

**OPT OUT NOTICE**  
**FEDERAL COURT OF AUSTRALIA**  
**AUSSIE MPP AND MyPP INSURANCE CLASS ACTION**

**THIS IS AN IMPORTANT NOTICE. IT IS NOT A SCAM. PLEASE READ IT CAREFULLY, AS IT MAY AFFECT YOUR LEGAL RIGHTS.**

- The Federal Court has ordered that this notice be published for the information of persons who are group members in the Aussie MPP and MyPP Insurance Class Action.
- Group Members are persons who purchased a **Mortgage Protection Plan** or **My Protection Plan** from an Aussie Home Loan mortgage broker between 28 February 2018 and 29 February 2024.

As explained further below, you have two options in response to this notice:

1. Remain in the class action, such that any claims you may have (as explained below) will be determined as part of the class action and you may not be able to pursue those claims on your own; or
2. Return the opt out form at Annexure A by 4.00pm (AEST) on 16 April 2026 - you will no longer be a Group Member and will:
  - a. not have any claims you may have determined as part of the class action and will lose your right to try and get any compensation from the class action;
  - b. retain the ability to pursue those claims on your own (subject to any applicable time

**A. WHY AM I GETTING THIS NOTICE?**

---

The Respondents' records show that you purchased a Mortgage Protection Plan (**MPP**) or My Protection Plan (**MyPP**) insurance policy from an Aussie Home Loans mortgage broker. **This means you are a Group Member in the Aussie MPP and MyPP Insurance Class Action.** If the class action succeeds, **you may be entitled to compensation. The basis on which any compensation would be calculated is something that will be determined during the class action.**

**B. WHAT IS THE AUSSIE HOME LOANS CLASS ACTION ABOUT?**

---

The Aussie MPP and MyPP Insurance Class Action alleges that:

1. Aussie mortgage brokers gave "personal advice" in recommending that customers purchase MPP and MyPP policies;
2. Because they gave "personal advice", the brokers had duties to;
  - (a) act in customers' best interests; and
  - (b) give customers appropriate advice in relation to insurance products;
3. The brokers failed to comply with their duties in recommending the MPP and MyPP policies, because those policies:
  - (a) were unsuitable and uncompetitive for all Group Members; and
  - (b) cost more, and had worse terms and conditions, than at least 14 other life, TPD (total and permanent disablement) and trauma insurance policies.

The class action also alleges that mortgage brokers engaged in misleading or deceptive conduct which led you into obtaining MPP or MyPP policies.

The Respondents deny these allegations.

The class action seeks the repayment of the premiums (less any amounts paid to you under the policy) you paid for your MPP or MyPP insurance policy.

The class action is being run by Shine Lawyers and is funded by Woodsford. If you require any information you can visit: <https://www.shine.com.au/service/class-actions/aussie-home-loans-insurance-class-action>.

The Federal Court of Australia has ordered that you receive this notice. You should read this notice carefully. Any questions you have concerning the matters contained in this notice should not be directed to the Court. If there is anything that you do not understand you should seek legal advice.

You may register to receive updates and information about the class action here: <https://www.shine.com.au/service/class-actions/aussie-home-loans-insurance-class-action>.

### **C. ARE YOU A GROUP MEMBER?**

---

You are a Group Member if, between 28 February 2018 and 29 February 2024, you acquired a MPP or MyPP policy, manufactured by Australian Life Insurance Distribution Pty Ltd (**ALID**) in respect of a home loan arranged by a broker authorised by Lendi Group Distribution Pty Ltd (formerly Aussie Home Loans Investments Pty Ltd) or Aussie Home Loans Pty Limited (together **Aussie**).

If you are unsure whether or not you are a Group Member, you may contact Shine Lawyers at [aussiehomeloans@shine.com.au](mailto:aussiehomeloans@shine.com.au) or 1800 560 665 or seek your own legal advice without delay.

### **D. WHAT IS A CLASS ACTION?**

---

A class action is an action that is brought by one person/s (the **Applicant**) on their own behalf and on behalf of a class of people (the **Group Members**) against another person/s (the **Respondents**) where the Applicant and the Group Members have similar claims against the Respondent.

In this class action, there are two Respondents: ALID and Lendi Group Distribution Pty Ltd (formerly Aussie Home Loans Investments Pty Ltd). The Applicant is Mr Daniel McDonald.

In a class action, there is an initial trial of disputed issues that are common across the Group Members, and also of the Applicant's claim against the Respondents. However, the initial trial may not resolve all of the issues in dispute between each Group Member and the Respondents. Claims you may have against the Respondents may need to be determined in a separate trial following the initial trial. The information set out below, including the information on funding arrangements, is about the initial trial.

Group Members in a class action **are not** individually responsible for upfront payment of the legal costs of bringing the class action or other expenses such as adverse costs orders. In a class action, only the Applicant is responsible for paying those costs initially, but the costs may be deducted from any settlement or judgment if the class action is successful (as explained in Section F below).

Group Members who do not opt out are "bound" by the outcome in the class action, unless they have opted out of the proceeding. A binding result can happen in two ways, being either a judgment following a trial, or a settlement at any time. If there is a judgment or a settlement of a class action, Group Members will be unable to pursue the same claims and may not be able to pursue similar or related claims against the Respondents in other legal proceedings. Group Members should note that:

- In a judgment following trial, the Court will decide various factual and legal issues regarding the Applicant and Group Members' claims. Unless those decisions are successfully appealed, they bind the Applicant, Group Members (who do not opt out) and the Respondents. Importantly, if there needs to be further proceedings between a Group Member and a Respondent to determine the Group Member's individual claim, it is likely that neither of them will be permitted to raise arguments in that proceeding which are inconsistent with a factual or legal issue decided in the class action.
- A class action settlement that provides compensation to Group Members is likely to extinguish all rights to compensation which a Group Member (who does not opt out) might have against the Respondent which arise out of the events or transactions which are the subject-matter of the class action.

Group Members who *do* opt out will not be bound by the result of the class action. If you consider that you have claims against any of the Respondents which are based on your individual circumstances or otherwise additional to the claims described in the class action, then it is important that you seek legal advice about the potential binding effects of the class action before the deadline for opting out (see below).

## **E. WHAT IS 'OPT OUT'?**

---

The Applicant does not need to seek Group Members' consent to commence a class action. However, Group Members can choose to opt out of having their claims determined through the class action. An explanation of how Group Members can opt out is below in the section headed "**I am a Group Member, what are my options?**".

## **F. ARE THERE ANY COSTS ASSOCIATED WITH THE CLASS ACTION?**

---

The costs of running the class action are being funded by Woodsford and Shine Lawyers. You will **not be required to pay any "out of pocket" legal expenses** by remaining a Group Member. To bring the class action, the Applicant signed a litigation funding agreement with Woodsford (**Funding Agreement**). The Funding Agreement means that Woodsford is paying some of the Applicant's legal costs, including the costs of bringing the claim on behalf of Group Members. Shine Lawyers is also deferring some of its costs.

If the class action is unsuccessful:

- Woodsford will pay or procure payment by an insurer of any of the Respondents' costs that the Applicant is ordered to pay; and
- you will not be liable for any legal costs.

**Gross Proceeds** are the total amount received (including any settlement sum, or compensation, costs and damages award by the Court and interest) paid or credited to, in favour of, for the benefit of, or to the order of, the Applicant or Group Members, by the Respondents or any third party which relates to the subject matter of the class action

Pursuant to the Funding Agreement, The Applicant will apply to the Court for the following costs to be deducted from Gross Proceeds:

1. *first*, payment to the Applicant the amount approved by the Court for his time and costs of being the Applicant;
2. *second*, Woodsford be repaid its reasonable costs (**Cash Outlay**) advanced by Woodsford and any Adverse Costs paid or payable by Woodsford or the after-the-event (**ATE**) Insurer;
3. *third*:
  - (a) Woodsford, a funding commission (known as a "Success Fee") which is equivalent to 25% of the Gross Proceeds;
  - (b) Shine Lawyers, its deferred disbursements, deferred fees and a 25% uplift on those deferred fees;

- (c) the unpaid insurance premiums (including deferred and contingent) due under any ATE insurance policy; and

The remaining balance of Gross Proceeds after deduction of the above costs will be distributed to Group Members in accordance with a **distribution scheme** approved by the Court (which may also deal with the payment of the costs of the distribution scheme).

The **Cash Outlay** is the total amount of legal and other fees and costs (including GST) advanced by Woodsford plus all other fees and costs relating to the class action reasonably incurred by Woodsford. These include: (1) solicitor fees; (2) third party costs (including barristers' fees); and (3) insurance premiums (but not deferred or conditional) and other costs relating to the ATE insurance including the costs of any deeds of indemnity purchased from the ATE insurers to satisfy the Respondents' requests and/or applications for security for costs.

The Applicant will also apply for an order that will fairly distribute the Applicant's costs among all group members who have benefited from the action. This may be by way of what is known as a **Common Fund Order** or may be by another order of the Court. The Applicant will apply for a Common Fund Order in an amount consistent with Woodsford's Success Fee, which is 25% of Gross Proceeds.

The Common Fund Order and the amounts proposed to be deducted from the Gross Proceeds is **strictly subject to the Court's Approval**.

### **Adverse Costs and ATE Insurance**

If the class action is unsuccessful, the Court may order the Applicant (and/or other third parties such as Woodsford) to pay some part of a successful Respondents' costs (known as **Adverse Costs**).

To protect against the risk of Adverse Costs, Woodsford has:

1. indemnified the Applicant (and Group Members who participate) against liability for any Adverse Costs order made against the Applicant; and
2. obtained ATE insurance to:
  - (a) provide the Applicant and Group Members with additional protection against the risk of adverse costs (the ATE insurance, provided by an A-rated ATE insurer, expressly covers Adverse Costs payable by the Applicant); and
  - (b) enable the Applicant to provide security to the Respondents for their costs.

