



Federal Court of Australia

District Registry: Victoria

Division: General

No: VID1010/2019

MATTHEW HALL

Applicant

ARNOLD BLOCH LEIBLER (A FIRM) and others named in the schedule

Respondents

ORDER

JUDGE: JUSTICE BEACH

DATE OF ORDER: 07 December 2021

WHERE MADE: Melbourne

THE COURT ORDERS THAT:

Group Member Registration

1. Pursuant to ss 33ZF of the *Federal Court of Australia Act 1976* (Cth) (the Act), with the exception of those group members who, as at the date of the distribution of the notice referred to below, have:
 - (a) opted out of this proceeding (Proceeding) in accordance with the orders made on 20 July 2021 (with the consequence that they are no longer group members in the Proceeding); or
 - (b) previously registered with the applicant's solicitors (Maurice Blackburn) to participate as a group member in the Proceeding (Current Registered Group Members),

any group member who wishes to participate in the distribution of any amount which is paid in settlement of the Proceeding must, by no later than 4.00pm (AEDT) on 17 January 2022, register as a participating group member by completing the online



registration process on the website of Maurice Blackburn (<https://www.mauriceblackburn.com.au/class-actions/current-class-actions/ABL-class-action/>).

Notice to Group Members

2. Pursuant to ss 33X and 33Y(2) of the Act, the form and content of:

- (a) the notice set out in Annexure A to these orders (Notice); and
- (b) the text set out in Annexure B to these orders (Website Text),

is approved as the notice that must be given to group members under s 33X of the Act in respect of the application by the applicant under s 33V of the Act for approval of the proposed settlement of the Proceeding (Settlement Approval Application).

Timing and Mode of Distribution of Notice and Website Text

3. Pursuant to s 33Y(3) of the Act, on or before 10 December 2021, the Notice and Website Text is to be given to each group member in accordance with the following procedure:

- (a) Maurice Blackburn shall cause the Notice to be sent to each Current Registered Group Member, such Notices to be sent by email where an email address is available, or failing that, by ordinary mail;
- (b) Maurice Blackburn shall cause the Notice to be distributed through shareholder alert services;
- (c) Maurice Blackburn shall cause the Notice to be published in the Australian Financial Review;
- (d) Maurice Blackburn shall cause a link to the Website Text to be posted on Maurice Blackburn's social media accounts;
- (e) Maurice Blackburn shall cause the Website Text to be placed on its website (<https://www.mauriceblackburn.com.au/class-actions/current-class-actions/ABL-class-action/>), together with a copy of:



- (i) the Notice;
- (ii) the Notice of Objection referred to in order 5 below;
- (iii) the following documents:
 - (A) the amended statement of claim dated 26 July 2021;
 - (B) the amended defence dated 19 August 2021;
 - (C) the further amended statement of cross-claim dated 19 August 2021;
 - (D) the defence of the first and third cross-respondents to the further amended statement of cross-claim dated 30 August 2021;
 - (E) the amended statement of cross-claim by the first and third respondents and cross-claimants dated 1 September 2021;
 - (F) the defence of the second cross-respondent to the further amended statement of cross- claim dated 1 September 2021; and
 - (G) the amended statement of cross-claim by the second cross-respondent and cross-claimant dated 1 September 2021;
- (iv) the applicant's proposed Settlement Distribution Scheme (but excluding the applicant's proposed Loss Assessment Formula); and
- (v) these orders,

(and shall cause such materials to remain continuously so displayed or available on its website up to and including the final hearing and determination of the Settlement Approval Application).
- (f) The Notice, the Website Text and/or the Notice of Objection may be amended by Maurice Blackburn before they are emailed, posted or displayed (as the case may be) in order to correct any website or email address or telephone number or other non-substantive, typesetting or typographical error.



4. Pursuant to ss 33ZF of the Act, any person (other than a Current Registered Group Member) who is a group member in the Proceeding and who, following distribution of the Notice in accordance with the procedure set out above, does not register in accordance with order 1 above, shall remain a group member for all purposes of the Proceeding, and will be bound by an order approving the proposed settlement, but shall not, subject to any further order, be entitled to receive a distribution from any amount paid in settlement of the Proceeding.

