

# SUPREME COURT OF VICTORIA



## GENERAL NOTICE OF PROPOSED SETTLEMENT

### AAI & MTA CLASS ACTION

*ZOEY ANDERSON-VAUGHAN V AAI LIMITED & ORS*

(PROCEEDING NUMBER: S ECI 2021 00930)

**THIS NOTICE IS PUBLISHED BY ORDER OF THE SUPREME COURT OF VICTORIA**

#### **PLEASE READ CAREFULLY**

**This notice contains important information about the proposed settlement of a class action against AAI, MTA & TAL. This is an important legal document which contains information that may affect your legal rights.**

#### **1. What is this notice about?**

- 1.1. The Supreme Court of Victoria has ordered that this General Notice be published for registered group members and other potential group members, to let them know about a proposed settlement of the class action.
- 1.2. Specifically, this notice provides important information about:
  - (a) the background to the AAI & MTA class action;
  - (b) the key things to know about the proposed settlement;
  - (c) whether you may be eligible to receive potential compensation; and
  - (d) what you need to do if you want to object to the proposed settlement.

## **2. Background information**

### ***What is a class action?***

- 2.1 A class action is a legal case where one or more plaintiffs make a claim for themselves and on behalf of other people. The people make a claim together because their claims arise out of the same, similar, or related circumstances. The people represented by the plaintiff or plaintiffs are called 'group members'.

### ***What is the AAI & MTA class action about?***

- 2.2 The AAI & MTA class action is about 'add-on' insurance products that were issued by the defendants and sold at car dealerships. These insurance products are:
- (a) Loan Protection Insurance;
  - (b) Equity or Equity Plus Insurance;
  - (c) Cash Benefit Insurance;
  - (d) Extended Vehicle Warranty Insurance; and
  - (e) Tyre & Rim Insurance.
- 2.3 The class action claims that these add-on insurance products had reduced or no value and were sold to consumers in ways that breached the law.
- 2.4 The defendants deny the claims made against them in this class action.
- 2.5 The plaintiff in this class action is Zoey Anderson-Vaughan, represented by Maurice Blackburn. The defendants are AAI Limited, MTA Insurance Pty Limited (both companies in the Suncorp Group) and TAL Life Limited.
- 2.6 The trial for the AAI & MTA class action was set to commence on 24 February 2025. The parties agreed to settle the class action before the trial started. The Court must approve the settlement for it to take effect.

### ***Am I a group member in the AAI & MTA class action?***

- 2.7 Group members in the AAI & MTA class action include persons who, at any time between 1 May 2006 and 30 June 2018:
- (a) purchased or leased a vehicle from a car dealer using a loan arranged by the car dealer;
  - (b) in connection with the above, also purchased at least one of the add-on insurance products listed at paragraph 2.2 above, issued by one or more of the defendants;
  - (c) by reason of the above purchases, made payments to any of the defendants (directly or indirectly);

- (d) suffered loss or damage by reason of the alleged contravening conduct of the defendants.
- 2.8 The full group member definition is available on the websites in Part 7 below. If you meet this definition, you are a group member in this class action.
- 2.9 If you are a group member but you have previously **opted out** of the AAI & MTA class action, you may disregard this notice. By opting out you are no longer a group member.
- 2.10 Not all group members are eligible to receive potential compensation from the proposed settlement. This is explained in paragraph 3.2 below.

### **3. The Proposed Settlement**

#### ***What are the key things to know?***

- 3.1 The key things to know about the proposed settlement are:
  - (a) the defendants will pay (without admission of liability) **\$34 million (Settlement Sum)** to settle the claims in the AAI & MTA class action;
  - (b) the Court must approve the proposed settlement for it to take effect; and
  - (c) if the Court approves the settlement, the settlement will apply to **all** group members (including unregistered group members). This means that group members will not be able to sue the defendants for issues arising from, in connection with, in respect of, or related to the claims against the defendants in this class action.

#### ***Are all group members eligible to receive potential compensation?***

- 3.2 No. The Court previously ordered that only group members who registered their claim by the applicable deadline (**registered group members**) would be eligible to receive compensation if the AAI & MTA class action settled before trial.
- 3.3 Group members were sent notices between March and August 2024 about the registration deadlines that applied to them. The notices made clear that group members had to register by the applicable deadlines if they wanted to receive compensation from any pre-trial settlement. The main deadline was 4pm AEST on 18 June 2024, which was extended for some persons to 4pm AEST on 21 August 2024.
- 3.4 Please note that if you wished to opt out of the proceeding, the deadline to do this was also 4pm on 18 June 2024 (or 21 August 2024 for certain persons). The opt out deadline was made clear in the notices sent to group members.

