

The Board of Directors of the European chapter of the Association of Corporate Counsel (ACC Europe), representing over 1,000 members (in-house lawyers) in Europe from over 700 companies, acknowledges and supports the efforts to improve access to justice, genuine enhanced protection for consumers and increased accountability for industry, but is nonetheless deeply concerned with the prospect of an adaptation of the US Class Actions system being introduced into the EU.

ACC Europe is of the opinion that the possible introduction in the EU of a US-style system for Class Actions, despite seemingly good intentions, will not have the desired effects and ultimately will not be in the best interests of the people of Europe. There is no documented evidence showing that such system will deliver any tangible benefits to consumers. On the contrary, there is considerable evidence and a growing body of opinion suggesting that such system will inevitably be open to abuse, as experienced in the US. The most reputable businesses will have no immunity from such abuse, and the likely outcome is that whole sections of the economy will be held to ransom or at the very least hampered in their development by interests with disproportionate power, thus unsettling the well-defined checks and balances of our national legal systems, with as yet unknown consequences on economic growth and employment.

It is clear that not only industry as a whole, as well as the wider European economy, will suffer as a result, but that consumers will also be burdened directly or indirectly with the respective costs that will exclusively benefit the plaintiff lawyers (as has been the case in the US) and certainly not the plaintiffs (individual members of the Class) themselves. ACC Europe notes that a distinction is attempted to be drawn between the various suggestions for reform of the European law on the one hand and the excesses of the US-style system of Class Actions on the other hand. However, we remain sceptical about the effectiveness of such distinction in practice and concerned by the unpredictable scope and undesired effects of such reform.

We would support initiatives based on systems which already exist and can be developed in the framework of existing legal systems including recourse to regulatory bodies, ombudsmen, alternative dispute resolution (ADR) and mediation, to mention a few.

Finally, ACC Europe is in agreement with the analysis of the European Justice Forum (EJF)<sup>1</sup> and fully endorses the detailed analysis and opinion, enclosed herewith, submitted by EJF.

On behalf of the Board of Directors of ACC Europe

Anthony Wales President

Dated: 27th June 2008

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The European Justice Forum (EJF) is a coalition of businesses, individuals and organisations that are working to promote fair, balanced, transparent and efficient civil justice laws in Europe. EJF is seeking to ensure that the legal environment in Europe protects both consumers and businesses alike. Further information available at: <a href="http://www.europeanjusticeforum.org">http://www.europeanjusticeforum.org</a> or by contacting the EJF Secretariat at info@europeanjusticeforum.org