Directions for Settlement Approval Application

5. By 4.00 pm (AEDT) on 17 January 2022 any group member who wishes to oppose any aspect of the proposed settlement of the Proceeding shall submit a completed Notice of Objection to Proposed Settlement in the form of Annexure C to these orders (Notice of Objection) by sending it by email to:
 - (a) the Federal Court Registry at vicreg@fedcourt.gov.au; and
 - (b) Maurice Blackburn at ABL@mauriceblackburn.com.au.
6. If the parties' solicitors receive a notice which purports to be a Notice of Objection, they shall provide such notice to the Court within two (2) business days of receipt, and such a notice shall be treated as a Notice of Objection received by the Court at the time it was received by the solicitors.
7. The parties' solicitors have leave to inspect the Court file and to copy any Notices of Objection filed with the Court.
8. By 4.00pm on 20 January 2022, the applicant's solicitors shall provide to the respondent's solicitors a copy of any documents received by them pursuant to orders 6 and 7 above.
9. Save for any affidavit or written submissions in respect of which confidentiality orders will be sought (Confidential Affidavit and Confidential Submissions, respectively), by 4.00pm on 25 February 2022, the applicant and the respondent shall file and serve any affidavit(s) and written submissions in relation to the Settlement Approval Application.



10. By 4.00pm on 25 February 2022, the applicant is to provide any confidential affidavit and/or confidential submissions, including in respect of legal costs, on which the applicant proposes to rely in support of the Settlement Approval Application to the chambers of the Honourable Justice Beach by email marked “Confidential [Affidavit or Submissions] for Purposes of Settlement Approval Application – Not to be Accessed Except by Direction of a Judge or the Court”.
11. The balance of this interlocutory application, being the Settlement Approval Application, be listed for hearing at 10.15am on 4 March 2022.

Independent Costs Referee

12. Pursuant to s 33ZF(1) and/or s 37P(2) and/or s 54A of the Act, and Division 28.6 of the *Federal Court Rules 2011* (Cth) (the Rules), Ms Cate Dealehr (Referee) is appointed for the purpose of conducting an inquiry (Reference) and making a report in writing to the Court (Report) stating, with reasons, the Referee’s opinion on the following two issues:
 - (a) the reasonableness of the applicant’s legal costs and disbursements incurred in relation to the Proceeding, up to and including the approval of the proposed settlement of the Proceeding (including costs anticipated and yet to be incurred as at the date of the Report); and
 - (b) the reasonableness of the sum proposed for settlement administration costs.
13. The Referee is to deliver their Report to the Court and to the solicitors for the applicant, Maurice Blackburn by 4.00pm on 18 February 2022.

Funding costs

14. In the event that the funder (International Litigation Partners No.15 Pte Ltd) wishes to seek leave to intervene in relation to the Settlement Approval Application, it is to file any application for leave to intervene, together with material in support of that application and in relation to the Settlement Approval Application on which it proposes to rely by 4.00pm on 25 February 2022.



Liberty to apply

15. The parties have liberty to apply on 3 days' notice.

Date that entry is stamped: 7 December 2021

Sia Lagos
Registrar



Schedule

No: VID1010/2019

Federal Court of Australia
District Registry: Victoria
Division: General

Cross Respondent SLATER & GORDON LTD (ACN 097 297 400)

Second Cross
Respondent ANDREW ALEXANDER GRETCH

Third Cross
Respondent WAYNE BROWN

CROSS CLAIM

Cross-Claimant SLATER & GORDON LTD (ACN 097 297 400)

Second Cross-Claimant WAYNE BROWN

Cross Respondent MATTHEW HALL

CROSS CLAIM

Cross-Claimant ANDREW ALEXANDER GRETCH

Cross Respondent MATTHEW HALL



ANNEXURE A

FEDERAL COURT OF AUSTRALIA

ABL CLASS ACTION

Hall v Arnold Bloch Leibler (a firm)

(VID 1010 of 2019)

PLEASE READ THIS NOTICE CAREFULLY

NOTICE OF PROPOSED SETTLEMENT OF ABL CLASS ACTION

This notice is provided pursuant to orders made by the Federal Court of Australia to inform you about (a) the right to participate in a proposed settlement of a class action and (b) the right to object to the proposed settlement.

This notice contains important information about the proposed settlement of a class action brought on behalf of persons who (with some limited exceptions) acquired an interest in fully paid ordinary shares in Slater & Gordon Limited (including entitlements to new fully paid ordinary shares in Slater & Gordon to be issued as part of the Entitlement Offer as defined in paragraph 3 below) during the period between 30 March 2015 and 25 November 2015.

You should read this notice carefully, as your legal rights may be affected by the proposed settlement.

What is the class action about?

