



Lehman Brothers hearing commences today

Wednesday, 2 March 2011

Today marks the first day of the hearing between former investor clients of Grange Securities Limited and the insolvent estate of Lehman Brothers Australia Limited (formerly Grange Securities Limited).

Amanda Banton from Piper Alderman represents 72 clients signed up by IMF to participate in this class action. They include local councils, churches, charities and private investors.

According to Amanda Banton who is leading the Piper Alderman case:

“These investors were conservative investors and the products which were sold to them by Lehman were not suitable for such investors. Further, my clients would not have purchased these investments had they been aware of the substantial risks of those products, including the exposure to a complete loss of capital.”

Over \$260 million is being sought for Piper Alderman’s clients, for the losses resulting from the acquisition of CDOs from Lehman. Ms Banton says that such losses were unacceptable especially as her clients were seeking safe, secure investments in line with their conservative strategies.

Last week, a court ordered mediation was unsuccessful. Ms Banton says that this was disappointing, given the substantial material supporting the Applicants’ claims.

Justice Rares of the Federal Court of Australia heard opening submissions today. Evidence from current and former employees of the lead Applicants who are representing all of Piper Alderman’s clients in the class action will be given over the next two weeks with Lehman’s witnesses giving evidence immediately after. The trial is set down for the next four weeks, recommencing for one week in May 2011 for closing submissions.

For further details on the matter please contact Amanda Banton on +61 2 9253 9973 or abanton@piperalderman.com.au.

Piper Alderman

Piper Alderman is a full-service, commercial law firm with offices in Sydney, Melbourne, Brisbane and Adelaide. We have 56 partners, over 160 lawyers and more than 325 staff in total. Our firm is committed to continual excellence in the practice of law, having been leading advisers to commercial interests across Australia for over 160 years. We have achieved our impressive growth by listening to our clients, responding to their needs and creating practical legal solutions.

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