



CASE STUDY

LITIGATION FUNDING

Examples of cases where litigation funding may be used:

FRAUD

A typical fraud case would involve loss of an investment as a result of misrepresentation or being a victim in a Ponzi scheme. Civil fraud cases raise issues because of the high evidentiary standard necessary to prove a fraud, and the practical difficulties often experienced when tracing assets.

Prompt action is often needed to secure freezing injunctions and other ancillary relief, before a claim is issued or funding secured. There may be trust (or other equitable) claims to be made against other parties implicated in the fraud.

PROFESSIONAL NEGLIGENCE

Professional negligence claims arise in various areas, for example with losses resulting from bad investment advice, false valuations of assets, or tax avoidance structures which have failed.

CONTRACT AND COMPANIES

Contractual disputes have, historically, been a significant area for litigation funding, including mis-selling claims. Actions can include recovery of bribes paid or received, and actions by a company where there are disputes between directors and shareholders.

GROUP LITIGATION

Group litigation is an increasingly attractive area for litigation funding. Whereas each individual claim may not be hugely valuable, when grouped together with other claimants the overall claim value could be substantial, such that third party funding and insurance options are viable.

Group litigation is frequently used for shareholder claims, including following a fraud or negligent misstatements made to investors.



Claims involving allegations of corporate wrongdoing for overseas human rights abuses or environmental damage have also been funded in recent years.

ENFORCEMENT

The holder of an arbitration award or judgment from one jurisdiction may wish to enforce against assets held in another jurisdiction. Allegations might arise that the award or judgment should not be enforced because it is tainted by corruption or tax evasion.

CONTACT BRIGHT LINE LAW

Contact us if you would like to discuss litigation funding and insurance options. Bright Line Law is highly regarded as a specialist barrister-led law firm. Contact a member of our team, call us on +44 (0)20 3709 9470, or email admin@brightlinelaw.co.uk