1. A representative proceeding (also known as a “class action”) has been commenced in the Federal Court of Australia against Arnold Bloch Leibler (a firm) (ABL) on behalf of all persons who (save for some limited exceptions):
 - a. acquired an interest in fully paid ordinary shares in Slater & Gordon Limited (SGH) (including entitlements to new fully paid ordinary shares in SGH to be issued as part of the Entitlement Offer as defined in paragraph 3 below) during the period between 30 March 2015 and 25 November 2015; and
 - b. suffered loss or damage by, or which resulted from, the conduct of ABL alleged in the class action,(ABL Class Action).
2. ABL is the respondent to the class action.
3. The ABL Class Action arises from the acquisition by SGH of the UK-based Professional Services Division (PSD) from Quindell Plc and the A\$890 million capital raising (Entitlement Offer) conducted by SGH for the purposes of the equity financing component of the purchase price. ABL’s role was as the Australian legal advisers to SGH in relation to the Entitlement Offer. The balance of the purchase price of approximately A\$1.25 billion was financed by SGH with additional borrowings from SGH’s banks.
4. The PSD acquisition was the subject matter of a previous class action against SGH – *Hall v Slater & Gordon Ltd* Federal Court of Australia Proceeding No. VID1213 of 2016 (SGH Class Action), which was settled in December 2017 alongside SGH’s restructuring and the transfer to SGH’s lenders of all of SGH’s UK assets and 95% of the share capital of the remaining company, which was necessitated by SGH’s financial position.



5. A related class action against SGH's auditors – Pitcher Partners (**Pitchers**) and Ernst & Young LLP (EYUK) – remains on foot (**Pitchers Class Action**), with the trial having commenced on 9 November 2021 (*Hall v Pitcher Partners (a firm)* Federal Court of Australia Proceeding No. VID 918 of 2018).

The proposed settlement and court approval

6. The parties to the ABL Class Action have agreed to a proposed settlement of the class action, where ABL will pay (without admission of liability) a total of **\$28,000,000** (inclusive of costs and interest) in full and final settlement of the claims of the Applicant and group members in the class action (**settlement**). The proposed settlement has been reached with no admission of liability by ABL.
7. The settlement must first be approved by the Federal Court as being fair and reasonable before it is binding on group members. If approved, after deduction of certain amounts in respect of the legal and funding costs associated with bringing the class action, the balance of that amount will be distributed to **eligible group members**. **Details of the proposed deductions** are contained on the website of Maurice Blackburn (see the end of this Notice), and you are encouraged to read that information.

Participation in the proposed settlement

8. Group members who are **eligible** to participate in the settlement of the ABL Class Action are those who are **registered** with Maurice Blackburn by no later than 17 January 2022.
9. **Registered Group Members:** If you have previously registered with Maurice Blackburn in relation to the SGH Class Action, you are already registered in the ABL Class Action and do not need to register again. If you have previously registered for the ABL Class Action you do not need to register again. If you have previously registered with Maurice Blackburn for the Pitchers Class Action, and you fall within the group definition set out above in paragraph 1 above, you are already registered for the ABL Class Action and do not need to register again.
10. The purpose of this notice is to advise group members of the proposed settlement of the ABL Class Action, and how it may affect their rights. Further detailed information is contained on the website of Maurice Blackburn (see the end of this Notice), and you are encouraged to read that information.
11. The proposed settlement of the ABL Class Action, and the steps (if any) which group members may wish to take in response to this notice, will differ depending on their particular circumstances as summarised below:
 - a. **Registered Group Members:** Group members who have previously registered with Maurice Blackburn to participate in the SGH Class Action or the ABL Class Action need not do anything in response to this notice (unless they wish to **object to the proposed settlement**, in which case they may submit a 'Notice of Objection to Proposed Settlement' in accordance with the instructions on Maurice Blackburn's website).

Registered group members will be entitled to participate in the proposed settlement of the class action, and to receive a monetary distribution from the settlement sum, in the event that the proposed settlement is approved by the Court (and provided they otherwise qualify). **Registered group members do not need to re-register**. If you are unsure of your registration status, you should contact Maurice Blackburn at ABL@mauriceblackburn.com.au.



b. **Unregistered Group Members:** Group members who have **not** previously registered with Maurice Blackburn in the SGH Class Action or the ABL Class Action may do **three things**:

- **Option A: Register** to participate in the proposed settlement of the ABL Class Action by 17 January 2022 (in which case, you may be entitled to receive a distribution from the proposed settlement of the class action, in the event that it is approved by the Court, and provided you otherwise qualify). To register to participate in the proposed settlement of the ABL Class Action, you should go to <https://www.mauriceblackburn.com.au/class-actions/current-class-actions/ABL-class-action/> or contact Maurice Blackburn on 1800 572 151
- **Option B: Do nothing** (in which case, if the proposed settlement of the ABL Class Action is approved by the Court, you will not be entitled to receive a distribution from the settlement sum). You will, however, still be bound by the settlement and claims you may have against ABL will be extinguished.
- **Option C:** Group members may (in addition to Option A or Option B) **object** to the proposed settlement of the ABL Class Action. If you want to object to the settlement, but still participate in the settlement in the event that your objection is overruled and the settlement is approved, you should follow both Option A and Option C together. If you wish to object to the proposed settlement, you must complete a Notice of Objection to Proposed Settlement by [17 January 2022]

