

## “ANNEXURE A”

### NOTICE OF PROPOSED SETTLEMENT IMPORTANT LEGAL NOTICE

*Allen Dodd as trustee for the Dodd Superannuation Fund v Shine Corporate Ltd  
Supreme Court of Queensland Proceeding No. 10009/2017*

#### THE SHINE CORPORATE LTD CLASS ACTION

This notice contains important information about the Shine Corporate Ltd Class Action (**Class Action**). You should read this notice carefully. If there is anything that you do not understand, you should seek legal advice.

On **6 August 2019**, the Supreme Court of Queensland (**Court**) will be asked to approve a proposed settlement of the Class Action. If approved, the settlement will affect the legal rights of Group Members in the Class Action.

Accordingly, the Court has ordered that this notice be sent to all Group Members.

#### 1 BACKGROUND TO SHINE CLASS ACTION

The Class Action was commenced in the Supreme Court of Queensland on 26 September 2017, by Allen Dodd as Trustee for the Dodd Superannuation Fund (**Plaintiff**) against Shine Corporate Ltd (**Defendant or Shine**).

You are a Group Member of the Class Action, if you:

- (a) acquired an interest in ordinary fully-paid shares in Shine (**Shine Shares**) during the period 27 August 2014 to 29 January 2016 (**Relevant Period**);
- (b) were still holding some or all of those Shine Shares on or after the Relevant Period; and/or
- (c) disposed of some or all your Shine Shares during the Relevant Period.

The Plaintiff alleges, amongst other things, that during the Relevant Period, Shine:

- (a) contravened continuous disclosure obligations under *Corporations Act 2001* (Cth); and/or
- (b) made statements to the market about its financial position that were misleading or deceptive.

As a result, the Plaintiff alleges that Shine Shares traded at an inflated price thereby causing loss to Group Members. Shine has not admitted liability for the allegations.

The Plaintiff is represented by Quinn Emanuel Urquhart & Sullivan (**Quinn Emanuel**), and the class action is being funded by Regency Funding Pty Ltd (**Funder or Regency**).

## **2 PROPOSED SETTLEMENT OF THE CLASS ACTION**

While Shine has not admitted any liability in the Class Action, the Plaintiff and Shine have still agreed on terms for a proposed settlement. Under the terms of the proposed settlement:

- (a) Shine will pay the Plaintiff (including on behalf of Group Members), but without admitting any liability, a fixed lump sum to settle all the claims in the Class Action (**Settlement Amount**).
- (b) Subject to any contrary orders of the Court, the Settlement Amount will (after the deduction of certain amounts, see section 5) be distributed amongst those Group Members who registered their claim with Quinn Emanuel by the registration deadline, being 29 January 2019 (**Registered Group Members**) (see, in particular, sections 6 to 9 below).
- (c) The Plaintiff and Group Members will release Shine and its related parties from any and all claims arising from, connected with, or related to:
  - (i) any matter which is or ever has been the subject of the Class Action;
  - (ii) the circumstances or allegations giving rise to or referred to in the Class Action;
  - (iii) losses allegedly suffered arising or resulting from or connected with Shine's financial performance and market disclosures during the Relevant Period; and
  - (iv) costs of, or incidental to, the Class Action.

The Plaintiff and all Group Members will be bound by the proposed settlement and will be unable to pursue any further claim against Shine or its related parties in respect of those matters if it is approved by the Court.

For the proposed settlement to take effect, it must be approved by the Court pursuant to *s 103R of the Civil Proceedings Act 2011*(Qld). If the settlement is not approved, the Class Action will continue.

The Court will also be asked to approve a 'Settlement Distribution Scheme'. The terms of the Settlement Distribution Scheme address how the Settlement Amount will be distributed among the Registered Group Members. A copy of the proposed Settlement Distribution Scheme is available to all Group Members (registered or unregistered) on request to Quinn Emmanuel.

### **3 CONFIDENTIALITY**

Shine and the Plaintiff have agreed that the terms of the proposed settlement are to be kept confidential. The Court has made orders to protect this confidentiality. However, if you wish to object or be heard at the Settlement Approval Hearing, you will have a right to access confidential information so that you can participate in the Settlement Approval Hearing but you will be required to maintain confidentiality in any protected information you receive. You should seek legal advice if you wish to obtain this confidential information and/or participate in the Settlement Approval Hearing.

