



A NOTE FROM THE FEDERAL COURT OF AUSTRALIA

Please read this notice carefully – as it sets out your legal rights – it is not a scam

CLASS ACTION NOTICE

This is an important notice from the Federal Court of Australia.

This notice is being sent to you about the **Lloyds Business Interruption Insurance Class Action**. You have been identified as a potential class member.

The class action is about certain insurance policies issued by Lloyds to businesses providing cover for business interruption losses. The applicants in the class action argue that Lloyds should **make payment** under those policies to businesses which suffered certain losses during the COVID-19 pandemic. Your business holds one of those insurance policies, and you may therefore be a class member.

PURPOSE OF THIS NOTICE

This notice has been issued to enable the Court to determine how many class members may want to participate in the class action.

If an insufficient number of eligible people register their interest in the class action, there is a chance that the Court will decide that the class action cannot go ahead. This would not affect your ability to make a claim directly against Lloyds as explained below.

Further information is provided on the following pages. You can also watch a short video here: <https://www.youtube.com/watch?v=IHB1Kkuzl0o>

YOUR OPTIONS

Class action

At this stage, you have the following options concerning the class action:
Register for the class action by 29 March 2024 to express your interest in the class action

You can register even if you are unsure about what insurance policy your business holds or are uncertain whether you are a class member.

Registration is free.

You can register your interest in the class action:
by filling out as best you can the registration form at **Annexure A** to this notice and returning it by post or email to biclaims@gordonlegal.com.au; or
online at: www.gordonlegal.com.au;
by calling Gordon Legal on (03) 9603 3000.

If the class action proceeds and is successful, there may be a claims resolution process conducted under the supervision of the Federal Court. Information about the costs of this process is provided below.

Do not register

If you do not register, you will remain an unregistered class member. Unregistered class members do not receive updates about the progress of the class action.

If not enough class members register to express their interest in the class action by 29 March 2024, the class action may not go ahead, in which case you will need to pursue your potential claim with Lloyds directly.

Claiming against Lloyds directly

Whether or not you register interest in the class action, you can also choose to lodge a business interruption claim directly with Lloyds. If you have a broker, they can also lodge the claim on your behalf. Lloyds will not charge you anything for making a claim in this way.

The Lloyds claims process is not supervised by the Federal Court of Australia.

If you want to lodge a claim directly with Lloyds, you or your representative (including broker) can do so, by contacting Quantum Underwriting Agencies, who will notify AXA XL (on behalf of the Lloyd's insurance syndicate) of a claim directly:
by calling Quantum on 1300 974 095;
by email to claims@qua.net.au.

A claim form can be found at <http://www.qua.net.au/forms.html>, which also includes guidance on what information should be submitted with your claim.

Who is running the class action?

The Lloyds Business Interruption Insurance Class Action was commenced against the Lloyds insurance syndicate by one insured who suffered business interruption losses during the COVID-19 pandemic. Gordon Legal are the solicitors acting.

It is alleged against Lloyds that it:

- (a) issued insurance policies to businesses that provide insurance cover for losses arising from business interruption.
- (b) is required to make payment under those policies to businesses which suffered certain losses during the COVID-19 pandemic.
- (c) has to date not paid most claims made under those policies, and
- (d) should be ordered by the Court to pay claims together with interest and compensation.

If you have any questions about the class action, you can obtain independent legal advice or contact Gordon Legal:

Website: www.gordonlegal.com.au

Email: bcclaims@gordonlegal.com.au

Phone: (03) 9603 3000

How is the class action being paid for?

The class action is likely to involve two steps. The first is a court case where the big issues that arise across all claims are resolved (**First Step**), and then there may be a claims assessment process (**Second Step**).

As to the First Step, all the costs will be paid by Omni Bridgeway (**Funder**), so you don't have to worry about paying anything for legal costs.

If a settlement is not reached as a result of the First Step and the class members win, and the court then proceeds to the Second Step, in simple terms, the Funder will also pay the costs for those claims it thinks are worthwhile, and will not pay the costs for the claims it doesn't think are worthwhile. Some of the costs may be payable by your insurer under your policy, in which case the Funder will seek that the insurer pay those costs.

Further information will be provided to you if a claims assessment process arises, including as to whether the Funder thinks your claim is worthwhile and whether it will pay your costs.

You should be aware that if you were to get money as a result of being in the class action, the Funder will ask the Court to make an order allowing the Funder to receive a funding commission capped at 27.5% (inclusive of GST) of the money recovered as the price for funding the class action. The Court will then decide if any money is deducted to be paid to the Funder on the basis of what it considers to be just.

Am I a class member?

You are potentially a class member if you suffered interruption or interference to your insured business because of the COVID-19 pandemic.

Some Lloyds insurance policies were sold under different brand names. This means that even if your policy has a brand like "Quantum", you may still be a class member.

Why am I being asked to register my interest by 29 March 2024?

Lloyds has made an application to try to stop the class action going ahead. The Court has directed that this notice be sent inviting registrations of interest by 29 March 2024. This is because the Court wants to know how many class members are interested in the class action continuing before it decides whether the class action should be stopped.

Registering your interest in the class action does not mean that you are bound to participate in it. If the class action continues, but you do not wish to participate, you will be given an opportunity to opt out at a later date.

What will it cost me to register?

There is no cost to register your interest in the class action.

Can I make a claim against Lloyds directly without participating in the class action?

Yes. You can lodge a claim with Lloyds yourself (if you have not already done so) or through your broker (if applicable). Lloyds does not charge you for lodging a claim. You may also be entitled to be reimbursed for your expenses incurred in preparing your claim, in accordance with the policy terms.

If you do not agree with Lloyds' decision on your claim, you can:

- (a) request a free internal review.
- (b) lodge a complaint free of charge with the Australian Financial Complaints Authority (**AFCA**) (if your claim falls within the types and amounts of disputes AFCA is permitted to determine); or
- (c) start your own court case against Lloyds on your own and using your own financial resources.

If you have any questions about lodging a claim with Lloyds, you can contact Lloyds or your broker. Contact details are:

- included in your policy documentation or you can contact Lloyds by calling Quantum on 1300 974 095;
- by email to claims@qua.net.au.

A claim form can be found at <http://www.qua.net.au/forms.html>, which also includes guidance on what information should be submitted with your claim.

Can I register my interest in the class action and make a claim against Lloyds directly?

Yes. You can register your interest in the class action and make a claim against Lloyds directly.

The class action covers claims against Lloyds which have been declined or have not been paid out in full, so the balance of your claim may be pursued through the class action. However, you cannot recover the same losses twice.

Where can I find out more information?

Details about eligibility and more information on the Lloyds Business Interruption Insurance Class Action can be found online at www.gordonlegal.com.au.

The Court encourages you to review this additional information.

**ANNEXURE A
CLASS MEMBER REGISTRATION FORM**

Please fill in the details below as best you can

Your name		
Your policy number (if available)		
Your phone number		
Your email address		
Your address		
The name of your business that had an insurance policy with Lloyds		
Your insured address (i.e. the address of your insured business)		
Your business type		
	Please circle:	
Did your insured business suffer interruption or interference (i.e. loss) because of the COVID-19 pandemic?	Yes	No

You can complete this form online at: <https://gordonlegal.com.au/bi-lloyds/>

or

you can return it via post to the following address:

*Gordon Legal
Level 22 181 William Street
Melbourne VIC 3000*

or

you can call Gordon Legal on (03) 9603 3000

The preferred method for responding is by completing the form online if you can do so.