In return for this protection against the Adverse Costs risk, the Applicant has agreed to apply for a Court order that the cost of any such ATE insurance, including any deferred and contingent ATE insurance premiums, be payable from the Gross Proceeds (in addition to the other costs mentioned above, including Woodsford's Success Fee) as referred to above.

### **Costs associated with individual issues in your own claim**

As explained in Part D, the class action will involve an initial trial of common questions and the Applicant's own claims, which may be followed by separate individual trials to determine the claims of Group Members. The costs of any subsequent individual trial may not be covered by the arrangements set out above. If preparing or finalising your personal claim requires work to be done in relation to issues that are specific to your claim, Shine Lawyers or other lawyers may do that work for you.

Please note, if you engage Shine Lawyers to act for you in preparing or finalising your personal claim, that engagement may require you to enter into a retainer with Shine Lawyers (including a separate retainer if you have already entered into a retainer with Shine Lawyers for the purposes of the class action) and pay fees for that work.

If you have any questions, please see the section headed " **What do I do if I have further questions?**" below.

Class actions are often settled out of court. If this occurs in the class action, you may be able to claim from the settlement amount without retaining a lawyer.

### **G. I AM A GROUP MEMBER, WHAT ARE MY OPTIONS?**

#### **Option 1 –Remain in the class action.**

Unless you choose Option 2 below, you will remain in the class action. This means that you will be bound by any settlement or judgment of the class action.

If the case is successful, you may be entitled to share in the benefit of any compensation that is awarded. If you wish to receive updates about the class action, you can register your details with Shine Lawyers at <https://www.shine.com.au/service/class-actions/aussie-home-loans-insurance-class-action>.

If the case is not successful (or less successful than you would like) then you will not be able to later sue the Respondents for the same or possibly related claims in a different case.

## **Option 2 – Opt out of the class action.**

If you do not wish to remain in the class action you can opt out. This means that your claims will not be decided as part of the class action.

If you opt out you will not be bound by, entitled to share in or included in the benefit of any order, judgment or settlement in the class action. If you opt out you will preserve your ability to bring your own claim against the Respondents, provided you do so within the time limit applicable to your claim. You should seek your own legal advice about that and any time limits that may apply. You will also be able to maintain your MPP or MyPP policy.

If you wish to opt out you must complete the form which is at **Annexure A** to this notice and return it to the Registrar of the Federal Court of Australia at the address on the form by no later than 4.00pm (AEST) on 16 April 2026. **If the form does not reach the Registrar by this date you will remain a Group Member.**

You should submit the opt out notice if:

1. you qualify as a Group Member and you wish to opt out of the class action; or
2. you believe that you have been incorrectly identified as a Group Member, because you do not meet the criteria set out in the section headed "Are you a group member" above. As mentioned above, if you are unsure whether or not you are a Group Member, you should contact [aussiehomeloans@shine.com.au](mailto:aussiehomeloans@shine.com.au) without delay.

Each Group Member seeking to opt out should fill out a separate form.

## **H. WHERE CAN YOU OBTAIN COPIES OF RELEVANT DOCUMENTS?**

The Applicant's Amended Statement of Claim (**ASOC**), which set out the allegations against the Respondents is available here: <https://www.shine.com.au/service/class-actions/aussie-home-loans-insurance-class-action>.

The Respondents' Defences to the ASOC are available in the above link. Copies of the relevant documents may be obtained by contacting a District Registry of the Federal Court (contact details are available at [www.fedcourt.gov.au](http://www.fedcourt.gov.au)) and paying the appropriate inspection fee.

A copy of the Applicant's Funding Agreement can be accessed on request.

## **I. WHAT DO I DO IF I HAVE FURTHER QUESTIONS?**

---

You can get more information by visiting <https://www.shine.com.au/service/class-actions/aussie-home-loans-insurance-class-action> or seeking your own legal advice. You should not delay in making your decision.

**Annexure A**

Form 21  
Rule 9.34

**OPT OUT NOTICE**

**IMPORTANT:** You should only complete this form if you do **NOT** want to participate in the Class Action

No. VID 172 of 2024

Federal Court of Australia

District Registry: Victoria

Division: General

**Daniel McDonald**

Applicant

**Australian Life Insurance Distribution Pty Ltd (ACN 103 157 811) and**

**Lendi Group Distribution Pty Ltd (ACN 105 265 861)**

Respondents

**To: The Registrar**

**Federal Court of Australia**

**Victoria District Registry**

**Owen Dixon Commonwealth Law Courts Building**

**305 William Street**

**Melbourne VIC 3000**

I, ..... (*insert name*), a Group Member in this representative proceeding, give notice under section 33J of the *Federal Court of Australia Act 1976*, that [Name of group member] is opting out of the class action.

Date: \_\_\_\_\_

Signed by: \_\_\_\_\_

Group Member / Lawyer for the Group Member (mark as applicable)