#### ***What if I did not register by the deadline?***

- 3.5 If you are a group member but did not register by the deadline applicable to you, you are an **unregistered group member**. This means that, if the Court approves the proposed settlement:

- (a) you will be 'bound' by the settlement, meaning that you will not be able to bring other proceedings against the defendants in relation to any of the issues that were covered by the class action; but
- (b) you will also not be eligible to receive compensation from the settlement in this class action.

3.6 Some people submitted registrations after the applicable deadlines. The Court will be told about those late registrations. It will be a matter for the Court whether it allows those persons to be treated as registered group members.

### ***Registrants not matched to defendants' records***

3.7 The majority of people who registered claims in the class action are eligible registered group members and will be entitled to receive a share of the compensation from the Settlement Sum.

3.8 A group of registrants have not been clearly matched to the defendants' records. These people will be contacted at a later date asking for more information and if they cannot be matched they will not be entitled to share in the compensation.

### ***How much will registered group members receive?***

3.9 For the registered group members who are entitled to share in the compensation, we are not yet able to confirm the amount that each person will be paid.

3.10 This is because:

- (a) proposed deductions from the Settlement Sum, including for legal costs, are required to be approved by the Court for them to be made (see more detail in Part 5 below); and
- (b) for the remainder of the Settlement Sum, the method to determine registered group members' eligibility and how payments are to be calculated is required to be approved by the Court for it to be applied. The plaintiff's proposed method for this process will be set out in a 'settlement distribution scheme'. Once it is finalised, a copy will be available on Maurice Blackburn's website [www.mauriceblackburn.com.au/aaiaddoninsurance](http://www.mauriceblackburn.com.au/aaiaddoninsurance) or by email request via [aai\\_addonclassaction@mauriceblackburn.com.au](mailto:aai_addonclassaction@mauriceblackburn.com.au)

3.11 Registered group members are not guaranteed to receive compensation from the Settlement Sum. Compensation amounts will depend on a range of factors including individual circumstances, such as the price of your policy, when you purchased it, and if you have already received refunds or claim payments. Claims which relate to policies purchased before 30 March 2015 will be subject to a greater reduction, due to legal issues relevant to those claims. Once again, we are not yet in a position to advise anyone of individual compensation amounts and we cannot give further information at this time. This will only be possible once the settlement distribution process is underway.

## 4. What are my options?

### ***Option 1: Do nothing***

- 4.1 If you are content with the proposed settlement, and do not want to object to it, you do not need to do anything in response to this notice.
- 4.2 If the proposed settlement is approved, all relevant information will be published on Maurice Blackburn's website (see section 7 below) after the settlement approval hearing on **30 June 2025**. You will then be contacted at a later date with further information about anything you need to do.

### ***Option 2: You can object to the proposed settlement***

- 4.3 If you want to object to the proposed settlement, by **4pm (AEST) on 27 May 2025** you need to either:
  - (a) complete and submit the Online Objection Notice through the Supreme Court of Victoria website at: <https://www.supremecourt.vic.gov.au/areas/group-proceedings/aai-limited/online-objection> or
  - (b) complete the 'Notice of Objection' form at the end of this document, and send it to the Court by email or post at the address on the form.
- 4.4 If you object, you, or your legal representative **must** also attend the settlement approval hearing, whether in-person or virtually (unless the Court orders otherwise), which is on **30 June 2025 in the Supreme Court of Victoria**. The Court will make a Zoom link available to any objecting group members who wish to attend virtually.
- 4.5 Aside from any objecting group members, there is no requirement that any group member attend the hearing.

## 5. Deductions from the Settlement Sum

- 5.1 The Court will be asked to approve the following deductions from the Settlement Sum *before* the remainder is distributed to eligible registered group members.

### ***Legal Costs***

- 5.2 The Court previously made a 'group costs order', which means that unless the Court changes the order, Maurice Blackburn will be paid 25% of the Settlement Sum to cover the legal costs it incurred and the legal risks it took in running the class action.
- 5.3 Group members are not, and will not be, liable for any legal costs out of their own pocket.
- 5.4 The Court can adjust the GCO percentage at the settlement approval hearing if it considers the adjustment to be appropriate.

### ***Plaintiff's reimbursement payment***

- 5.5 The Court will also be asked to approve a 'reimbursement payment' to the plaintiff, to compensate her for her expenses, time, inconvenience and stress associated with acting as the plaintiff in the class action. The reimbursement payment is proposed to be \$30,000.

