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# A helpful guide to class actions

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## **A helpful guide to class actions**

We understand that the legal system can feel complex and confusing at times. If you're considering signing up to a class action, or have already registered but unsure what the process will entail, we're here to help.

In this user-friendly guide, we'll explain what a class action is, and what you can expect throughout the process – from signing up all the way through to the case resolution.





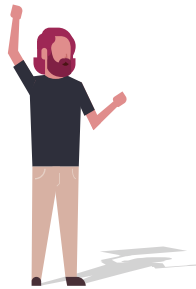


# What is a class action?

A class action is a type of legal case where one person brings a claim on behalf of a wider group of people who have been affected by the same wrongdoing.

The person who brings the class action is known as the 'lead applicant' or 'lead plaintiff'. In some cases, there can be a small number of lead applicants. **The 'defendant' is the company or entity that the class action is brought against.**

The wider group of people that are represented by the lead plaintiff are known as 'group members'.



## Did you know?

Class actions weren't always part of the Australian legal system.

### 1988

A 1988 review by the Australian Law Reform Commission recommended their introduction.

### 1992

It wasn't until 1992 that a class action regime was introduced into the Federal Court of Australia Act 1976 (Cth) to provide deserving Australians with greater access to justice.

## There are three criteria that need to be fulfilled for a class action to take place:



There must be 7 or more people that have claims against the same defendant;



The claims relate to the same or similar circumstances;



The claims must have common issues of fact or law.



## Strength in numbers

When large companies or institutions do the wrong thing and people are harmed or suffer loss as a result, an individual can have little to no means of bringing a legal claim.

Class actions are an important mechanism within Australia's legal system that allow large groups of people to come together to **pursue a claim collectively**.

### The benefits of class actions include:



There are no out-of-pocket expenses



They minimise the administrative and emotional burden involved in a regular legal case

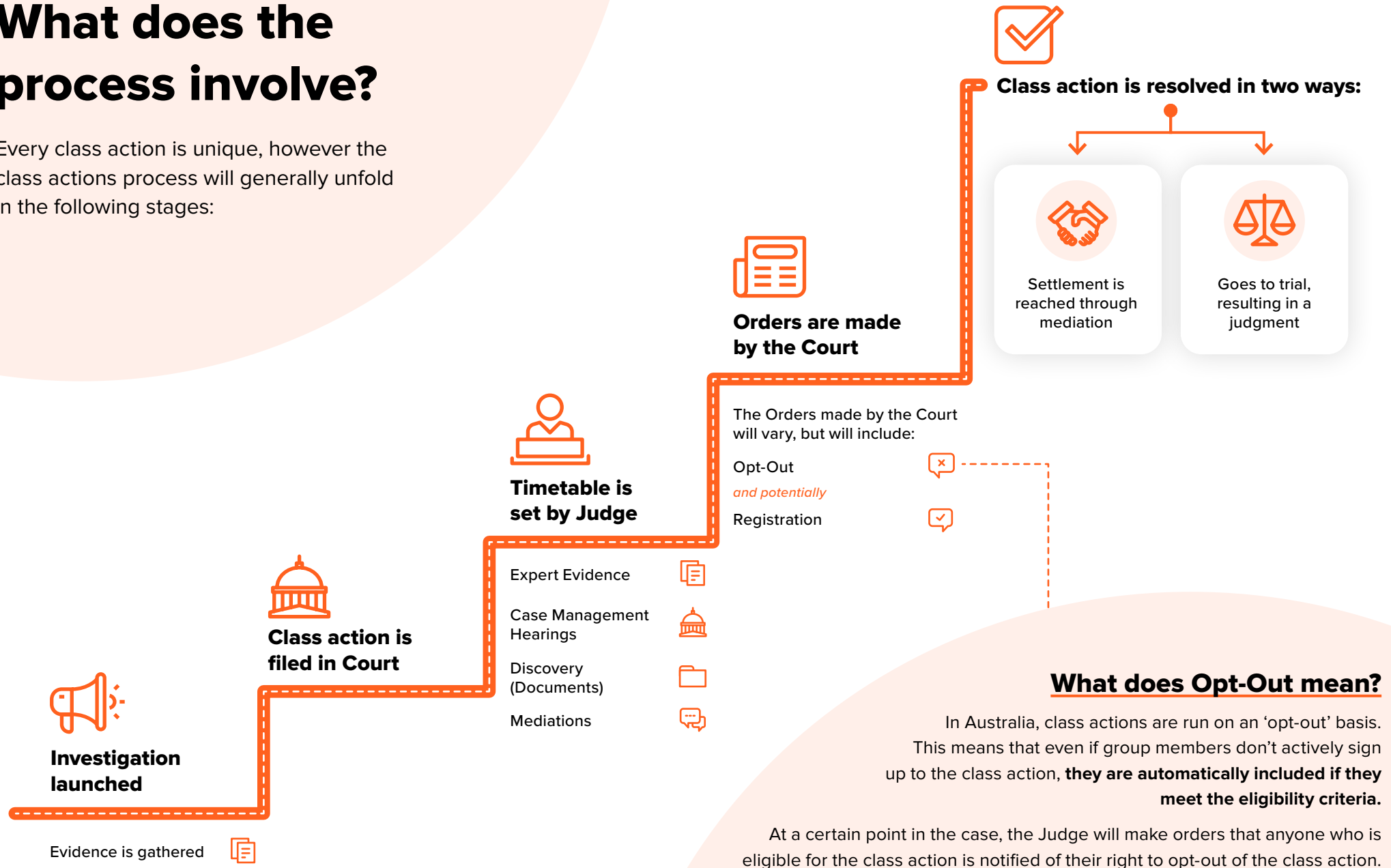


They enable greater access to justice



# What does the process involve?

Every class action is unique, however the class actions process will generally unfold in the following stages:



# We run our class actions in a way that means we carry all costs and financial risk



## If a **successful** outcome

In the event of a successful outcome, the legal fees and costs to run the case are **deducted from the settlement** amount that is approved by the Court.



## If an **unsuccessful** outcome

If the claim is unsuccessful, Shine or a third-party litigation funder will be responsible for paying all costs on behalf of the lead applicant and all group members. This means that either way, there are no out-of-pocket costs to you.



# What can I expect if I join a class action?

There are **two types of clients** in a class action:

## The lead applicant/s:

who represent the wider group in the class action.



**Lead applicant/s play an active role throughout the class action process**, and will experience a similar journey to that of a client in an individual legal case. As it is their case that represents the larger group that have been impacted by the same issue or wrongdoing, lead applicants play a very important role. They will work closely alongside the legal team, to ensure the best possible outcome is delivered for all group members.

## Group members:

who are members of a class action.



In joining a class action as a group member, you can **expect to play a fairly passive role throughout the legal journey**. Very little will be required from you, as the lead applicant and the legal team representing you will carry the bulk of the load. From time to time, you may be contacted by your legal team with requests for information, or to authorise evidence requests to be made on your behalf.

The legal team running your case will do everything possible to ensure your class action experience is as smooth and stress-free as possible, and will keep you informed at every critical stage of the case.



# **What's involved in signing up to a class action?**



## **Sign up**

The first step is to sign up. This will involve either completing a registration form, or speaking to a friendly member of our team. During registration, your contact details, and other information relevant to the case may be required.



## **Registration Confirmed**

Once you have completed your registration, you have successfully signed up to the class action as a group member. You will receive a confirmation email or letter from Shine Lawyers, to confirm your registration.



**As the class action progresses, you may be contacted by your legal team from time to time with:**

- Updates on important case milestones and;
- Requests for information or documents to help build the case and assess your individual claim.



# Who will be representing me?

A dedicated team of lawyers from Shine Lawyers' Class Action practice will represent you, and all members of the class action.

The team will be led by an experienced class actions leader who is supported by a dedicated team of legal experts and support staff including Associates, Solicitors, Law Clerks and Paralegals.

The team is multifaceted, with each member playing a vital role in building the case in the most efficient and cost-effective way possible, so that the best possible outcome for the lead plaintiff and all group members can be achieved.



# How do class actions resolve?

Class actions can be resolved in a number of ways.



## **Settlement is reached through mediation**

As a class action progresses, the Court will order that the plaintiff and the defendant meet to try to reach a 'settlement'. This meeting is known as a 'mediation'. Many class actions will settle at mediation, however some will go to trial.



## **Goes to trial, resulting in a judgment**

Going to trial can be a lengthy and costly process, depending on the complexity of the case. After a period of time, the Court will deliver its judgment. From this point, the class action process differs on a case-by-case basis, and will depend on whether the losing party appeals the judgment.



# What happens when a class action settles?

**When a class action settles, the settlement first has to be approved by the Court including all deductions for legal and other expenses and a scheme for distribution of the settlement to group members.**

As part of the settlement approval process, a notice that is approved by the court will be sent to all group members outlining the basic terms of the proposed settlement. This notice will also include information about how group members can respond to the proposed settlement, which includes:



**After the deadline for registrations or objections has passed, the Court will hold a hearing to determine whether the settlement is approved. If the Court determines that the settlement amount is in the best interests of all group members, the settlement will be approved by the Court.**

## How are class action settlements divided?



The amount of compensation will vary between group members, depending on the individual circumstances of each group member, and the harm or loss that has been suffered.



An administrator will be appointed to the settlement distribution scheme, who is in charge of implementing the terms of the settlement.

The administrator will assess how much compensation each group member is entitled to, then organise the payment to the group members as efficiently as possible.



The Court will continue to oversee this process to ensure the settlement distribution scheme is followed accurately and efficiently until completion.

## How long does it take for class actions to conclude?

The time taken from case commencement, through to resolution and settlement administration depends on the particular case and the nature of the claim.

**It may take anywhere from two to several years for a class action to conclude.**





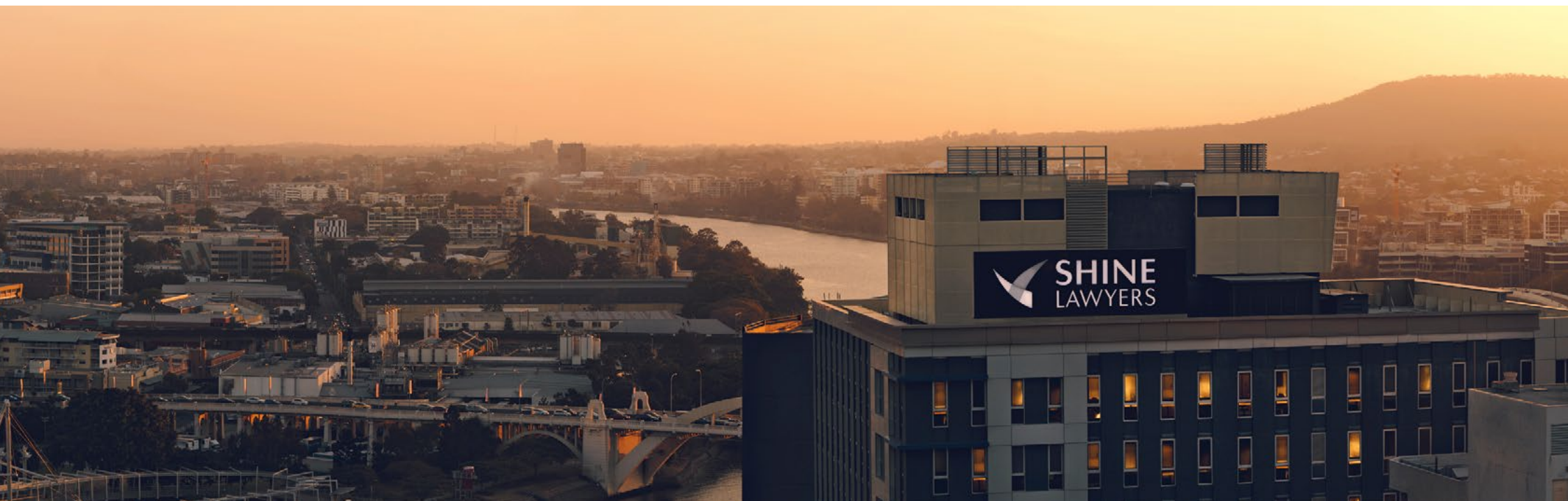


## **Why Shine Lawyers?**

For more than 46 years, Shine Lawyers has stood up for the rights of those who have been wronged.

As one of Australia's largest class actions firms, we have proudly been at the forefront of some of the country's most complex and challenging class actions, fighting to obtain justice for thousands of individuals.

Our team is comprised of the country's most experienced class actions experts and litigators, who between them have over 200 years of industry experience. We possess the skill, industry insight and dedication to deliver the best possible outcomes for deserving Australians.



# A helpful guide to class actions

For more information on Shine Lawyers' class action practice and the full list of class actions we are currently pursuing, please visit

**[www.shine.com.au/class-actions](http://www.shine.com.au/class-actions)**

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