There are different consequences for you depending on which option you choose. Further details in relation to each of the options, including the consequences and steps required, are set out on Maurice Blackburn's website (<https://www.mauriceblackburn.com.au/class-actions/current-class-actions/ABL-class-action/>).

c. **Former Group Members:** Group members who submitted an opt out notice prior to the Court-imposed deadline 8 September 2021 do not need to do anything in response to this notice. By choosing to opt out of the ABL Class Action, you are no longer a group member in the class action and will not be affected by the class action or the proposed settlement of the class action.

More Information

As stated above, further information is available on Maurice Blackburn's website (<https://www.mauriceblackburn.com.au/class-actions/current-class-actions/ABL-class-action/>), under the following headings:

- **Why is the following information important?**
- **What is a class action?**
- **What is the ABL Class Action?**
- **Are you a Group Member in the ABL Class Action?**
- **Are Group Members liable for legal costs?**
- **The Proposed Settlement and Proposed Deductions**
- **The Settlement Approval Process**
- **What do Group Members need to do?**
 - Registered Group Members



- **Unregistered Group Members**
- **Former Group Members**
- **Relevant documents**
- **What if you have further questions?**



ANNEXURE B

[Maurice Blackburn Website Text]

Why is the following information important?

1. A class action has been commenced in the Federal Court of Australia against Arnold Bloch Leibler (a firm) (ABL) on behalf of all persons who (save for some limited exceptions):
 - a. acquired an interest in fully paid ordinary shares in Slater & Gordon Limited (SGH) (including entitlements to new fully paid ordinary shares in SGH to be issued as part of the Entitlement Offer as defined in paragraph 3 below) during the period between 30 March 2015 and 25 November 2015; and
 - b. suffered loss or damage by, or which resulted from, the conduct of ABL alleged in the class action,
(ABL Class Action).
2. ABL is the Respondent to the class action.
3. The ABL Class Action arises from the acquisition by SGH of the UK-based Professional Services Division (PSD) from Quindell Plc and the A\$890 million capital raising (Entitlement Offer) conducted by SGH for the purposes of the equity financing component of the purchase price. ABL's role was as the Australian legal advisers to SGH in relation to the Entitlement Offer. The balance of the purchase price of approximately A\$1.25 billion was financed by SGH with additional borrowings from SGH's banks.
4. The PSD acquisition was the subject matter of a previous class action against SGH – *Hall v Slater & Gordon Ltd* Federal Court of Australia Proceeding No. VID1213 of 2016 (SGH Class Action), which was settled in December 2017 alongside SGH's restructuring and the transfer to SGH's lenders of all of SGH's UK assets and 95% of the share capital of the remaining company, which was necessitated by SGH's financial position.
5. A related class action against SGH's auditors – Pitcher Partners (Pitchers) and Ernst & Young LLP (EYUK) – remains on foot (Pitchers Class Action), with the trial having commenced on 9 November 2021 (*Hall v Pitcher Partners (a firm)* Federal Court of Australia Proceeding No. VID 918 of 2018).
6. A previous Court-approved notice in relation to the ABL Class Action and the Pitchers Class Action was sent to registered group members and published on this website and in the *Australian Financial Review* which set out some of the background to the ABL Class Action and the Pitchers Class Action. That notice advised you of your right to opt out of the class actions if you did not wish to participate. The deadline for opting out has now passed. Accordingly, this information is directed **only** to those persons who:
 - a. have been identified as a **potential group member** in the ABL Class Action; and
 - b. **did not opt out of the ABL Class Action** (by lodging an opt out notice with the Federal Court) before the deadline of 8 September 2021 (any persons who did lodge an opt out notice with the Federal Court before that deadline are no longer part of the ABL Class Action, and are not affected by the class action (and any references to 'Group Members' below should be understood as excluding such persons)).



7. The Federal Court of Australia has ordered that the following information be published for the information of persons who might be members of the group on whose behalf the ABL Class Action is brought and may have their legal rights affected by the ABL Class Action.
8. If you have received the Court-approved notice you did so because you have been identified as a potential group member in the ABL Class Action. **You should read the following information carefully. Any questions you have concerning the matters set out below should not be directed to the Court.** If there is anything that you do not understand, you should contact Maurice Blackburn, whose contact details are set out below, or alternatively seek your own legal advice.
9. This page provides important information about:
 - a. your status as a group member in the ABL Class Action;
 - b. what you need to do if you have not already registered, but wish to do so in order to participate in the proposed settlement described below (and potentially receive some compensation);
 - c. what will happen if you do not register to participate in the proposed settlement of the ABL Class Action; and
 - d. what you need to do if you wish to object to the proposed settlement of the ABL Class Action.

What is a class action?

10. A class action is a legal action that is brought by one or more persons (**Applicant(s)**, being in this case Mr Hall) on their own behalf **and** on behalf of a group of persons (**Group Members**) against another person or persons (**Respondent(s)**, being in this case ABL), where the Applicant(s) and the Group Members all have similar claims against the Respondent(s).
11. The Applicants in a class action do **not** need to seek the consent of Group Members to commence a class action on their behalf, or to identify a specific Group Member or Members. However, Group Members can cease to be Group Members by 'opting out' of the class action before the Court-imposed deadline. An explanation of how Group Members could opt out was contained in the previous notice to Group Members and, as noted above, the deadline for opting out has now passed.

What is the ABL Class Action?

12. The ABL Class Action was commenced on 17 September 2019 in the Victorian Registry of the Federal Court of Australia. The background to the ABL Class Action is in summary:
 - a. on 30 March 2015 (being the start of the Relevant Period), SGH announced the proposed acquisition of the UK-based Professional Services Division (PSD) from Quindell Plc for approximately A\$1.25 billion;
 - b. at the same time, SGH announced an A\$890 million capital raising in which existing shareholders would be entitled to purchase newly-issued SGH shares (**Entitlement Offer**), with the proceeds being used to finance part of the purchase price for PSD (with the balance to be borrowed by SGH from SGH's banks); and
 - c. ABL acted as the Australian legal advisers to SGH in relation to the Entitlement Offer and acted as a member of, and chaired, the Due Diligence Committee established for the purposes of the Entitlement Offer. .



- d. The Applicant alleges that ABL should have ensured that the strong possibility of the “Small Claims Track Threshold Increase” reform (which would impact on the PSD business) was disclosed to the market and SGH shareholders, and, if it had, the Entitlement Offer would not have proceeded either at all or in the form that it did. The Applicant alleges that by failing to ensure that the disclosure was made, ABL was negligent and/or contravened s 1041H of the *Corporations Act 2001* (Cth) and should therefore be liable for some part of the losses suffered by SGH shareholders.
13. ABL denies the allegations and any other wrongdoing in connection with the Entitlement Offer or the PSD Acquisition.
14. The detailed allegations are set out in the Applicant’s Amended Statement of Claim filed with the Federal Court on 26 July 2021. ABL denies the allegations made against it, and ABL’s responses to the allegations are set out in its Defence to the Amended Statement of Claim filed with the Federal Court on 19 August 2021. Copies of these (and other) documents can be downloaded from this page (under the heading ‘Relevant documents’ below), or by contacting Maurice Blackburn, whose contact details are set out below.

Are you a Group Member in the ABL Class Action?

15. The ABL Class Action is currently ‘open’, which means that (save for some limited exceptions) it includes as Group Members all persons who entered into a contract to acquire an interest in SGH Shares during the Relevant Period.
16. Specifically, you are a Group Member in the ABL Class Action if (save for some limited exceptions) you satisfy the following criteria:
 - a. acquired an interest in fully paid ordinary shares in SGH (including entitlements to new fully paid ordinary shares in SGH to be issued as part of the Entitlement Offer) during the period between 30 March 2015 and 25 November 2015; **and**
 - b. you suffered loss or damage by, or which resulted from, the conduct of ABL alleged in the ABL Class Action (and which is summarised above); **and**
 - c. you did not opt out of the ABL Class Action on or before 8 September 2021.
17. You may disregard the information set out below if you **do not** satisfy the above criteria and your rights will not be affected by the proposed settlement of the ABL Class Action which is described further below.
18. If you do satisfy the above criteria, you should read the following information carefully as it will affect your legal rights.
19. If you are unsure as to whether or not you are a Group Member, you should contact Maurice Blackburn, whose contact details are set out below, or alternatively seek your own legal advice.

Are Group Members liable for legal costs?

20. The Applicant and many Group Members have retained Maurice Blackburn to act as their solicitors, but it is not necessary for you or other Group Members to retain (or have retained) Maurice Blackburn in order to participate as a Group Member.
21. The costs of the ABL Class Action have, to this point, been funded in part by Maurice Blackburn and in part by International Litigation Partners No15 Pte Ltd (ILP15) (in the latter



case, pursuant to various Funding Agreements entered into between ILP15 and the Applicant and between ILP15 and some of the Group Members).

