

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

Please read this Notice carefully. It may have information that affects your legal rights.

What is the Shine Corporate Class Action?

On 26 September 2017, Allen Dodd as Trustee for the Dodd Superannuation Fund, represented by Quinn Emanuel Urquhart & Sullivan (**Quinn Emanuel**), commenced a class action against Shine Corporate Ltd (the **Defendant or Shine**).

The class action was filed on behalf of Shine shareholders for alleged financial losses sustained as a result of the Defendant's alleged contraventions of legislation between **27 August 2014 and 29 January 2016** (the **Relevant Period**).

If you purchased shares in Shine during the Relevant Period, you may be a Group Member in the **Shine Corporate Class Action**.

What do Group Members need to do?

If you think you may be a Group Member of the Shine Corporate Class Action because you purchased shares in Shine during the Relevant Period, you should consider your response to this Notice **by 4pm (AEST) 29 January 2019**.

If you choose **not** to respond to this Notice, you may lose your right to any compensation arising out of the Shine Corporate Class Action. Please call **Quinn Emanuel** on **(02) 9146 3548**, or visit **www.shinesharesaction.com.au** for more information.

If you think you may be a Group Member because you purchased shares in Shine during the Relevant Period, you should read this entire Notice, as it may affect your legal rights.

Next Steps:

Option 1 – Register your interest with Quinn Emanuel to participate in a Settlement

Group Members are entitled to **REGISTER THEIR INTEREST** in the Shine Corporate Class Action by **4pm (AEST) on 29 January 2019**. There is no cost to Group Members to register, and by doing so, you may be entitled to compensation if a settlement is reached between the parties at mediation, to be held on 21 February 2019 (**Mediation**) (see section [6] of the Notice: **Option 1 - Why Register?**).

The deadline to REGISTER is 4pm (AEST) 29 JANUARY 2019

Option 2 – Opt Out Process

You must **OPT OUT** of the Shine Corporate Class Action by **4pm (AEST) 29 January 2019** if you no longer wish to be a Group Member of the class action. If you do opt-out, you will not be entitled to receive any compensation arising out of any settlement reached at Mediation in the Shine Corporate Class Action, you will however be entitled to pursue your rights separately against the Defendant, should you wish to do so (see section [6] of the Notice: **Option 2 - Opt Out and cease to be a Group Member**).

The deadline to OPT OUT is 4pm (AEST) 29 JANUARY 2019

The Plaintiff's Common Fund Application

The Plaintiff has applied to the Court for a common fund order. Group Members of the Shine Corporate Class Action must decide whether to support, oppose or otherwise be heard by the Court in respect of the application. The Common Fund Application has been set down by the Court for a hearing on 12 February 2019.

A common fund order is a Court order that all group members in a class action pay a portion of any compensation they may be entitled receive if the class action results in a successful settlement or judgment as consideration for the funder, providing funding of the class action (see sections [7], [8] and [9] of the Notice).

Further information in relation to these issues is set out in the rest of the Notice. Please read it carefully.

A. ABOUT THIS NOTICE

1. WHY IS THIS NOTICE IMPORTANT

- 1.1 A class action has been commenced in the Supreme Court of Queensland by Mr Allen Dodd, as trustee for the Dodd Superannuation Fund, against Shine Corporate Limited (the “**Defendant**” or “**Shine**”). The Shine Corporate Class Action was filed on behalf of all persons who purchased shares in Shine between **27 August 2014 and 29 January 2016** (the **Relevant Period**) and suffered a financial loss as a result of the Defendant’s alleged contraventions (as described below at paragraph 4).
- 1.2 You have been identified as a potential Group Member of the Shine Corporate Class Action.
- 1.3 The Supreme Court of Queensland has ordered that this notice be published.

You should read this Notice carefully. If there is anything in it that you do not understand, you should seek legal advice without delay.

2. WHAT IS A CLASS ACTION?

- 2.1 A class action is an action that is brought by one or more persons (the Plaintiff – in this case Mr Dodd) on behalf of a class of people (Group Members – this may include you) against another person (the Defendant - in this case Shine Corporate Ltd) in circumstances where the Plaintiff and Group Members have similar claims.
- 2.2 Group Members in a class action **are not** individually responsible for the legal costs associated with bringing the class action. Generally, in a class action, only the Plaintiff is responsible for those costs.

3. ARE YOU A GROUP MEMBER?

- 3.1 You are a Group Member of the Shine Corporate Class Action, if:
- (a) you acquired an interest in ordinary shares in Shine during the Relevant Period; and
 - (b) you disposed of some or all of those shares in Shine during the Relevant Period; or
 - (c) you were still holding some or all of those shares in Shine on, or after, 29 January 2016.

If you believe meet all of the above criteria, you are a **Group Member** in the Shine Corporate Class Action.

- 3.2 Everyone who satisfies the criteria is automatically a Group Member. If you are unsure whether or not you are a Group Member of the Shine Corporate Class Action, you should contact **QuinnEmanuel on (02) 9146 3548** or by email, **shineclassaction@quinnemanuel.com**, or seek your own legal advice without delay.

4. WHAT IS THE SHINE CORPORATE CLASS ACTION ABOUT?

4.1 The Plaintiff alleges that during the Relevant Period, Shine:

- (a) engaged in misleading or deceptive conduct in contravention of section 1041H(1) of the *Corporations Act 2001* (Cth) (**the Corporations Act**), s12DA(1) of the *Australian Securities and Investments Commission Act 2001* (Cth) (**the ASIC Act**) and/or section 18 of the Australian Consumer Law; and
- (b) breached its continuous disclosure requirements under section 674(2) of the Corporations Act;

in respect of a number of representations and announcements made to the market about its financial position (**the Contraventions**).

4.2 The Plaintiff contends that as a result of the above Contraventions:

- (a) Shine shares traded on the market at an inflated price; and
- (b) Shine shareholders paid that inflated price to acquire shares, and thereby suffered loss and damage.

The Plaintiff seeks orders that the Defendant be required to compensate Group Members for financial losses suffered as a result of the alleged Contraventions.

5. PROCESSES ADDRESSED BY THIS NOTICE

5.1 This Notice provides important information about the next steps in the Shine Corporate Class Action:

- (a) **Group Member registration process** – if you are a Group Member, and wish to participate in the Shine Corporate Class Action and be eligible to receive compensation in a settlement reached at the Mediation, you must Register your interest in the class action by 4:00 pm AEST on **29 January 2019** (see section [6] below headed '**Option 1 – Why Register?**').
- (b) **Group Member opt out process** – if you are a Group Member but do not wish to participate in the Shine Corporate Class Action, you must opt out of the class action by 4:00 pm AEST on **29 January 2019** (see the section [6] below headed '**Option 2 – Opt out and cease to be a Group Member**').
- (c) **Funding arrangements** – if you are a Group Member and wish to object to, support or be heard by the Court in relation to the Plaintiff's application to the Court for a common fund order in relation to the funding of the class action you must do so by 4:00 pm AEST on **29 January 2019** (see section [9] below headed '**COURT APPROVED FUNDING TERMS**').

6. NEXT STEPS

Option 1 - Why Register?

- The Plaintiff did not need the consent of Group Members to commence the Shine Corporate Class Action. Anyone who meets the criteria of a Group Member in this class action is automatically a Group Member and will be bound by any outcome reached in the Shine Corporate Class Action.
- To be eligible for compensation arising out of any settlement reached in the Shine Corporate Class Action at Mediation, you **MUST** register your interest in the Class Action. There is no cost to register and you may do so by:
- Completing and submitting the 'Registration Form' at Schedule A (attached to this Notice) and returning it to Quinn Emanuel by email, shineclassaction@quinnemanuel.com or post to the following address:

Shine Corporate Class Action

Quinn Emanuel Lawyers

Level 15, 111 Elizabeth Street

Sydney NSW 2000

- Your Registration must be completed and received by Quinn Emanuel on or before **4:00pm (AEST) on 29 January 2019**. Registrations received after this time will not be accepted with the result that you will be treated as having not responded to this Notice (see Option [3] below).

Option 2 - Opt Out and cease to be a Group Member?

- If you do not wish to remain a Group Member in the Shine Corporate Class Action you must **Opt Out of class action**, by completing the '**Opt Out Notice**' at **Schedule B** to this Notice. If you opt out of the Shine Corporate Class Action, you will:
 1. Not be affected by any orders made in the class action;
 2. Not be permitted to participate in the distribution of any damages award or settlement outcome; and
 3. Be entitled to commence separate legal proceedings against the Defendant in relation to the matters the subject of the Shine Corporate Class Action on your own behalf, if you so wish.
- Completed Opt Out Notices must be returned on or before 4:00 pm AEST on **29 January 2019** to both:
 1. the Registry of the Supreme Court of Queensland at QEII Courts of Law Complex, PO Box 15167, City East, Qld 4002; and
 2. Quinn Emanuel Lawyers, Level 15, 111 Elizabeth Street, Sydney, NSW 2000.

Each Group Member seeking to opt-out of the class action should fill out a separate form.

Opt Out Notices received by the Court after this time will not be accepted, and you will be treated as having not responded to this Notice (see Option 3 below).

Option 3 - What if I do nothing?

- If you do nothing (i.e. you do not act in accordance with Options 1 or 2 above by **4pm (AEST) on 29 January 2019**), you will remain a Group Member in the Shine Corporate Class Action, but will not be entitled to receive compensation from any settlement reached at Mediation in the class action.
- You will also be bound by any orders made in the Shine Corporate Class Action and you will be prohibited from bringing a further claim against the Defendant in relation to the same issues as are raised in the class action.
- You will not, however, lose your rights to participate in the proceeds of any settlement that is reached after the Mediation, or any judgment that may be awarded if there is no settlement and the case is successful before the Court.

7. HOW IS THE CLASS ACTION BEING FUNDED?

7.1 The Plaintiff has entered into a litigation funding agreement (the **Funding Agreement**) with Regency Funding Pty Ltd (“**Regency**” or the “**Funder**”), which provides for Regency to pay the Plaintiff’s legal costs of the class action, to indemnify the Plaintiff in respect of any adverse costs orders which may be made against the Plaintiff in the action, and to provide any security for adverse costs in the class action.

7.2 Pursuant to the Funding Agreements with Funded Group Members:

- (a) Regency has agreed to pay, on behalf of Funded Group Members, the costs of the Class Action, including legal costs and Court costs, as well as any adverse costs orders which may be made against the Plaintiff; and
- (b) Funded Group Members have agreed to pay to Regency out of any of their portion of any settlement or judgment in the Class Action (**Resolution Sum**), prior to the distribution of any Resolution Sum:
 - (i) a pro rata share of any legal costs paid or payable by Regency which are not otherwise payable by or recoverable from the Defendant; and
 - (ii) 25% of any compensation they receive from the Class Action

(Funding Arrangements).

7.3 It is not mandatory to enter into a Funding Agreement even if a Group Member elects to register their interest in the Shine Corporate Class Action.

8. WILL YOU BE LIABLE FOR LEGAL COSTS IF YOU REMAIN A GROUP MEMBER?

- 8.1 As noted above, the Shine Corporate Class Action is being funded by Regency. As a Group Member you will not be liable for any up front legal or professional fees (**Legal Costs**).
- 8.2 In other words, you will not be 'out of pocket' or have to pay any Legal Costs. Regency has agreed to pay Quinn Emanuel's Legal Costs and this will only be reimbursed to Regency from any compensation received by Group Members, either by way of a common fund order (see [9] below), or in the event such an order isn't made, a fund equalisation order. Regency will also pay any adverse costs that the Plaintiff is ordered to pay to the Defendant.
- 8.3 Funding equalisation orders have the effect of redistributing the additional amount non-funded Group Members receive in the hand across all Group Members, pro rata to the value of each Group Member's claim, so as to ensure that all Group Members pay an equal pro rata share of the Funders' commission as set in the Litigation Funding Agreement. A copy of the Funding Agreement can be provided upon request.

9. COURT APPROVED FUNDING TERMS

- 9.1 The Plaintiff has applied to the Court for orders seeking to make you bound by similar funding arrangements as if you had signed a Funding Agreement with Regency (the **Common Fund Application**).
- 9.2 If the Common Fund Application is approved by the Court, Regency will be entitled to recover out of any Resolution Sum received on behalf of Group Members (including those who are not Funded Group Members):
- (a) the legal costs incurred in the proceeding, that are not otherwise payable by or recoverable from the Defendant;
 - (b) a funding commission in an amount equal to a percentage of the net Resolution Sum (that is, a percentage of only that amount of the Resolution Sum as remains after payment of the legal costs referred to in (a) above). The Plaintiff and Regency are proposing that this rate should be 25%. However, the Court retains discretion to amend the funding commission rate and **may** fix a **lower rate** at any time, including at the conclusion of the class action; and
 - (c) any GST payable on the above amounts.
- (the **Funding Terms**).
- 9.3 No Group Member will be liable to pay any amount of money to Regency unless and until there is a successful outcome in the action, and then (subject to any other order the Court May make) the above amounts payable to Regency will be deducted from the settlement or judgment sum before the balance is distributed to Group Members.

- 9.4** The Plaintiff's Common Fund Application will be heard before the Supreme Court of Queensland in Brisbane on 12 February 2019.
- 9.5** If you are a Group Member and want to object, support or otherwise be heard by the Court in relation to any aspect of the Common Fund Application, you must:
- (a) by 4pm (AEST) on **29 January 2019**, notify the Supreme Court of Queensland by filing a notice in the form attached to this Notice as **Schedule C**, and serve a copy on that notice on each of Quinn Emanuel and the solicitors for the Defendant;
 - (b) by 4pm (AEST) on **8 February 2019**, file with the Supreme Court of Queensland, and serve on Quinn Emanuel and the solicitors for the Defendant, any affidavit evidence and/or written submissions that you propose to rely on in relation to the Common Fund Application.

The address of the Registry of the Supreme Court of Queensland is QEII Courts of Law Complex, 415 George Street, Brisbane, Qld 4000. The postal address of the Registry of the Supreme Court of Queensland is QEII Courts of Law Complex, PO Box 15167, City East, Qld 4002.

The details for Quinn Emanuel are set out above.

The solicitors for the Defendant are **King & Wood Mallesons**. Their address is Level 33, 1 Eagle Street, Brisbane Qld 4000. Any documents served on the Defendant should be addressed to the attention of Justin McDonnell, Partner, King & Wood Mallesons.

B. MISCELLANEOUS

10. RELEVANT MATTERS TO CONSIDER

- 10.1** Copies of relevant documents, including the current Claim, the current Statement of Claim, the current Defence and the Common Fund Application may be obtained by:
- (a) requesting an electronic or hard copy version of the document directly from Quinn Emanuel by contacting Quinn Emanuel on (02) 9146 3548 or by email, meaganbertolatti@quinnemanuel.com;
 - (b) inspecting them during the hours of 10am and 3pm at the Sydney office of Quinn Emanuel at the following address: Level 15, 111 Elizabeth Street, Sydney NSW; or
 - (c) by visiting the Registry of the Supreme Court of Queensland at the QEII Courts of Law Complex, 415 George Street, Brisbane, Queensland.
- 10.2** Please consider the above matters carefully. If there is anything of which you are unsure, you should seek your own legal advice.

YOU SHOULD NOT DELAY IN MAKING YOUR DECISION.

“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 CORPORATION LTD ACN 162 817 905**

NOTICE OF REGISTRATION

DEADLINE TO REGISTER IS 4.00PM (AEST) ON 29 JANUARY 2019

The following Group Member registers their interest in the Shine Corporate Class Action:

Name

Address

Phone number

Email

Name of legal representative (if any):

Address of legal representative (if any):

Number of shares in the Defendant purchased during the Relevant Period and still held after 29 January 2016:

HIN or SCRN relevant to the above shares in the Defendant:

Signature of Group Member:

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

Date:

“SCHEDULE B”

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 CORPORATION LTD ACN 162 817 905**

NOTICE OF OPTING OUT BY GROUP MEMBER

DEADLINE TO OPT-OUT IS 4.00PM (AEST) ON 29 JANUARY 2019

The following Group Member by this notice opts out of this representative proceeding under section 103G of the *Civil Proceedings Act 2011*.

Name of Group Member:

Address of Group Member:

Signed: (*Group Member or solicitor to sign*)

Description (*of signatory eg solicitor*):

Dated: (*insert date*)

NOTICE OF OPTING OUT BY GROUP MEMBER
Filed on Behalf of the person opting out of the
representative proceedings
Form 135, Version 1, approved 24 February 2017
Uniform Civil Procedure Rules 1999
Rule 77D

Name:
Address:

Phone No:
Fax No:
Email:

"SCHEDULE C"

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 CORPORATION LTD ACN 162 817 905**

NOTICE OF INTENTION TO BE HEARD

The following Group Member seeks to be heard in relation to the Plaintiff's application for common fund orders.

Name of Group Member:

Address of Group Member:

Phone number of Group Member:

Email address of Group Member:

Name of legal representative (if any):

Address of legal representative (if any):

Phone number of legal representative (if any):

Email address of legal representative (if any):

Please circle:

Do you support or object to the application?

Support

Object

Do you intend to lead evidence?

Yes

No

Do you intend to appear at the hearing?

Yes

No

Reasons for seeking to be heard:

Signature of Group Member:

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

Date:
