaintiffs will amend this Funding Information Summary Statement.

#### 2. When will litigation funding costs be charged to Plaintiffs or group members?

Under the funding agreements with the Funder, the reasonably incurred legal costs of the class action will be paid by the Funder on behalf of the Plaintiffs. If there is a successful outcome to the class action (whether by settlement or judgment), the funding agreements provide for the Funder to be reimbursed the legal costs it has paid, and paid a funding commission. The Court may order all group members to share in the legal costs to be reimbursed to, and funding commission paid to, the Funder.

No litigation funding costs will be charged to the Plaintiffs or group members prior to a successful resolution of the proceeding, either by settlement (if approved by the Court), or judgment. The amount paid to the Funder will never exceed the total amount of the recovery to group members.

#### 3. How will the amounts payable to the Funder be calculated?

Under the funding agreements with the Funder, the amounts payable to the Funder by the Plaintiffs and group members who have entered those contracts are the following amounts (exclusive of any GST):

- 3.1 a share of common legal costs – this is their pro rata share of any legal costs incurred in the class action proceedings in respect of “common benefit work” (that is, legal work investigating, preparing, prosecuting and resolving issues for the common benefit of all claimants making claims in the proceeding); plus
- 3.2 individual legal costs – this will be any legal costs incurred by the Funder in relation to their specific individual claim, which are not “common benefit legal work”; plus

- 3.3 appeal costs (if there is an appeal) – this is their pro rata share of costs in preparing and prosecuting any appeal arising out of the proceeding (if there is an appeal)
- 3.4 Funder's Commission – being 45% of the Resolution Sum obtained for or on behalf of them, including as a result of a settlement or judgment.

The Plaintiffs may ask the Court to order all group members who benefit from the class action to share in the costs payable to the Funder referred to in 3.1, 3.2 and 3.4 above as part of considering whether to approve any settlement of the class action.

The Plaintiffs may also ask the Court to order all group members who benefit from the class action make payments to the Funder of legal costs and reasonable funding commission at a rate equal to or less than the rate set out in the funding agreements (regardless of whether those group member had in fact entered into a funding agreement).

Group members will be notified before any amounts are deducted and paid to the Funder, and given an opportunity to tell the Court their views about this. The Court will scrutinise the reasonableness of the legal costs incurred, and the litigation funding commission proposed to be deducted, as part of that process.

#### **4. Who can I contact for more information?**

In order to obtain further information about the litigation funder and the terms of the funding agreements, Group Members can contact the Funder by email at [qxsong12@gmail.com](mailto:qxsong12@gmail.com).

For further information about the class action generally, group members may contact Banton Group on +61 (2) 8076 8024 or by email at [arrium@bantongroup.com](mailto:arrium@bantongroup.com). Group members will not be charged for these enquiries.