22. Specifically, throughout the course of the class action ILP15:
 - a. indemnified the Applicant;
 - b. provided security against such adverse costs orders; and
 - c. paid the majority of the legal costs incurred in conducting the ABL Class Action (including the costs of solicitors, barristers and experts).
23. If the proposed settlement of the ABL Class Action is approved by the Court, it is likely that the Court will order that the legal and funding costs of conducting the class action be deducted from the aggregate settlement sum, before calculating each Group Member's entitlement. In other words, the legal and funding costs of conducting the ABL Class Action will be spread equitably among all participating Group Members. Therefore, if you are eligible to participate as a Group Member in the distribution of the settlement sum, your share of the settlement (if any) will be calculated and paid to you after deduction of legal and funding costs – under no circumstances will you, by registering to participate in the proposed settlement, be liable to pay any 'out-of-pocket' costs, whether to Maurice Blackburn, to ILP15 or otherwise.

The Proposed Settlement and Proposed Deductions

24. The initial trial of the ABL Class Action was scheduled to commence on 9 November 2021 and was intended to be heard at the same time as the Pitchers Class Action.
25. Shortly prior to the commencement of the trial, the parties to the ABL Class Action agreed to a proposed settlement of the ABL Class Action under which ABL will, without admission of liability, pay **\$28,000,000** inclusive of interest and costs (**Settlement Sum**) in full and final settlement of the claims of the Applicant and Group Members. The proposed settlement also resolves various cross-claims brought by ABL against SGH and certain former officers and directors of SGH.
26. The proposed settlement does not come into effect unless it is approved by the Federal Court.
27. If the proposed settlement is approved by the Court, there are likely to be some substantial deductions from the Settlement Sum before distribution of any money to eligible Group Members:
 - a. *Legal costs and disbursements:* Maurice Blackburn will seek payment of the reasonable legal costs incurred in conducting the ABL Class Action, estimated at approximately **\$4.7 million up to 31 October 2021** (and, as stated above, so that they are shared on an equitable basis by all Group Members). Those costs comprise approximately **\$2.5 million** in disbursements (primarily amounts paid to counsel and to experts on both liability and loss) and approximately **\$2.2 million** in legal fees. There will be further disbursements and legal fees work done after 31 October 2021, including work necessary to obtain court approval of the settlement. It will be a matter for the Court to determine the amount of legal costs which it considers is fair and reasonable, and which may therefore be deducted from the Settlement Sum. Most of those legal costs have already been paid by ILP15 (100% of disbursements and 60% of Maurice Blackburn's legal fees), and, if approved, ILP15 will be reimbursed for those costs. Maurice Blackburn may also apply for the permitted uplift of 25% of the conditional component of its legal fees, which, if approved, as at 31 October 2021 would be approximately **\$220,000**.



- b. *Litigation funding charges:* The costs and adverse costs risks of the ABL Class Action have primarily been funded by ILP15 pursuant to various Funding Agreements between ILP15 and the Applicant and between ILP15 and some of the Group Members (**Funded Group Members**). ILP15 has paid 100% of all disbursements and 60% of Maurice Blackburn's legal fees to date. ILP15 has also borne the risk of any adverse costs order against the Applicant (the amount the Applicant might be ordered to pay to the Respondent in the case were unsuccessful) and has also provided security for those costs in the amount of \$2.5 million for the period up to the trial that was scheduled to commence on 9 November 2021. Under its Funding Agreements, ILP15 is entitled to a commission of 28.5-35% of the Funded Group Members' share (before legal costs) of the Settlement Sum. To ensure that Funded Group Members are not disadvantaged in comparison to Unfunded Group Members, the Applicant will ask the Court to make an order that provides for equal treatment of all Group Members. Courts have typically used either a Funding Equalisation Order (FEO) or a Common Fund Order (CFO) to ensure equal treatment. Depending on the type of order preferred by the Court in the circumstances of this case, the Applicant will seek Court approval of a payment of up to **\$7.85 million** to ILP15 (representing approximately 28.05% of the Settlement Sum) in return for its funding of the ABL Class Action. Again, it will be a matter for the Court to determine the final amount.
- c. *Applicants' reimbursement payment:* The Applicant will seek payment of an amount of up to \$20,000 for the time, inconvenience and expense incurred in conducting the ABL Class Action (in addition to doing so in the Pitchers Class Action) on behalf of, and for the mutual benefit of, all Group Members, to be deducted from the Settlement Sum. Again, any such payment is subject to approval by the Court.
28. If the Court approves the proposed deductions from the Settlement Sum referred to above, there will be approximately **\$15 million** available for distribution to Group Members (plus any interest accrued on the Settlement Sum, less any further legal costs incurred in obtaining Court approval of the proposed settlement and distributing the Settlement Sum to Group Members (with all such further costs likewise being subject to the Court's approval)).
29. At the present time, it is not possible to estimate how much (if any) each registered Group Member will receive by way of a distribution from the proposed settlement, because that will depend on a number of factors including:
- the amount of the payments to Maurice Blackburn and ILP15 on account of legal and funding costs which the Court approves as fair and reasonable;
 - the number of Group Members who ultimately register to participate in the proposed settlement before the Court-imposed deadline; and
 - the time(s) at which, and the price(s) for which, each registered Group Member acquired and sold their ABL Shares during the Relevant Period.
30. The amount of the Settlement Sum which is ultimately available for distribution to registered Group Members will be distributed in accordance with a Settlement Distribution Scheme to be approved by the Court (**Scheme**), including a proposed Loss Assessment Formula (LAF) (which details how each Group Member's entitlement to a share of the Settlement Sum will be calculated). A copy of the Applicants' proposed Scheme (excluding the confidential LAF) can be downloaded from this page (under the heading 'Relevant Documents' below), or by contacting Maurice Blackburn, whose contact details are set out below. If you wish to obtain a copy of the confidential LAF, you may do so by requesting a copy from Maurice Blackburn and by signing and returning to Maurice Blackburn a confidentiality undertaking.



