

FEDERAL COURT OF AUSTRALIA

CASH CONVERTERS QLD CLASS ACTIONS

Notice to class members

1. Why is this notice important?

Two class actions have been commenced in the Federal Court of Australia that claim that various Cash Converters companies should refund to customers a fee styled as a 'broker's' fee or a 'brokerage' fee and related interest charged on loans made in Queensland. The Federal Court has ordered that this notice be published for the information of persons who might be class members and may be affected by the action. **You should read this notice carefully. Any questions you have concerning the matters contained in this notice should be directed to Maurice Blackburn Lawyers on 1800 550 587 and should not be directed to the Court.** Maurice Blackburn is the law firm conducting the class actions on behalf of Mr Lynch and Ms McKenzie, who are the applicants in the class actions. If there is anything in this notice that you do not understand, you should seek legal advice.

2. What is a class action?

A class action is an action that is brought by one person, the applicant, on his or her own behalf and on behalf of a group of people, class members, against another person or persons, the respondents, where the applicant and the class members have similar claims against the respondents.

Class members are bound by any judgment or settlement entered into in a class action unless they have opted out of the proceeding. This means that:

- (a) if the class action is successful, class members may be eligible for a share of any settlement monies or Court-awarded damages;
- (b) if the class action is unsuccessful, class members are bound by that result; and
- (c) regardless of the outcome of the class action, class members will not be able to pursue their claims against the respondents in separate legal proceedings unless they have opted out.

If you consider that you have claims against a respondent which are based on your individual circumstances or are otherwise additional to the claims described in the class actions, then it is important that you seek independent legal advice about the potential binding effects of the class actions before the deadline for opting out (see below).

3. What is Opt Out?

The applicant in a class action does not need to seek the consent of class members to commence a class action on their behalf or to identify a specific class member. However, class members can cease to be class members by opting out of the class action. An explanation of how class members are able to opt out is found below in the section headed "What will happen if you opt out?".

4. What are these class actions? Are you a class member?

The first class action is brought by Mr Lynch about personal loans ('the Qld Personal Loans Class Action'). You are a class member in the Qld Personal Loans Class Action if you obtained a Personal Loan between 30 July 2009 and 30 June 2013 on which a fee styled as 'broker's' fee or a 'brokerage' fee was charged (a) by going into a Cash Converters store in Queensland or (b) by applying online and you were a resident of Queensland at the time.

The second class action is brought by Ms McKenzie about cash advances ('the Qld Cash Advances Class Action'). You are a class member in the Qld Cash Advances Class Action if you obtained a Cash Advance (whether online or by going into a store) between 28 April 2010 and 30 June 2013 where Cash Converters (Cash Advance) Pty Ltd, Cash Converters (Stores) Pty Ltd or Bak Property Pty Ltd was the lender and you paid a fee styled as a 'broker's' fee or a 'brokerage' fee to a company that was owned by Cash Converters International Ltd.

Maurice Blackburn is the law firm conducting the class actions on behalf of Mr Lynch and Ms McKenzie. If you are unsure whether or not you are a class member, you should contact Maurice Blackburn Lawyers on 1800 550 587 or at cashconverters@mauriceblackburn.com.au or seek your own legal advice without delay. You do not need to contact Cash Converters in relation to this notice.

Mr Lynch and Ms McKenzie allege that the fee styled as a 'broker's' fee or a 'brokerage' fee caused the respondents to breach consumer protection laws imposing interest rate caps for loans in Queensland and further that the respondents engaged in unconscionable conduct by requiring consumers to pay a fee styled as a 'broker's' fee or a 'brokerage' fee. All of the respondents are companies in the Cash Converters group. The respondents deny the allegations and are defending the class actions. The respondents claim that the brokerage fee was lawful and did not contravene the interest rate caps for loans in Queensland. The respondents deny any unconscionable conduct.

5. Will you be liable for legal costs?

You will **not become liable for any legal costs** simply by remaining a class member for the determination of the common questions. However:

- (a) if the preparation or finalisation of your personal claim requires work to be done in relation to issues that are specific to your claim, you can engage Maurice Blackburn Lawyers or other lawyers to do that work for you;
- (b) if any compensation becomes payable to you as a result of any order, judgment or settlement in the class actions, the Court may make an order that some of that compensation be used to help pay a share of the costs which are incurred by the applicants in running the class actions but which are not able to be recovered from the respondents; and
- (c) class actions are often settled out of court. If this occurs in the class actions, you may be able to claim from the settlement amount without retaining a lawyer.

6. What will happen if you do nothing?

Unless you opt out, you will remain a class member and will be bound by the outcome of the class actions. If the class actions are successful, you will be entitled to share in the benefit of any order, judgment or settlement in favour of the applicants and the group members in each class action. You may have to satisfy certain conditions before your entitlement arises. If the actions are unsuccessful or are not as successful as you might have wished, you will not be able to sue on the same claims in any other proceedings.

If you wish to remain a class member there is **nothing you need to do** at the present time. However, if you wish you may contact the applicants' lawyers, Maurice Blackburn Lawyers, on the number above and register as a group member so that future notices about the class actions can be sent to your preferred address.

7. What will happen if you opt out?

If you do not wish to remain a class member, you must opt out of the class actions. If you opt out you will not be bound by or entitled to share in the benefit of any order, judgment or settlement in the class actions, but you will be at liberty to bring your own legal case against the respondents, provided that you issue Court proceedings within the time limit applicable to your claim. If you wish to bring your own legal case against the respondents, you should seek your own legal advice about your claim and the applicable time limit **prior** to opting out.

If you wish to opt out of the class actions and cease to be a class member, you **must** do so by completing an “**Opt out notice**” and returning it to the Registrar of the Federal Court of Australia at the address on the form. **IMPORTANT: the Notice must reach the Registrar by no later than 4.00 pm on 1 October 2018**, otherwise it will not be effective.

Each class member should fill out a separate form although one form will suffice to opt out of both class actions.

8. Where can you obtain copies of relevant documents?

Copies of relevant documents, including the Opt out notice, applications, statements of claim, and defences, may be obtained by:

- (a) downloading them from <https://www.mauriceblackburn.com.au/current-class-actions/cash-converters-class-action-in-queensland/>;
- (b) inspecting them between 9am and 5pm at one of the offices of Maurice Blackburn Lawyers, contact details for which are available from www.mauriceblackburn.com.au or by calling 1800 550 587;
- (c) inspecting them on the Federal Court website: www.fedcourt.gov.au or by visiting the Queensland District Registry of the Federal Court in Brisbane: the addresses for these registries are available at www.fedcourt.gov.au or by calling the Queensland District Registry on (07) 3248 1100.

This notice is published pursuant to orders of the Federal Court of Australia made on 20 June 2018.

Form 21
Rule 9.34

Opt out notice – Cash Converters Qld Class Actions

No. NSD 900 of 2015
No. NSD 601 of 2016

Federal Court of Australia
District Registry: NSW
Division: General

Sean Lynch and Kim McKenzie

Applicants

Cash Converters International Limited ACN 069 141 546 and others

Respondents

To: The Registrar
Federal Court of Australia
NSW District Registry
Locked Bag A6000
Sydney South NSW 1235

_____, a group member in the representative proceedings, gives notice under section 33J of the *Federal Court of Australia Act 1976*, that he/she is opting out of one or both of the representative proceedings below (please mark one or both of the class actions that you wish to opt out of):

Qld Personal Loans Class Action Qld Cash Advances Class Action

Class member details

_____ Date:.....
Print name Telephone:
_____ Email:
Signature Address:
.....

If you are signing as the solicitor or representative:

Name:..... Date:.....
Capacity in which you are signing:
Telephone: Email:.....
Address: