



## Press Release (embargoed until 15<sup>th</sup> August 2008)

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### **FirstAssist Legal Protection and Cohen Milstein announce groundbreaking insurance backed solution for cartel lawsuits**

#### ***“Cartel Key” to change the face of litigation funding for cartel claims***

In a development that is likely to change the face of litigation funding in the UK, leading collective claimant law firm Cohen, Milstein, Hausfeld & Toll and market-leading litigation insurance providers FirstAssist Legal Protection have announced the launch of “Cartel Key”, the UK’s first after-the-event insurance backed solution targeted exclusively at cartel claims.

The policy will insure Cohen Milstein cartel claims clients against the risk of adverse legal costs, a factor that has traditionally acted as a major deterrent against the commencement of such claims. The insurance premium will only become payable in the event of Cohen Milstein’s success on behalf of claimants at trial.

Commenting on today’s announcement, Peter Smith, Managing Director of FirstAssist Legal Protection, said:

*“We are delighted to have created ‘Cartel Key’ together with Cohen Milstein. It is the first such cartel claims package of its kind, and no other insurer currently provides after-the-event cover to such an extent or scale for commercial litigation generally. UK insurers have wanted to bring such a product to the market for a long time, but for the policy to be viable, three key ingredients were required: an appropriate case, willing claimants and a high calibre legal team that is prepared to put its money where its mouth is. Cohen Milstein’s arrival in the UK was therefore the missing piece of the jigsaw and we look forward to working with them in bringing access to justice to both individuals and business for many years to come.”*

Rob Murray, partner at Cohen Milstein, added:

*“This is a genuinely groundbreaking development that will transform the viability of civil cartel claims overnight. Since Cohen Milstein’s launch in London last year we have represented clients who have suffered losses as a result of cartel activity on a “success only” basis. Our agreement with FirstAssist means that we can now offer them a package that comes as close as it is currently possible to get to a no-risk solution, protecting them against liability for the Defendant’s costs and their own disbursements in the event of an unsuccessful outcome.”*

*“The fact that the insurance premium will only become payable in the event that we succeed, and will be calculated as a percentage of the Defendant’s own costs and own incurred disbursements, will also act as a clear incentive for Defendants to enter into settlement discussions at an early stage and keep costs low. ‘Cartel Key’ therefore makes access to justice a reality for individuals and businesses, and firmly places the UK at the forefront of the emerging European collective redress framework.”*

#### **“Cartel Key” – key information**

- Cohen Milstein and FirstAssist will provide a legal package to claimants pursuing civil law actions against cartelists under the Competition Act 1998.
- Cohen Milstein will be undertaking these cases on a full CFA “light” basis i.e. recovery of fees from defendants only.
- FirstAssist will provide After the Event insurance to protect claimants against the risk of adverse costs and their own disbursements.
- The adverse costs rule, whereby losing litigants are compelled to pay their opponents legal costs, has traditionally acted as a deterrent to civil cartel claims in the UK.
- The insurance premium only becomes payable in the event that the claimants win, and will be recovered from defendants under the adverse costs rule.
- This is not an exclusive arrangement between Cohen Milstein and FirstAssist: CMHT is free to negotiate similar arrangements with other insurers, whilst FirstAssist is free to work with other law firms.

**ENDS**

#### **For further information or to arrange interviews please contact:**

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#### **Notes to editors:**

##### **Cohen, Milstein, Hausfeld & Toll**

Cohen, Milstein, Hausfeld & Toll is one of the United States’ leading litigation law firms. Its reputation is synonymous with the protection of individuals, businesses, institutional investors and employees against the misconduct of governmental and corporate interests.

The firm’s London office is building a pan-European “collective redress” legal practice, specialising in competition law and financial services. It acts for businesses and individual consumers who have been harmed by violations of competition law (European and domestic) financial services laws and securities fraud.

Earlier this year Cohen Milstein announced a groundbreaking \$200m Settlement on behalf of businesses and individuals, representing between them almost 8 million US and UK

passengers who purchased airline tickets from BA and Virgin between August 11 2004 and March 23 2006.

- European managing partner Rob Murray has 20 years' experience as a competition lawyer in both the UK and Brussels.
- Vincent Smith, competition partner, joined Cohen Milstein from five years with the OFT where he led the competition enforcement division.
- Litigation partner Anthony Maton has over 15 years of experience in complex international commercial litigation.
- Ingrid Gubbay, formerly Campaigns Lawyer at Which?, is an independent legal consultant.

For more information about the firm please visit [www.cmht.com](http://www.cmht.com)

### **FirstAssist Legal Protection**

FirstAssist Legal Protection is one of the UK's leading providers of Before and After the Event legal expenses insurance.

#### *Products include:*

- Personal and Commercial "Before the Event" (BTE) covers sold as part of home, motor, travel and commercial insurance and banking packages by some of the UK's leading insurers, brokers and banks
- Pursuit, the most innovative "After the Event" (ATE) product available to support CFA's
- A range of other products and services which provide unrivalled access to BTE and ATE covers for liability insurers

FirstAssist Legal Protection is a trading style of FirstAssist Insurance Services Limited.

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