### ***Settlement administration costs***

- 5.6 The Court will be asked to appoint Maurice Blackburn as the Administrator to implement the distribution process, which will be set out in the settlement distribution scheme.
- 5.7 Regardless of who is the Administrator, there will be costs associated with the implementation of the settlement distribution scheme. The Court will be asked to authorise those costs to be paid from the Settlement Sum before the balance is shared among eligible registered group members.
- 5.8 The settlement administration costs are expected to total around \$1.5 million (incl. GST), but this is an estimate. The Court might fix a lower or higher amount if it thinks that a different figure is appropriate.
- 5.9 As part of the settlement approval process, the plaintiff will ask the Court to appoint an independent costs referee to determine whether the estimated amount of settlement administration costs is reasonable.

## **6. What next?**

- 6.1 The Court will conduct a hearing on **30 June 2025** to decide whether to approve the proposed settlement, including how the compensation from the Settlement Sum will be distributed.
- 6.2 If it is approved, updates about next steps will be published on Maurice Blackburn's website (see section 7 below).

## **7. More information**

- 7.1 You can obtain more information and relevant documents about the AAI & MTA class action by visiting:
- (a) [www.mauriceblackburn.com.au/aaiaddoninsurance](http://www.mauriceblackburn.com.au/aaiaddoninsurance)
  - (b) [www.supremecourt.vic.gov.au/areas/group-proceedings/aai-limited](http://www.supremecourt.vic.gov.au/areas/group-proceedings/aai-limited)
- 7.2 If you have any questions, you can contact Maurice Blackburn via:
- (a) [aai\\_addonclassaction@mauriceblackburn.com.au](mailto:aai_addonclassaction@mauriceblackburn.com.au)
  - (b) 1800 571 256

- 7.3 If you have any questions, please do not contact the Supreme Court of Victoria. The Court staff are not permitted to give you legal advice.
- 7.4 If you have any questions and you do not want to speak to Maurice Blackburn, you may get independent legal advice.

# NOTICE OF OBJECTION

## AAI & MTA CLASS ACTION

*Zoey Anderson-Vaughan v AAI Limited & Ors*

(Supreme Court of Victoria S ECI 2021 00930)

**ONLY COMPLETE THIS NOTICE IF YOU DO NOT WANT THE COURT TO APPROVE THE PROPOSED SETTLEMENT.**

**You are unable to object to the proposed settlement if you 'opted out' of the class action.**

To: The Supreme Court of Victoria at:

Commercial Court Registry  
Supreme Court of Victoria  
210 William Street  
Melbourne Victoria 3000  
aaiclassaction@supcourt.vic.gov.au

### A. DETAILS OF GROUP MEMBER OBJECTING

|                                                                                      |                                                                  |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------|
| Name of Group Member <b>OR</b> contact name (if different from name of Group Member) |                                                                  |
| Capacity of person completing Notice of Objection (select one)                       | <input type="checkbox"/> Group Member;                           |
|                                                                                      | <input type="checkbox"/> Director of [company name].....;        |
|                                                                                      | <input type="checkbox"/> Executor for the Estate of [name].....; |
|                                                                                      | <input type="checkbox"/> Power of attorney for [name].....;      |
|                                                                                      | <input type="checkbox"/> Solicitor acting for [name].....;       |

|                     |  |
|---------------------|--|
| Postal address      |  |
| Email address       |  |
| Telephone number(s) |  |

**B. REASONS**

Explain why you object to the proposed settlement. Please include all details that you think relevant.

*Please note if you are completing this form online there is a 2,000 character limit.*

*Continued on next page*

**C. SUBMISSIONS AND EVIDENCE**

- ☐ I attach submissions and/or evidence in support of my objection (limited to 2 pages)
- ☐ I do not attach any submissions or evidence in support of my objection, but wish for my objection to be considered based on my reasons set out above

(please tick one of the above options)

**D. ATTENDANCE AT HEARING ON 30 JUNE 2025 AT 10:00AM (AEST)**

At the hearing:

- ☐ I will appear on my own behalf
- ☐ I will be represented by a lawyer: *[insert name]*.....

(please tick one of the above options)

I or my lawyer will appear:

- ☐ virtually
- ☐ in-person

**E. SIGNING OF NOTICE:**

.....  
*Please sign notice here*

Date:.....

**IMPORTANT NOTE** – if you want this form to be considered by the Court you must ensure that you complete this form online via the Supreme Court of Victoria website OR ensure that it reaches the Supreme Court of Victoria at the postal or email address above by **4pm (AEST) on 27 May 2025.**