### **4 FUNDING OF THE CLASS ACTION**

Regency has provided funding to the Plaintiff to commence and conduct the Class Action on his own behalf and on behalf of all Group Members. Regency provided funding pursuant to a litigation funding agreement between Regency and the Plaintiff (Funding Agreement), as well as those Funding Agreements entered into between Regency and several Group Members.

The Funding Agreement provided, amongst other things, that:

- (a) Regency pay all costs incurred in conducting the Class Action (**Legal Costs**);
- (b) Regency pay any adverse costs order and to provide any security for Shine's costs in the Class Action, as required by the Court; and
- (c) at the conclusion of the Class Action (whether by settlement or judgment), Regency would be entitled to receive, as first priority out of the settlement or judgment amount (i) reimbursement of the amounts it has paid, or is liable to pay in respect of the costs of conducting the Shine Class Action; and (ii) a commission of 25% of the net settlement sum after the deduction of (i), as consideration for funding the Class Action.

The Plaintiff has applied to the Court for orders seeking to make all eligible Group Members bound by a similar funding arrangement to the Plaintiff. The effect of such orders will be that all Group Members will be treated as though they signed a Funding Agreement with Regency (Common Fund Application).

The Common Fund Application will be heard on **6 August 2019** before the Supreme Court of Queensland in Brisbane. Any Group Member who wished to object, support or otherwise be

heard in relation to the Common Fund Application, was required to notify the parties of their intention to do so by 29 January 2019. No objections were received.

The Common Fund Application sets out the Plaintiff's proposed funding arrangement between Group Members and the Funder (Funding Terms). If the Common Fund Application is ordered, the Plaintiff and eligible Registered Group Members will be bound by its Funding Terms, subject to any further order of the Court. A copy of the Common Fund Application and Funding Terms are available on request to Quinn Emanuel.

## **5 PROPOSED DEDUCTIONS FROM THE RESOLUTION SUM**

If the Court approves settlement and makes a common fund order in accordance with the Funding Terms, the Plaintiff proposes that the Settlement Amount be distributed in the following priority:

- (a) to Regency, the Legal Costs (and disbursements) incurred and paid to Quinn Emanuel, as the Plaintiff's solicitors in the Class Action;
- (b) to Regency, a proposed funding commission of 25% (or any other lesser amount the Court orders)
- (c) to the Plaintiff, an amount of \$25,000 as compensation for time and expenditure reasonably incurred by the Plaintiff in the interests of prosecuting the Class Action on behalf of the Group Members as a whole; and
- (d) to the eligible Registered Group Members.

If the Court approves the settlement and the Plaintiff's proposed distribution, the remainder of the Settlement Amount will be distributed to eligible Registered Group Members.

## **6 WHO THIS NOTICE AFFECTS**

This notice affects the Plaintiff and all Group Members in the Class Action. You are receiving this notice because you have been identified as a person who may have acquired an interest in Shine Shares during the Relevant Period. If you did not acquire an interest in Shine Shares during the Relevant Period, please ignore this notice.

For the purposes of the proposed settlement, the Group Members in the Class Action can be divided into three separate categories, each of which will be affected in different ways if the proposed settlement is approved by the Court:

Registered Group Members (see Section 7 below) — Registered Group Members are those Group Members who registered their claim with Quinn Emanuel by completing and submitting a registration form by 29 January 2019.

Unregistered Group Members (see Section 8 below) — Unregistered Group Members are those Group Members who did not either: (i) register their claim with Quinn Emanuel by 29 January 2019; and (ii) did not file with the Court a valid opt out notice, indicating their desire to opt out of the Class Action.

Former Group Members (see Section 9 below) — Former Group Members are those persons who otherwise meet the definition of a Group Member but who, filed with the Court and Quinn Emanuel, on or before by 29 January 2019 a valid opt-out notice. Former Group Members are neither registered nor unregistered but are no longer considered Group Members at all.

## **7 REGISTERED GROUP MEMBERS**

For Registered Group Members, there is nothing which you need to do at this stage in order to progress your claim or participate in the proposed settlement. If the proposed settlement is approved by the Court, Quinn Emanuel will be in touch with you soon to:

- (a) verify your share trade information in Shine during the Relevant Period; and
- (b) confirm your expected entitlement (if any) from the Settlement Amount under the Settlement Distribution Scheme.

## **8 UNREGISTERED GROUP MEMBERS**

For Unregistered Group Members, if the proposed settlement is approved by the Court, and in the absence of any further order of the Court:

- (a) you will be bound by the settlement, which means that you will not be able to pursue a claim against Shine in relation to the matters that are the subject of the releases referred to above; and
- (b) **you will not be entitled to participate in the settlement**, and will therefore not be entitled to receive any distribution of the Settlement Amount.

## **9 FORMER GROUP MEMBERS**

For those Group Members who, on or before 29 January 2019, filed with the Court a valid opt out notice, you are no longer a Group Member in the Class Action, and are not bound by the outcome of the Class Action. Accordingly, if the proposed settlement is approved by the Court, you will not be entitled to participate in the settlement, and will therefore not be entitled to receive any distribution from the Settlement Amount. But you will also not be precluded from pursuing a separate claim against Shine in relation to the matters that are the subject of the releases referred to above.

## 10 OBJECTIONS TO SETTLEMENT APPROVAL

If any Group Member (whether registered or unregistered) wishes to make submissions on why the Court should not approve the proposed settlement, or should not approve the payments to Regency, Quinn Emanuel and/or the Plaintiff as set out in Section 5, you are required to file with the Court, and serve on Quinn Emanuel, by no later than 28 June 2018, any submissions on:

- (a) why the Court should not approve the proposed settlement, or should not approve the payments referred to above to be paid to Regency, Quinn Emanuel and the Plaintiff out of the Settlement Amount; and/or
- (b) why the Court should allow you, as an Unregistered Group Member to participate in the proposed settlement (assuming it is approved by the Court), notwithstanding that you did not register your claim with Quinn Emanuel prior to the registration deadline of 29 January 2019.

You must also complete Schedule A of this Notice giving notice of your intention to appear and be heard. The hearing has been scheduled for 6 August 2019 in Brisbane.

The address of the Court and of Quinn Emanuel are set out below, in Section 11.

## 11 ADDRESSES FOR FILING / SERVICE OF NOTICES

The address for Quinn Emanuel is:

**Level 15,111 Elizabeth Street  
Sydney, NSW 2000**

The address for the Court is:

Postal Address: Supreme Court of Queensland  
PO Box 15167  
City East Qld 4002

Street Address: Supreme Court of Queensland  
415 George Street  
Brisbane City QLD 4000

If you have any questions in relation to the above, or wish to obtain copies of other relevant documents, you should contact Quinn Emanuel by email, **meaganbertolatti@quinnemanuel.com**, or by phone on **(02) 9146 3548**.

**“SCHEDULE A”**

**SUPREME COURT OF QUEENSLAND**

REGISTRY: Brisbane

NUMBER: 10009/17

Plaintiff: **ALLEN DODD AS TRUSTEE FOR THE DODD  
SUPERANNUATION FUND ABN 44 675 922 732**

AND

Defendant: **SHINE CORPORATE LTD ACN 162 817 905**

**NOTICE OF OBJECTION TO PROPOSED SETTLEMENT**

The group member identified below gives notice that an objection is made to the proposed settlement of the above-named representative proceeding.

Name of Group Member:	
Address of Group Member:	
Phone number of Group Member:	
Email address of Group Member:	
Name of legal representative (if any):	
Phone number of legal representative (if any):	
Email address of legal representative (if any):	

	<b>Please circle:</b>	
Do you object to the Proposed Settlement	Support	Object
Do you intend to lead evidence?	Yes	No
Do you intend to appear at the hearing?	Yes	No

<b>REASONS FOR OBJECTION:</b>

**(Note: You can also attach your written reasons for the objection to this notice.)**

Signature of Group Member: \_\_\_\_\_

Capacity (if signed on behalf of the Group Member): \_\_\_\_\_

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