



**MEDIA RELEASE: April 16, 2009**

## **Slater & Gordon launches class action against major investment firm**

National law firm, Slater & Gordon, has launched a \$17.5 million class action against one of Australian leading stockbroking and financial advisory firms, Bell Potter Securities Ltd, for recommending its clients buy stock in a share offer it was partly underwriting.

So far 35 former Bell Potter clients from just one Sydney broker have joined the class action after being told to buy shares in the Brisbane based bio tech company Progen Pharmaceuticals Ltd ("PGL").

It will be alleged that the Bell Potter failed to appropriately disclose its position of conflict with its clients as underwriter and that the stock was recommended to and acquired by the affected clients at a higher price than it was fairly worth.

Slater & Gordon expects to lodge a statement of claim against Bell Potter in the Federal Court of Australia within three weeks.

It is understood that up to 120 Bell Potter retail clients purchased some \$28 million of PGL stock.

Van Moulis, Slater & Gordon Practice Group Leader said Bell Potter had used an extensive network of employed brokers to promote investment in PGL ahead of the capital raising in 2007.

"Bell Potter used national marketing, including on line reports, to attract investors into a stock from which it would receive a direct commercial benefit following a successful capital raising," he said.

"It will be alleged Bell Potter failed to disclose this clear conflict to its clients and potential investors.

The class action is being supported by the litigation funding firm, Litigation Lending Services. Investors can find more information by contacting Slater & Gordon on 1800 555 777 or email [bellpotterclassaction@slatergordon.com.au](mailto:bellpotterclassaction@slatergordon.com.au)

### **For media comment**

Van Moulis, Slater & Gordon practice group leader   02 8267 0667  
Michael Salmon (media liaison)                           0417 495 018

Slater & Gordon (ASX: SGH) is a national law firm established in 1935 to give average Australians access to their legal rights. Melbourne, Sydney, Perth, Brisbane, Adelaide, Canberra, Parramatta, Newcastle, Wollongong, Erina, Coffs Harbour, Broken Hill, Morwell, Ballarat, Geelong, Footscray, Dandenong, Frankston, Werribee, Reservoir, Ringwood, Sunshine, Bunbury, Nowra, and Southport.

[www.slatergordon.com.au](http://www.slatergordon.com.au)