31. In addition, the settlement deed entered into by the parties to the ABL Class Action also provides for all Group Members to **release and discharge** ABL and its related parties (which includes ABL' current and former directors and officers) from:
- a. each and every claim made by or on behalf of the Applicant or any Group Member in the ABL Class Action, including each of the claims articulated in the Applicant's Amended Originating Application and/or Amended Statement of Claim; and
 - b. any and all claims arising from, in connection with, in respect of or related to:
 - i. any matter which is or ever has been the subject of the ABL Class Action, including any matter specified in the Applicant's original Statement of Claim or Amended Statement of Claim filed in the ABL Class Action; and
 - ii. the ABL Class Action itself, including the administration of the Scheme and the costs of, and incidental to, the ABL Class Action.

Therefore, if the proposed settlement is approved by the Court, Group Members (whether they register to participate in the settlement or not) will be **bound** by the settlement and will not be permitted to make any subsequent claim against ABL in relation to the above matters.

The Settlement Approval Process

32. The Court will only approve the proposed settlement if it is satisfied that the settlement is fair and reasonable in the interests of the Group Members, including as between the Group Members. If the Court is not so satisfied, it will not approve the proposed settlement (in which case, the ABL Class Action will continue and there will be no distribution of monies to Group Members unless and until the Applicants are successful in the class action, or a further settlement is reached and approved).
33. The Court will hear the application for approval of the proposed settlement at **10.15am on 4 March 2022** at the Federal Court in Melbourne. That hearing may take place either in person or by video, depending on the COVID-19 health advice and government requirements in place at the time.
34. If you are a Group Member in the ABL Class Action, you have the right, if you wish, to attend that hearing and/or to make submissions as to why the Court should, or should not, approve the proposed settlement (or any particular aspect of it). If you wish to exercise that right, you need to follow the steps outlined below (under the sub-heading 'Option C – Object to the Proposed Settlement' below).

What do Group Members need to do?

Registered Group Members

35. As advised in the notice which all Group Members should have received, Group Members who have previously registered with Maurice Blackburn to participate in the ABL Class Action need not do anything at the present time. **Such Group Members will be entitled to participate in the proposed settlement of the ABL Class Action in the event that it is approved by the Court (and provided they otherwise qualify), and specifically need not, and should not, re-register with Maurice Blackburn (as the existing registration remains valid).**
36. Registered Group Members may, however, **object** to the proposed settlement (or any aspect of it), should they wish to do so, by following the steps set out below (under the sub-heading 'Option C – Object to the Proposed Settlement' below).



Unregistered Group Members

37. Group Members who have **not** previously registered with Maurice Blackburn to participate in the ABL Class Action may do the following three things:
- **Option A:** Register to participate in the proposed settlement of the ABL Class Action.
 - **Option B:** Do nothing.
 - **Option C:** Group Members may (in addition to Option A or Option B) object to the proposed settlement of the ABL Class Action.

There are different consequences depending on which option you choose.

Option A – Register to Participate

38. Group Members who wish to receive a distribution from the proposed settlement of the ABL Class Action must register their claim by no later than **17 January 2022** by completing and submitting the online registration form.
39. If the proposed settlement is approved by the Court, any Group Member who registers their claim by **17 January 2022** and who provide sufficient information to enable Maurice Blackburn to verify that they are a Group Member (i.e., that they satisfy the criteria set out above under the heading ‘Are you a group member in the ABL Class Action?’), may be entitled to receive a distribution from the Settlement Sum. The precise amount of that distribution (if any) is presently uncertain, for the reasons set out above under the heading ‘The Proposed Settlement’ (any such distributions will be calculated in accordance with the Scheme and the LAF as approved by the Court).
40. There is no cost to register your claim. Your registration **must** be completed and received by Maurice Blackburn before **17 January 2022**. Registrations received after that time will not be accepted, and you will be treated as having not validly registered (see Option B below).

Option B – Do Nothing

41. Group Members who do nothing (i.e., do not register before the deadline of **17 January 2022**) will remain Group Members for all purposes, but will not, unless the Court determines otherwise, be entitled to receive a distribution from the proposed settlement of the ABL Class Action.
42. Therefore, if the Court approves the proposed settlement, Group Members who do nothing will be **bound** by the settlement (and therefore not able to pursue the same or similar claims against ABL in the future) but will **not** be entitled to receive a distribution from the Settlement Sum.

Option C - Object to the Proposed Settlement

43. If you are a Group Member you have the right, if you wish, to make submissions as to why the Court should, or should not, approve the proposed settlement (or any particular aspect of it). If you wish to exercise that right, you must complete the Notice of Objection to Proposed Settlement form below, and email it to:
- a. the Federal Court (vicreg@fedcourt.gov.au); and
 - b. Maurice Blackburn (ABL@mauriceblackburn.com.au),
- by no later than **17 January 2022**.



44. Any Group Member who objects in this way may also (but is not obliged to) appear before the Court at the hearing of the application to approve the proposed settlement at **10.15am on 4 March 2022** at the Federal Court in Melbourne.
45. You may make such submissions whether or not you have registered to participate in the ABL Class Action.
46. Any objections received by the Court will be considered by the Court, along with all of the other evidence and submissions filed by the parties, in determining whether or not to approve the proposed settlement.

Former Group Members

47. As advised in the notice which all Group Members should have received, Group Members who submitted an opt out form prior to the Court-imposed deadline of 4.00 pm (AEDT) on 8 September 2021 need not do anything further. By choosing to opt out of the ABL Class Action, such persons are no longer Group Members in the class action, and will not be affected by the class action or the proposed settlement referred to above.

Relevant documents

48. *Insert links to:*
 - a. *the Notice;*
 - b. *the Notice of Objection to Proposed Settlement;*
 - c. *Pleadings;*
 - d. *proposed Settlement Distribution Scheme (excluding the Loss Assessment Formula);*
 - e. *preliminary orders.*

What if you have further questions?

49. If you have any questions or queries, you may contact Maurice Blackburn as follows:
Email: ABL@mauriceblackburn.com.au
Tel: 1800 572 151
Post: Maurice Blackburn
DX 466
Melbourne VIC 3000



ANNEXURE C

[Notice of Objection to Proposed Settlement]

Complete this form only if you intend to object to the proposed settlement of the ABL Class Action

NOTICE OF OBJECTION TO PROPOSED SETTLEMENT

FEDERAL COURT OF AUSTRALIA

ABL CLASS ACTION

Hall v Arnold Bloch Leibler (a firm)

(VID 1010 of 2019)

To:

- the Federal Court of Australia (vicreg@fedcourt.gov.au); and
- Maurice Blackburn (ABL@mauriceblackburn.com.au).

The person identified below gives notice that they object to the proposed settlement of the ABL Class Action:

A. DETAILS OF OBJECTOR

Name of Group Member	
Contact name (if different from name of Group Member), and authority to complete this form on Group Member's behalf (e.g. director / secretary of Group Member, lawyer for Group Member)	
Postal address	
Email address	
Telephone number(s)	



B. GROUND(S) OF OBJECTION

The ground(s) for my objection to the proposed settlement are as follows (set out in the space below any submissions you wish to make – you may attach additional pages if necessary):

C. ATTENDANCE AT HEARING ON 4 MARCH 2022 at 10.15am:

- I do not intend to appear at the settlement approval hearing, but wish for my submission to be considered in my absence
- I do intend to appear at the settlement approval hearing

(please tick one of the above two options)

If you do intend to appear at the settlement approval hearing, please complete the following:

- I will appear on my own behalf
- I will be represented by a lawyer:

.....

D. SIGNING OF NOTICE:

.....

Please sign here

Date: