

Deed of Settlement

PRYGODICZ & ORS V COMMONWEALTH OF AUSTRALIA (VID1252/2019) &

KNOX & ANOR V COMMONWEALTH OF AUSTRALIA & ORS
(VID982/2024)

Commonwealth of Australia
(**Commonwealth or Respondent**)

Nathan Knox
(**First Applicant**)

David Mandell
(**Second Applicant**)

Katherine Prygodicz
(**Second Respondent**)

Elyane Porter
(**Third Respondent**)

Steven Fritze
(**Fourth Respondent**)

Felicity Button
(**Fifth Respondent**)

Shannon Thiel
(**Sixth Respondent**)

Devon Collins
(**Seventh Respondent**)

Omni Bridgeway (Fund 5) Lion Pty Ltd (ACN 673 495 264)
(**Omni Bridgeway**)

AND

Gordon Legal Pty Ltd ACN 624 972 836
(**Gordon Legal**)

Contents

1.	Interpretation.....	5
1.1	Definitions.....	5
1.2	Rules for interpreting this document.....	10
1.3	Non-Business Days.....	11
1.4	Multiple parties.....	11
2.	Settlement.....	11
2.1	Payments by the Commonwealth.....	11
2.2	Commonwealth makes no admission of legal liability.....	12
2.3	All Parties Covenants.....	12
2.4	Commonwealth Covenants.....	16
2.5	Knox Registration Process and Knox Settlement Distribution Scheme.....	16
2.6	Costs.....	18
2.7	Releases and Bars to Proceedings.....	19
2.8	Covenants and Indemnities by Gordon Legal and Omni Bridgeway.....	19
2.9	Deed poll.....	19
3.	Application for the Approval Order.....	20
4.	Confidentiality and announcements.....	22
5.	Variation.....	23
6.	Assignment.....	23
7.	Waiver.....	23
8.	Counterparts.....	23
9.	Governing law.....	24
10.	Dispute Resolution.....	24
11.	Termination.....	25
12.	Notices.....	25
13.	Operation of this document.....	26
14.	Acknowledgement of incomplete legal proceedings and other inquiry processes.....	26
15.	Authority to execute.....	26

Annexure A - Knox Registration Process

Annexure B - Knox Settlement Distribution Scheme

Annexure C – Parties' Proposed Forms of SPO1 Draft Consent CMH Orders and SPO1 Draft Approval Order under Settlement Options Pathway 1

Annexure D – Parties' Proposed Forms of SPO2 Draft Consent CMH Orders and SPO2 Draft Approval Order under Settlement Options Pathway 2

THIS DEED is made on 3 September 2025

BETWEEN:

- (1) **Commonwealth of Australia (Commonwealth or Respondent);**
 - (2) **Nathan Knox (First Applicant);**
 - (3) **David Mandell (Second Applicant);**
 - (4) **Katherine Prygodicz (Second Respondent);**
 - (5) **Elyane Porter (Third Respondent);**
 - (6) **Steven Fritze (Fourth Respondent);**
 - (7) **Felicity Button (Fifth Respondent);**
 - (8) **Shannon Thiel (Sixth Respondent);**
 - (9) **Devon Collins (Seventh Respondent);**
 - (10) **Omni Bridgeway (Fund 5) Lion Pty Ltd (ACN 673 495 264) (Omni Bridgeway); and**
 - (11) **Gordon Legal Pty Ltd ACN 624 972 836 (Gordon Legal),**
- together, the **Parties** (and each a **Party**).

RECITALS:

This Deed is made in the following context:

Prygodicz Proceeding

- (A) On 20 November 2019, the Prygodicz Applicants commenced the Prygodicz Proceeding.
- (B) In the Statement of Claim filed in the Prygodicz Proceeding on 20 November 2019, and subsequently amended on 16 March 2020, 1 July 2020 and 17 September 2020, the Prygodicz Applicants alleged that the Group Members are persons:
 - (1) who, at any time after 1 July 2010, had received from the Commonwealth one or more of the Social Security Payments; and
 - (2) in respect of whom the Commonwealth, after 1 July 2015:
 - a) generated a Robodebt Notification; and
 - b) by or following such correspondence or notification, asserted an Asserted Overpayment Debt; and
 - c) requested or demanded repayment by the said person of the whole or part of the Asserted Overpayment Debt; and
 - (3) who had, at 19 November 2019 (when the Prygodicz Proceeding was commenced):
 - a) paid, had paid on their behalf, or had recovered from them the whole or part of the Asserted Overpayment Debt; or

- b) not been informed by the Commonwealth that no recovery action would be pursued in respect of the Asserted Overpayment Debt.
- (C) In its Defence filed in the Prygodicz Proceeding on 14 February 2020, and amended on 30 March 2020, 20 July 2020 and 6 November 2020, the Commonwealth denied the allegations that the Commonwealth:
- (1) was unjustly enriched by the recovery of the asserted debts from the Prygodicz Applicants and Group Members; and
 - (2) had breached any duty of care owed to the Prygodicz Applicants and Group Members.
- (D) On 29 May 2020, the Commonwealth announced publicly that, from July 2020, it would refund all repayments made on debts raised wholly or partially using income averaging of ATO data and any interest charges and/or recovery fees paid on related debts.
- (E) On 1 July 2020, the Commonwealth announced publicly that:
- (1) from 13 July 2020, it would write to people who were eligible for a refund in respect of a debt raised using averaging of ATO income information and would start making refunds in respect of such debts from 27 July 2020; and
 - (2) debts raised using averaging of ATO income information, in respect of which no amount had been paid to the Commonwealth, would be reduced to zero.
- (F) In November 2020, the Commonwealth, the Prygodicz Applicants and Gordon Legal executed the Prygodicz Settlement Deed.
- (G) On 11 June 2021, the Court made orders (including the Prygodicz Orders) approving the Prygodicz Settlement Deed, including the Prygodicz Settlement Distribution Scheme, for the reasons in the Prygodicz Judgment.
- (H) Pursuant to the Prygodicz Settlement Distribution Scheme Implementation Plan, being Annexure B to the Prygodicz Judgment, the scheme administrator (Services Australia, on behalf of the Commonwealth) undertook the process of categorisation of the Group Members, which was subsequently verified by the Scheme Assurer (KPMG). The details and results of the categorisation process undertaken by Services Australia and the work undertaken by KPMG was included in the Scheme Assurer Verification Process Report on 28 September 2021. Gordon Legal confirmed that they were satisfied that Group Members had been correctly categorised and the Scheme Assurer Verification Process Report was subsequently finalised.

- (I) On 6 June 2023, the Commonwealth filed and served the affidavit of Ms Emma Gill (then a solicitor for the Commonwealth) attaching the report of KPMG. That report stated that:
- (1) Services Australia had completed the steps outlined in the Prygodicz Settlement Distribution Scheme Implementation Plan;
 - (2) the total amount distributed by the scheme administrator under the Prygodicz Settlement Deed was \$101,371,375.08 to 384,418 Group Members, with a further 1,816 Group Members still owed the Outstanding Prygodicz Proceeding Amount (\$292,496.82 in total); and
 - (3) the Outstanding Prygodicz Proceeding Amount had not yet been distributed and *"will be held for the customer until the Scheme Administrator receives further direction from the Federal Court"*.

Knox Proceeding

- (J) On 23 September 2024, the Knox Applicants commenced the Knox Proceeding against the Commonwealth as Respondent.
- (K) In the Knox Proceeding, the Knox Applicants:
- (1) joined the Prygodicz Applicants as respondents to the Knox Proceeding by consent order of the Court made on 2 December 2024;
 - (2) made the Extension of Time Application seeking an extension of time in which to file a notice of appeal from the Prygodicz Orders; and
 - (3) made the Fresh Evidence Application seeking permission to adduce further evidence on the appeal.
- (L) The Notice of Appeal:
- (1) asserted that the Prygodicz Orders should be set aside in light of further evidence as to the knowledge, recklessness and misfeasance of public officers in relation to the Robodebt Scheme;
 - (2) said that, had that further evidence been available at the time of the Prygodicz Judgment, the judge would not have found the settlement was within the range of reasonable outcomes; and
 - (3) sought orders that:
 - a) the appeal from the Prygodicz Orders be allowed;
 - b) orders 1 to 4 of the Prygodicz Orders be set aside, and the Court order that the Prygodicz Applicants' application for approval of the Prygodicz Settlement Deed be refused or remitted for rehearing; and
 - c) the Knox Applicants' costs of the Knox Proceeding and the Prygodicz Proceeding be paid by the Commonwealth.
- (M) The Knox Applicants indicated that, if the appeal was successful, they would seek to add a claim in misfeasance in public office to the claims made in the Prygodicz Proceeding.
- (N) The Applicants' Potential Misfeasance Claim is described in clause 1.1 to this Deed.

- (O) On 17 March 2025, the Commonwealth stated that it would not seek the recoupment of the Prygodicz Payments under the Prygodicz Orders if the Knox Proceeding were to succeed and the Prygodicz Orders were set aside, and that the Prygodicz Payments would need to be accounted for in any resolution of the Knox Applicants' claims in those circumstances.
- (P) By Heads of Agreement dated 3 July 2025, executed in the course of a mediation convened pursuant to an order of the Court in the Knox Proceeding, the Parties agreed fully and finally to settle the Proceedings in consideration of the Commonwealth paying the Distribution Sum (now referred to as the Compensation Sum in this Deed), the Legal Costs Sum and the Settlement Scheme Administration Costs Sum on terms set out in the Heads of Agreement subject to further documentation in this Deed.
- (Q) The Parties have agreed, without admission of liability, fully and finally to settle the Proceedings in accordance with the terms set out in this Deed.
- (R) This Deed has been entered into by the Knox Applicants and the Prygodicz Applicants pursuant to Part IVA of the Act.
- (S) The Parties have agreed to seek the Approval Order in the manner referred to in this Deed, so as to provide for Payments (in addition to the Prygodicz Payments) to be made to Group Members (other than Category 4 Group Members) in full and final settlement of the Claims in the Proceedings.

THE PARTIES AGREE AS FOLLOWS:

1. Interpretation

1.1 Definitions

The following definitions apply in this document.

Act means the *Federal Court of Australia Act 1976* (Cth).

Appeal Period means, as applicable, where the Court makes or refuses to make the Approval Order:

- (a) where no appeal or application for leave (including special leave) to appeal is instituted, seven days after the expiry of the period for instituting an appeal or application for leave to appeal (whether under the rules of the Court or the High Court); or
- (b) where an appeal or application for leave (including special leave) to appeal is instituted (whether under the rules of the Court or the High Court), including any subsequent application for leave to appeal or appeal to the High Court, seven days after the later of (as applicable):
 - (i) the appeal being finally determined or discontinued;
 - (ii) the period for making any further application for leave (including special leave) expiring; or
 - (iii) an application for leave (including special leave) being refused.

Applicants' Potential Misfeasance Claim means the claim in misfeasance in public office set out in or disclosed by the materials filed by the Knox Applicants in the Knox Proceeding, including:

- (a) the Notice of Appeal;
- (b) the affidavits of Andrew Grech dated 23 September 2024, 7 February 2025 and their exhibits;
- (c) the Knox Applicants' submissions dated 28 April 2025 and 27 June 2025;
- (d) the Knox Applicants' chronology dated 28 April 2025.

Approval Order means court approval, by orders in the Prygodicz Proceeding, of the settlement recorded in this Deed (or any further agreement between the Parties), as required by Part IVA of the Act.

Asserted Overpayment Debt means an assertion, by or following a Robodebt Notification, of an overpayment of one or more Social Security Payments recoverable by the Commonwealth as a debt.

ATO means the Australian Taxation Office.

Business Day means any day other than a Saturday, a Sunday or a public holiday in the state of Victoria.

Category 1 Group Member means a person described by that term as it is defined in the Defence to the Second Further Amended Statement of Claim in the Prygodicz Proceeding.

Category 2 Group Member means a person described by that term as it is defined in the Defence to the Second Further Amended Statement of Claim in the Prygodicz Proceeding.

Category 3a Group Member means a Group Member whose debt(s) were initially based on averaged ATO income information, were then recalculated other than on the exclusive basis of averaged ATO income information, and the recalculated debt was less than the amount recovered or received from them by the Commonwealth.

Category 3b Group Member means a Group Member whose debt(s) were initially based on averaged ATO income information, were then recalculated other than on the exclusive basis of averaged ATO income information, and the recalculated debt was equal to or more than the amount recovered or received from them by the Commonwealth.

Category 4 Group Member means a person described by that term as it is defined in the Defence to the Second Further Amended Statement of Claim in the Prygodicz Proceeding.

Category 5 Group Members means individuals who:

- (a) were in a close personal relationship with a Category 1, 2, 3a or 3b Group Member (but not a Category 4 Group Member) who has died, where the Group Member's death was materially contributed to by a Robodebt-raised Debt;
- (b) have suffered a recognised psychiatric illness or condition which was materially contributed to by the death of the Group Member; and
- (c) have registered in the Prygodicz Proceedings.

Claims includes:

- (a) allegations of entitlement to sums of money;

- (b) claims made by way of notices, demands, actions, suits, assertions of causes of action, or legal or arbitral proceedings;
- (c) legal or arbitral proceedings (including appellate proceedings);
- (d) claims seeking accounts or assessments;
- (e) assertions of legal or equitable rights;
- (f) allegations of liability for losses, costs or expenses;
- (g) any other type of claim, however arising.

Claims in the Proceedings means a Claim made in the Proceedings, or arising out of, in relation to, or in connection with the subject matter of the Proceedings (including any Claims that may have been made in the Proceedings if the appeal in the Knox Proceeding were allowed and including, for the avoidance of doubt, the Applicants' Potential Misfeasance Claim), but does not include a Claim that arises from rights under this Deed.

Commonwealth Entities means the Commonwealth and all of its current and former Related Bodies Corporate, Commonwealth parliamentarians, statutory appointees, officers, employees, contractors and agents (including executors, administrators or assigns thereof).

Common Fund Order means an order made by the Court providing for the remuneration of Omni Bridgeway borne pro rata by the Group Members from the proceeds recovered from the Proceedings.

Compensation Sum means an amount of \$475,000,000 (inclusive of GST).

Costs includes disbursements.

Court means the Federal Court of Australia.

Deed means this Settlement Deed and includes any Annexure to this Deed.

Extension of Time Application means the application filed by the Knox Applicants in the Knox Proceeding on 23 September 2024 seeking an extension of time in which to file a Notice of Appeal.

Fresh Evidence Application means the application filed in the Knox Proceeding by the Knox Applicants on 7 February 2025 seeking permission to adduce further evidence on the appeal.

Gordon Legal means Gordon Legal Pty Ltd (ABN 19 624 972 836), the solicitors for the applicants in each of the Proceedings.

Group Member has the meaning defined in the Second Further Amended Statement of Claim (including, for the avoidance of doubt, each Prygodicz Opt-Out who is reinstated in the Proceedings), and additionally includes all Category 5 Group Members.

GST has the meaning that it has in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Heads of Agreement means the 'Confidential Heads of Agreement' dated 3 July 2025 and executed by the Parties.

Knox Applicants means the First Applicant and the Second Applicant in the Knox Proceeding.

Knox Applications means the Extension of Time Application and the Fresh Evidence Application.

Knox Proceeding means Court proceeding number VID 982 of 2024.

Knox Registration Process means the process set out in Annexure A.

Knox Settlement Data means information or data concerning Group Members provided by any of the Commonwealth Entities to Gordon Legal and/or the Scheme Administrator in relation to or in connection with the application for the Approval Order, the Knox Registration Process, and/or the Knox Settlement Distribution Scheme.

Knox Settlement Distribution Scheme means the scheme set out in Annexure B (including as varied or modified by the Court, under this Deed or in accordance with its terms).

Legal Costs Sum means an amount not exceeding \$13,500,000 (inclusive of GST) for the Knox Applicants' and Prygodicz Applicants' professional fees and disbursements of or relating to the Knox Proceeding and the Costs of or relating to any process or application in respect of the Knox Settlement Distribution Scheme, the Knox Registration Process, the application seeking the Approval Orders and any associated applications (including in the Prygodicz Proceeding), and any application seeking payment(s) of the Legal Costs Sum.

Non-Commonwealth Parties means the Knox Applicants and Prygodicz Applicants (on their own behalf and pursuant to Part IVA of the Act), Gordon Legal and Omni Bridgeway.

Notice of Appeal means the amended draft notice of appeal annexed to the orders of the Court made on 25 March 2025 in the Knox Proceeding.

Outstanding Prygodicz Proceeding Amount means the \$292,496.82 not yet distributed under the Prygodicz Settlement Distribution Scheme.

Payments means the payments by the Commonwealth referred to in clause 2.1 and includes the Settlement Payments.

Proceedings means the Knox Proceeding and the Prygodicz Proceeding.

Prygodicz Applicants means the Second to Seventh Respondents in the Knox Proceeding.

Prygodicz Judgment means *Prygodicz v Commonwealth of Australia (No 2)* [2021] FCA 634 (Murphy J).

Prygodicz Opt-Out means a Group Member who opted out of the Prygodicz Proceeding prior to the execution of this Deed.

Prygodicz Orders means paragraphs 1 to 4 (inclusive) of the orders of the Court made in the Prygodicz Proceeding dated 11 June 2021.

Prygodicz Payments means the payments made by the Commonwealth under the Prygodicz Settlement Distribution Scheme pursuant to the Prygodicz Settlement Deed and the Prygodicz Judgment.

Prygodicz Proceeding means Court proceeding number VID1252/2019.

Prygodicz Settlement Deed means the Deed of Settlement resolving the Prygodicz Proceeding executed on various dates in November 2020 by the Commonwealth, the Prygodicz Applicants and Gordon Legal.

Prygodicz Settlement Distribution Scheme means the Settlement Scheme approved by the Court in respect of the Prygodicz Proceeding under the Prygodicz Order.

Related Body Corporate has the same meaning as in section 9 of the *Corporations Act 2001* (Cth).

Respondent means the Commonwealth of Australia.

Robodebt Notification means correspondence or other notification (including by postal mail, email or through 'myGov' or 'Centrelink Express') generated by the Commonwealth after 1 July 2015 referring to a difference between the income information obtained by Centrelink from the ATO and the information used by Centrelink in assessing Social Security Payment entitlements and requesting, requiring or reminding the Social Security Payment recipient to check, confirm, or update employment income information.

Robodebt-raised Debt means an Asserted Overpayment Debt that was partly or wholly raised between 1 July 2015 and November 2019 under the Robodebt Scheme using averaged ATO income information.

Robodebt Scheme refers to the Commonwealth's use of an automated debt-collection system between July 2015 and November 2019, intended to recover Asserted Overpayment Debts.

Rules means the *Federal Court Rules 2011* (Cth).

Scheme Administrator means the entity appointed by the Court to act in that capacity in respect of the Knox Settlement Distribution Scheme, and includes its current and former Related Bodies Corporate, officers, employees, contractors and agents (including executors, administrators or assigns thereof).

Setting Aside Order means:

- (a) an order of the Court made by consent in the Prygodicz Proceeding pursuant to r 39.05(f) of the Rules setting aside the Prygodicz Orders by the time the Approval Order is made (and for the purposes of giving effect to the Approval Order), provided that the Approval Order comes to be made;
- (b) if the Court will not make an order of the nature referred to in sub-paragraph (a) immediately above, then such other order or orders as the Parties, using best endeavours to agree, determine to seek from the Court in the Prygodicz Proceeding and/or the Knox Proceeding to enable and facilitate the making of the Approval Order.

Settlement Pathway Option 1 has the meaning given in clause 3.

Settlement Pathway Option 2 has the meaning given in clause 3.

Settlement Pathway Option 3 has the meaning given in clause 3.

Settlement Payments means payments made to Group Members out of the Compensation Sum under the Knox Settlement Distribution Scheme.

Settlement Scheme Administration Costs Sum means an amount not exceeding \$60,000,000 (inclusive of GST) for the costs and disbursements of administering the Knox Settlement Distribution Scheme.

Social Security Payment means any of: (a) Newstart Allowance; (b) Youth Allowance; (c) Disability Support Pension; (d) Austudy Allowance; (e) Age Pension; (f) Carer Payment; (g) Parenting Payment; (h) Partner Allowance; (i) Sickness Allowance; (j) Special Benefit; (k) Widow A Allowance; or (l) Widow B Pension.

SPO1 Draft Approval Order has the meaning given in clause 3.

SPO1 Draft Consent CMH Orders has the meaning given in clause 3.

SPO2 Draft Approval Order has the meaning given in clause 3.

SPO2 Draft Consent CMH Orders has the meaning given in clause 3.

1.2 **Rules for interpreting this document**

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this Deed, except where the context makes it clear that a rule is not intended to apply.

- (a) A reference to:
 - (i) a Party to this Deed or to any other document or agreement includes a successor in title, a permitted substitute or a permitted assign of that Party;
 - (ii) a person includes any type of entity or body of persons, and any executor, administrator or successor in law of the person; and
 - (iii) anything (including a right, obligation or concept) includes each part of it.
- (b) A singular word includes the plural, and vice versa.
- (c) A word which suggests one gender includes the other genders.
- (d) A reference to dollars is to Australian dollars.
- (e) A reference to legislation or a legislative provision includes any modification, substitution or re-enactment of that legislation or legislative provision.
- (f) If a word or phrase is defined, any other part of speech or grammatical form of that word or phrase has a corresponding meaning.
- (g) If a thing is said to include other things or to be an example, then those other things are examples only and do not limit the scope of the meaning of the first thing.
- (h) A provision of this Deed will not be construed to the disadvantage of a party solely on the basis that it proposed and/or drafted that provision.

1.3 **Non-Business Days**

If the day on or by which a person must do something under this Deed is not a Business Day the person must do it on or by the next Business Day.

1.4 **Multiple parties**

If a Party to this Deed is made up of more than one person, or a term is used in this document to refer to more than one Party, then unless otherwise specified in this Deed:

- (a) an obligation of those persons is joint and several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that Party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking relates to each of them separately.

2. **Settlement**

2.1 **Payments by the Commonwealth**

- (a) If the Approval Order is made:
 - (i) within 10 Business Days of the Appeal Period expiring, or such other time as ordered by the Court, the Commonwealth will pay so much of the Legal Costs Sum as is ordered by the Court into Gordon Legal's trust account; and
 - (ii) within 10 Business Days of the appointment of the Scheme Administrator, or such further period agreed between the Commonwealth and the Scheme Administrator not exceeding 30 Business Days, or such other time as ordered by the Court, the Commonwealth will pay the Compensation Sum into the Scheme Administrator's nominated interest-bearing controlled monies account.
- (b) Once the Compensation Sum has been paid by the Commonwealth to the Scheme Administrator, the Compensation Sum is to remain in the Scheme Administrator's nominated interest-bearing controlled monies account until such time as all Settlement Payments are made in accordance with the Knox Settlement Distribution Scheme and any other payment to be made from the Compensation Sum under this Deed has been made (or such other time(s) as ordered by the Court).
- (c) Once the Compensation Sum has been paid by the Commonwealth to the Scheme Administrator, interest earned on the Compensation Sum, net of any bank or account fees, other transaction costs or taxation payable by the Scheme Administrator in connection with the administration of this Settlement Scheme, is to be treated as if it were part of the Compensation Sum.
- (d) Any amount of the Compensation Sum which remains in the Scheme Administrator's nominated interest-bearing controlled monies account in accordance with clauses 2.1(b)–(c) at the termination of the Knox Settlement Distribution Scheme is to be returned by the Scheme Administrator to the Commonwealth within 20 Business Days of the termination of the Knox Settlement Distribution Scheme.
- (e) The Settlement Scheme Administration Costs Sum is to be paid by the Commonwealth to the Scheme Administrator (such payments cumulatively not to

exceed the amount set out in the definition of Settlement Scheme Administration Costs Sum) in accordance with the Knox Settlement Distribution Scheme.

- (f) Following payment of the Legal Costs Sum by the Commonwealth to Gordon Legal in accordance with clause 2.1(a)(i), Gordon Legal may use those funds to reimburse the Knox Applicants' and the Prygodicz Applicants' legal Costs, including for the avoidance of doubt to make payments to Gordon Legal.

2.2 **Commonwealth makes no admission of legal liability**

This Deed and the Payments are not an admission of liability by the Commonwealth Entities.

2.3 **All Parties Covenants**

The Parties:

- (a) acknowledge and agree that:
 - (i) the Commonwealth has made the Prygodicz Payments;
 - (ii) if the Approval Order is made, the Prygodicz Payments and the Payments are in full satisfaction of any claim for loss, damage, cost or expense in relation to the Claims in the Proceedings;
 - (iii) in respect of the Prygodicz Payments:
 - (A) the Payments are to be made in addition to the Prygodicz Payments;
 - (B) the Commonwealth will not seek to recoup the Prygodicz Payments;
 - (C) the Parties will not seek to disturb the Prygodicz Payments;
 - (D) the Parties will not seek to extend the Prygodicz Payments to any further Group Members (including any Prygodicz Opt-Out or Category 5 Group Member who may apply for reinstatement as a group member in the Proceedings or register to become a group member in the Proceedings in order to participate in the Knox Settlement Distribution Scheme, respectively), except in respect of the distribution of the Outstanding Prygodicz Proceeding Amount;
- (b) will execute all documents and do all acts reasonably necessary to comply with this Deed and refrain from performing any act incompatible with this Deed unless required to take or not take that act (as the case may be) to obtain, by or to give effect to the Approval Order. For the avoidance of doubt, neither this subclause nor any other provision of this Deed prevents the Parties from seeking to make submissions to the Court in respect of:
 - (i) the process for appointment and identity of the Scheme Administrator;
 - (ii) the reasonableness of, and the process for assessing or otherwise determining the reasonableness of, the Knox Applicants' and/or Prygodicz Applicants' legal Costs;
 - (iii) the reasonableness of, and process for assessing or otherwise determining the reasonableness of, the Scheme Administrator's costs;

- (iv) the reasonableness of any lead applicant payments being made to one or more of the Knox Applicants and the Prygodicz Applicants in an amount exceeding \$25,000 per person;
 - (v) the process for appointment and identity of any Contradictor and/or Costs Referee (or other forms of assistance to the Court in respect of the application for the Approval Order and the Knox Settlement Distribution Scheme); and
 - (vi) the reasonableness of, and process for the hearing and determination of any application for, the Common Fund Order or other order seeking any payments to Omni Bridgeway and/or Gordon Legal out of the Compensation Sum;
- (c) acknowledge that, other than as set out in this Deed, they enter into this Deed freely and voluntarily based upon their own information, legal advice and investigation;
- (d) acknowledge and agree:
- (i) that, other than as set out in the operative provisions of this Deed, they are not executing this Deed as a result of, by reason of, or in reliance on any promise, representation, advice, statement or information of any kind or nature;
 - (ii) that, notwithstanding clause 13(c), this Deed supersedes the Heads of Agreement and any other prior agreement between two or more of the Parties (including any written or verbal agreements), except that, in respect of the Prygodicz Settlement Deed:
 - (A) if the Court grants the Approval Order and the Appeal Period expires (with the Approval Order remaining operative), thereafter this Deed will continue to supersede the Prygodicz Settlement Deed and the Prygodicz Settlement Deed will be terminated; and
 - (B) if the Court 'finally declines' to grant the Approval Order (as that phrase is defined in clause 11(b)), thereafter this Deed will terminate pursuant to clause 11(a) and the Prygodicz Settlement Deed will be operative as though this Deed was of no operation or effect;
 - (iii) in respect of each Prygodicz Opt-Out, to the extent necessary to permit a Prygodicz Opt-Out (if they so choose) to be reinstated in the Proceedings and to participate in the Knox Settlement Distribution Scheme if the Approval Order is made, the Knox Applicants and/or the Prygodicz Applicants will seek and the Parties will consent to:
 - (A) an order of the Court under section 33X of the Act requiring that the notice to Group Members be sent to each Prygodicz Opt-Out informing them of the proposed settlement under this Deed and informing them of how they may apply for reinstatement in the Proceedings in order to participate in the Knox Settlement Distribution Scheme;
 - (B) an order of the Court in suitable terms under ss 22 and 33ZF of the Act (or otherwise) that each Prygodicz Opt-Out who applies to be reinstated in the Proceedings in order to participate in the Knox

Settlement Distribution Scheme will be reinstated in the Proceedings;

- (C) an order of the Court granting leave to the Knox Applicants and/or the Prygodicz Applicants to make any necessary consequential amendments to the description of the Group Members in the originating processes in the Proceedings so as to incorporate each reinstated Prygodicz Opt-Out in the Proceedings;
- (iv) to the extent necessary to permit a Category 1 Group Member, Category 2 Group Member, Category 3a Group Member, Category 3b Group Member or Category 4 Group Member to opt-out of the Proceedings (such that that Group Member is not bound by the Approval Order and will not participate in the Knox Settlement Distribution Scheme, if the proposed settlement is approved), the Knox Applicants and/or the Prygodicz Applicants will seek and the Parties will consent to:
 - (A) an order of the Court under s 33X of the Act requiring that the notice to Group Members be sent to all Category 1 Group Members, Category 2 Group Members, Category 3a Group Members, Category 3b Group Members and Category 4 Group Members informing them:
 - (aa) of the proposed settlement under this Deed;
 - (bb) that they may elect to opt-out of the Proceedings and not participate in the Knox Settlement Distribution Scheme; and
 - (cc) of any other matter of which the Court considers they should be informed;
 - (B) an order of the Court, if necessary, under ss 22 and 33ZF of the Act (or otherwise) that any Category 1 Group Member, Category 2 Group Member, Category 3a Group Member, Category 3b Group Member and Category 4 Group Member may opt-out of the Proceedings by taking any step specified for that purpose and will not participate in the Knox Settlement Distribution Scheme (if the proposed settlement is approved), but will remain bound by the Prygodicz Orders if the proposed settlement is not approved);
- (v) that, at the termination of the Knox Settlement Distribution Scheme (or at the conclusion of the Proceedings, whichever occurs later), any balance of the Outstanding Prygodicz Proceeding Amount not distributed to Group Members will be paid to Economic Justice Australia Inc (ABN 13 789 701 090) or, if this is not reasonably possible, to a charity of the Commonwealth's choosing, and the Parties will consent to an order of the Court to that effect;
- (vi) in respect of Category 5 Group Members, to the extent necessary to permit those persons who would be Category 5 Group Members if they register in the Proceedings to become Group Members in the Proceedings and to participate in the Knox Settlement Distribution Scheme (if the proposed settlement is approved), the Knox Applicants and/or the Prygodicz Applicants will seek and the Parties will consent to:
 - (A) an order of the Court under s 33X of the Act requiring that the notice to Group Members be published for the purpose of

informing those persons who would be Category 5 Group Members if they opt in to the Proceedings:

- (aa) of the proposed settlement under this Deed;
 - (bb) of how they may elect to register to become a group member in the Proceedings in order to participate in the Knox Settlement Distribution Scheme; and
 - (cc) of any other matter of which the Court considers they should be informed;
- (B) an order of the Court in suitable terms under ss 22 and 33ZF of the Act (or otherwise) that those persons who would be Category 5 Group Members if they register in the Proceedings may register in the Proceedings by having taken or by taking any step specified for that purpose and will become Group Members and may participate in the Knox Settlement Distribution Scheme; and
- (C) an order of the Court granting leave to the Knox Applicants and/or Prygodicz Applicants to make any necessary consequential amendments to the description of the Group Members in the originating processes in the Proceedings so as to incorporate Category 5 Group Members as Group Members;
- (vii) that, as soon as practicable after execution of this Deed and completion of the Registration Process, or as the Court may direct, the Setting Aside Order and the Approval Order must respectively be sought from the Court pursuant to clause 3 of this Deed;
- (viii) that, as soon as practicable after execution of this Deed, the Parties will seek by consent an order of the Court adjourning the case management hearing of the Knox Applications, that had been fixed for 4 September 2025, to a date to be fixed after the latter of the termination of the administration of the Knox Settlement Distribution Scheme and final distribution of the Outstanding Prygodicz Proceeding Amount;
- (ix) that the application for the Approval Order will include applications for orders that:
- (A) all costs orders be vacated in the Knox Proceeding;
 - (B) upon the latter of the termination of the administration of the Knox Settlement Distribution Scheme and final distribution of the Outstanding Prygodicz Proceeding Amount, the Proceedings be dismissed with no order as to costs;
 - (C) a Common Fund Order be made at a rate to be approved by the Court;
- (x) that they will not take any further steps in the Proceedings, other than those steps that are:
- (A) reasonably necessary in order to implement, facilitate, or give effect to this Deed (including the Knox Settlement Distribution Scheme if the Approval Order is made) or any Approval Order made by the Court;

- (B) required by the Act, or other relevant legislation, or an order of the Court; or
- (C) agreed between the Parties;
- (xi) that the mediation between the Commonwealth, the Knox Applicants and the Prygodicz Applicants, ordered by the Court and for which the Honourable John Sackar AM KC was acting as mediator, is no longer operative;
- (xii) that, after the Knox Registration Process has occurred (if ordered by the Court), they will confer and negotiate in good faith with a view to agreeing any reasonably practicable variation to the Knox Settlement Distribution Scheme to shorten periods in, or streamline aspects of, the Knox Settlement Distribution Scheme (and any consequential variations), but the Parties are not obliged by this subclause to agree any variation;
- (e) represent and warrant that this Deed is valid and binding in respect of each Party; and
- (f) will do all things and execute all further documents necessary to give full effect to this Deed.

2.4 Commonwealth Covenants

The Commonwealth will not:

- (a) seek to recover the Prygodicz Payments;
- (b) demand, raise or recover from any Group Member any invalid debt as described in the declarations in the Prygodicz Order;
- (c) cause or encourage Group Members to opt out of the Proceedings; or
- (d) oppose an application by the Knox Applicants and the Prygodicz Applicants for lead applicant payments being made to each of the Knox Applicants and the Prygodicz Applicants in an amount not exceeding \$25,000 per person (such amount to be determined by the Court) out of the Compensation Sum.

2.5 Knox Registration Process and Knox Settlement Distribution Scheme

The Parties agree that:

- (a) they will be bound by the Knox Registration Process and the Knox Settlement Distribution Scheme from their commencement in accordance with clauses 2.5(b)–(c);
- (b) the Knox Registration Process will commence upon the Court making an order giving effect to it;
- (c) the Knox Settlement Distribution Scheme will commence two Business Days after the Court makes the Approval Order or on such other date as the Court orders;
- (d) Gordon Legal (in its capacity as the solicitor for the Knox Applicants and the Prygodicz Applicants in relation to the application for the Approval Order and/or the Knox Registration Process) and the Scheme Administrator (in its capacity as Scheme Administrator in the Knox Settlement Distribution Scheme) will:

- (i) solicit, collect, receive, retain, use, disclose, destroy or otherwise deal with Knox Settlement Data:
 - (A) only for the purposes of the application for the Approval Order, the Knox Registration Process, or the Knox Settlement Distribution Scheme; and
 - (B) in accordance with:
 - (aa) the orders of the Court;
 - (bb) all applicable Commonwealth, state and territory laws relating to privacy and/or relating to the collection, holding, use, correction and disclosure of personal information and sensitive information insofar as applicable;
 - (cc) the [Information Security Manual dated June 2025](#) and published by the Commonwealth; and
 - (dd) Strategic Certification under the [Hosting Certification Framework dated March 2021](#) and published by the Commonwealth;
 - (C) such that no Knox Settlement Data is retained on any server or device located outside of Australia;
 - (D) such that, where a cloud solution is to be used, a copy of the Independent Registered Assessors Program (IRAP) assessment for each such cloud solution is to be provided to the Commonwealth as soon as reasonably practicable before each such cloud solution is procured;
 - (E) such that, where a third party solution is to be used, the Commonwealth is provided with information as to the access controls that will be implemented for each such third party solution as soon as reasonably practicable before each such third party solution is procured; and
 - (ii) destroy all Knox Settlement Data in accordance with the Knox Settlement Distribution Scheme or upon termination of this Deed pursuant to clause 11 (whichever is the earliest);
- (e) the Scheme Administrator and its officers, employees, agents and contractors, shall not have any liability arising from or in connection with the administration of the Knox Settlement Distribution Scheme except where any of them acts fraudulently or dishonestly;
 - (f) the Scheme Administrator shall effect and maintain professional indemnity insurance with a limit of indemnity of not less than \$10 million per claim and in the aggregate for all claims in any 12 month policy period, and including an automatic right of reinstatement, which covers the liability of the Scheme Administrator for any and all Claims arising from or in connection with the administration of the Knox Settlement Distribution Scheme (including the costs of defending such claims). Such insurance shall:
 - (i) have a definition of professional services broad enough to include all professional services, activities and duties to be provided or performed by

the Scheme Administrator, its officers, employees, agents and contractors under the Knox Settlement Distribution Scheme; and

- (ii) extend to cover claims related to software and IT risks;
- (g) save where the Scheme Administrator or its officers, employees, agents or contractors act fraudulently or dishonestly, the Scheme Administrator will:
 - (i) in the first instance, have recourse to its insurance maintained under subclause 2.5(f) in respect of any and all Claims made against the Scheme Administrator; and
 - (ii) if the insurance coverage does not apply or is exhausted, thereafter be indemnified in respect of the Costs of any and all Claims made against the Scheme Administrator:
 - (A) first, out of the Settlement Scheme Administration Costs Sum, by applying to the Court for additional payments from the Commonwealth in respect of indemnification, such that the funds ordered by the Court to be paid to the Scheme Administrator out of the Settlement Scheme Administration Costs Sum in respect of the reasonable costs of administering Knox Settlement Distribution Scheme are not used to indemnify the Scheme Administrator, but where the total Settlement Scheme Administration Costs Sum must not exceed \$60 million; and
 - (B) second, if the Settlement Scheme Administration Costs Sum is exhausted, out of the Compensation Sum (and interest thereon) for any Claims made against the Scheme Administrator in connection with the administration of the Knox Settlement Distribution Scheme (as approved by the Court under the Approval Order or otherwise);
- (h) the Scheme Administrator may pay the Costs of defending any Claims made against it in connection with the administration of the Knox Settlement Distribution Scheme out of the Settlement Scheme Administration Costs Sum and Compensation Sum as set out in subclause 2.5(g) but, if it is found (after the exhaustion of any appeal(s) or applications for leave to appeal from such a finding or orders following thereon) that the Scheme Administrator or its officers, employees, agents or contractor have acted fraudulently or dishonestly, the Scheme Administrator must reimburse the Costs paid; and
- (i) clauses 2.5(e)–(h) operate as a deed poll in favour of and for the benefit of the Scheme Administrator and may be relied on and enforced by the Scheme Administrator in accordance with their terms even though the Scheme Administrator is not named as a Party to this Deed.

2.6 Costs

- (a) Pending the Approval Order, no Party will take any step to enforce any existing costs order in the Proceedings.
- (b) No Party will seek its costs of or related to the application for the Approval Order, or in respect of the Knox Registration Process or the Knox Settlement Distribution Scheme, other than as set out in this Deed (including the Knox Settlement Distribution Scheme).

2.7 Releases and Bars to Proceedings

- (a) If the Approval Order is made and if the payments in clause 2.1(a) are made, the Knox Applicants and the Prygodicz Applicants, on their own behalf and on behalf of the Group Members (but excluding Group Members who opted out of the Proceedings and who were not reinstated in the Proceedings as described in subclause 2.3(d)(iii)), release the Commonwealth Entities from all Claims in the Proceedings.
- (b) The release in subclause 2.7(a) does not affect in any way a Group Member's right or ability to:
 - (i) enquire about, object to, or challenge a debt decision of the Commonwealth that is not the subject of the Proceedings if the basis of their enquiry, objection or challenge is different in nature to the Claims in the Proceedings; and
 - (ii) enquire about, object to, or challenge a decision of the Commonwealth with respect to their entitlement to any social security payment.
- (c) Other than to enforce this Deed, the Non-Commonwealth Parties will not bring or pursue, or procure a third party to bring or pursue, a Claim against the Commonwealth Entities in respect of any Claims in the Proceedings released under subclauses 2.7(a)–(b).
- (d) This Deed may be pleaded as a bar to the initiation and continuation of any Claim by the Non-Commonwealth Parties or any Group Member (but excluding Group Members who opted out of the Proceedings and who were not reinstated in the Proceedings as described in subclause 2.3(d)(iii)) against the Commonwealth Entities in respect of any Claims in the Proceedings released under subclauses 2.7(a)–(b).

2.8 Covenants and Indemnities by Gordon Legal and Omni Bridgeway

- (a) Gordon Legal and Omni Bridgeway agree that neither they nor any of their Related Bodies Corporate will take any steps to:
 - (i) cause or encourage Group Members to opt out of the Proceedings; or
 - (ii) except for the Proceedings and except as set out in this Deed (including the Knox Settlement and Distribution Scheme), fund or accept instructions to act in any proceedings, process or any other action (including any proceedings in a court or tribunal, under any statutory scheme or process, under any government administrative process, or in respect of any proceedings of the Parliament of Australia) in respect of any matter arising from, connected with or related to the Proceedings or any allegations that are or ever have been the subject of the Proceedings or any application the subject of the Proceedings.
- (b) For the avoidance of doubt, nothing in subclause 2.8(a) prevents Gordon Legal from acting in respect of any proceeding, process or other action where it or its existing clients (as at the date of execution of this Deed) are compelled by law to participate in such a proceeding, or from taking any steps necessary to enforce the terms of this Deed.

2.9 Deed poll

The Parties agree that clauses 2.7 and 2.8 above:

- (a) operate as a deed poll in favour of and for the benefit of each of the Commonwealth Entities; and
- (b) may be relied on and enforced by each of the Commonwealth Entities in accordance with their terms even though the Commonwealth Entities (other than the Commonwealth) are not named as Parties to this Deed.

3. **Application for the Approval Order**

The Parties agree that they will seek that the Court makes the Approval Order as follows.

Settlement Pathway Option 1

- (a) The Parties will first seek that the Court proceed in accordance with this Settlement Pathway Option 1.
- (b) Prior to the first case management hearing in the Prygodicz Proceeding after the execution of this Deed:
 - (i) the Commonwealth will provide to the Court written submissions advocating for Settlement Pathway Option 1 and seeking the making of the SPO1 Draft Consent CMH Orders in Annexure C to this Deed; and
 - (ii) the Knox Applicants and the Prygodicz Applicants will provide to the Court concurring written submissions stating their consent to Settlement Pathway Option 1 and the SPO1 Draft Consent CMH Orders.
- (c) At the first case management hearing in the Prygodicz Proceeding after the execution of this Deed, the Commonwealth, the Knox Applicants and the Prygodicz Applicants will make oral submissions which generally accord with their written submissions.
- (d) If the Court permits the Parties to proceed in accordance with Settlement Pathway Option 1:
 - (i) the Parties will seek that the Court makes the SPO1 Draft Approval Order (including the Setting Aside Order) set out in Annexure C to this Deed, after the hearing of the application for the Approval Order; and
 - (ii) the Parties will not seek that the Court proceed in accordance with Settlement Pathway Option 2.
- (e) For the avoidance of doubt, the Parties may seek additional orders to those set out in the SPO1 Draft Consent CMH Orders and the SPO1 Draft Approval Order, and may make additional submissions, provided that those additional orders are not inconsistent with this Deed, including this clause 3.

Settlement Pathway Option 2

- (f) If the Court does not permit the Parties to proceed in accordance with Settlement Pathway Option 1, the Parties will seek that the Court proceed in accordance with this Settlement Pathway Option 2.
- (g) After the Court declines to proceed in accordance with Settlement Pathway Option 1, either at the first case management hearing in the Prygodicz Proceeding after the execution of this Deed or thereafter:

- (i) the Knox Applicants and the Prygodicz Applicants will provide to the Court written and/or oral submissions advocating for Settlement Pathway Option 2 and seeking the making of the SPO2 Draft Consent CMH Orders (including the Setting Aside Order) in Annexure D to this Deed; and
 - (ii) the Commonwealth will provide to the Court concurring written and/or oral submissions stating their consent to Settlement Pathway Option 2 and the SPO2 Draft Consent CMH Orders.
- (h) If the Court permits the Parties to proceed in accordance with Settlement Pathway Option 2, the Parties will seek that the Court makes the SPO2 Draft Approval Order set out in Annexure D to this Deed after the hearing of the application for the Approval Order.
- (i) For the avoidance of doubt, the Parties may seek additional orders to those set out in the SPO2 Draft Consent CMH Orders and the SPO2 Draft Approval Order, and may make additional submissions, provided that those additional orders are not inconsistent with this Deed, including this clause 3.

Settlement Pathway Option 3

- (j) If the Court does not permit the Parties to proceed in accordance with Settlement Pathway Option 1 or Settlement Pathway Option 2, but indicates that the Court would permit the Parties to proceed to seek the Approval Order in some other way (Settlement Pathway Option 3), the Parties will use their best endeavours to seek to agree and implement that Settlement Pathway Option 3 as soon as reasonably practicable.
- (k) For the avoidance of doubt, if the Court indicates that it would permit the parties to seek a Setting Aside Order in order to give effect to the Approval Order, but not in either of the forms set out in Annexures C and D under Settlement Pathway Option 1 and Settlement Pathway Option 2 respectively, the Parties agree that:
- (i) different formulations of the Setting Aside Order may be open to be made by the Court; and
 - (ii) the Parties:
 - (A) must not contend for the adoption of no Setting Aside Order; and
 - (B) must use their best endeavours to seek to agree and implement the Court's proposed formulation as soon as reasonably practicable.

The Court finally declines to make the Approval Order

- (l) If the Court hears the application for the Approval Order but finally declines to grant the Approval Order (as that phrase is defined in clause 11(b)), this Deed will terminate pursuant to clause 11(a) and:
- (i) the Knox Applications and all other applications, matters, rights and remedies in the Proceedings (having been held in abeyance pending determination of the application for the Approval Order) will no longer be held in abeyance;
 - (ii) the Prygodicz Orders will not be varied, set aside or otherwise disturbed by virtue of this Deed;

- (iii) the Prygodicz Settlement Deed will be operative and undisturbed;
- (iv) the Parties will not seek to take any further step in the Prygodicz Proceeding unless it is not inconsistent with this Deed or is otherwise pursuant to an order of the Court; and
- (v) the Knox Applicants may seek to progress the Knox Applications, and the Commonwealth may oppose the Knox Applications,

as though this Deed was of no operation or effect.

Reasonable endeavours to agree amendments to obtain Approval Order

- (m) The Parties agree to use reasonable endeavours to agree to amend this Deed (provided that the amendments are generally consistent with what has been agreed in this Deed) if that is reasonably necessary to obtain the Approval Order in accordance with this Deed (and, in particular, this clause 3).

4. Confidentiality and announcements

- (a) Subject to subclauses 4(b) to 4(d) and without prejudice to any privilege that may apply, the Parties will keep the substance of all negotiations in connection with this Deed and of the Heads of Agreement (including documents exchanged for that purpose) confidential.
- (b) Subject to subclauses 4(c) to 4(d) and without prejudice to any privilege that may apply, the Parties will keep the existence and terms of this Deed and of the Heads of Agreement confidential until the first in time of:
 - (i) 8.30am on Thursday, 4 September 2025, but only if the Court is notified of the settlement pursuant to subclause 4(d) before 4pm on Wednesday, 3 September 2025; or
 - (ii) the conclusion of the case management hearing on 4 September 2025, from which point they shall not be confidential.
- (c) Before the time referred to in subclause 4(b), a Party may make any disclosure of the existence or terms of this Deed or of the Heads of Agreement necessary to:
 - (i) consult any professional advisers, insurance brokers, insurers, auditors, bankers, Related Bodies Corporate, financial or taxation advisers and financiers, so long as the disclosing party is reasonably satisfied that the recipient has an obligation to keep the matters disclosed to it confidential;
 - (ii) comply with any listing rule of any securities exchange;
 - (iii) comply with any law or, in the case of the Non-Commonwealth Parties, any requirement of any regulatory or government body;
 - (iv) perform obligations under or otherwise enforce this Deed, including to notify the Court of the execution of this Deed as set out in subclause 4(d), and to seek the Approval Order; and
 - (v) in the case of the Commonwealth, disclose to:
 - (A) the Parliament of Australia;

- (B) Commonwealth Entities alleged to have engaged in misfeasance in public office in respect of the Robodebt Scheme, and any of their legal representatives, on receipt of undertakings from those persons to keep the terms confidential; and
 - (C) the parties, the parties' legal representatives, and the court or tribunal in any separate process, action or proceeding relating to a Claim against the Commonwealth concerning the Robodebt Scheme that may be extinguished by the Approval Order on the basis that confidentiality undertakings are obtained and orders will be sought to restrict any further disclosure.
- (d) As soon as practicable after the execution of this Deed, the Parties to the Proceedings shall jointly notify the Associates to Justices Moshinsky, Lee and Moore, and (by separate communication) the Associate to Justice Murphy, that the Parties have executed a Settlement Deed to resolve the Proceedings subject to approval by the Court.

5. **Variation**

A variation of this Deed is binding only if agreed in writing and signed by the Parties.

6. **Assignment**

A Party may only assign, encumber, declare a trust over or otherwise deal with its rights under this Deed with the written consent of each other Party.

7. **Waiver**

- (a) A failure or delay by a Party to exercise any right or remedy it holds under this Deed or at law does not operate as a waiver of that right.
- (b) A single or partial exercise by a Party of any right or remedy it holds under this Deed or at law does not prevent the Party from exercising the right again or to the extent it has not fully exercised the right.
- (c) No waiver by a Party of any right or remedy under this Deed shall be effective unless in writing.

8. **Counterparts**

- (a) This Deed may be executed and exchanged in counterparts.
- (b) This Deed may be executed by a physical copy or by electronic means and may be executed by an attorney on behalf of a Party.
- (c) This Deed is not binding upon any Party until all executed counterparts have been exchanged.
- (d) Executed counterparts may be exchanged by email.
- (e) Delivery of a counterpart of this Deed by email constitutes an effective mode of delivery.
- (f) Where a Party executes a physical copy of this Deed, the Party effecting exchange by email must send to each other Party (by their solicitors) an original executed counterpart Deed as soon as is practicable after the time of exchange.

This will not affect the coming into effect of this Deed as provided in the foregoing provisions of this clause 8.

9. **Governing law**

- (a) This Deed and any dispute arising out of or in connection with its subject matter is governed by the laws of the State of Victoria within the Commonwealth of Australia.
- (b) Each Party submits to the exclusive jurisdiction of the Federal Court of Australia and courts of appeal from it in respect of any proceedings arising out of or in connection with the subject matter of this Deed.

10. **Dispute Resolution**

- (a) If a dispute between any of the Parties arises out of or in relation to this Deed (**Dispute**), no party to the Dispute will start Court proceedings in respect of the Dispute (except proceedings seeking interlocutory relief) except in accordance with this clause 10.
- (b) A Party claiming that a Dispute has arisen must notify each of the other Parties, give each other Party details of the Dispute and give each other Party a proposal for resolution.
- (c) In the period of 7 days after the date on which a notice is given by a disputing Party under subclause 10(b), the disputing Party and each other Party must use all reasonable endeavours to resolve the Dispute, including by way of the representatives of each Party meeting to seek to resolve the Dispute.
- (d) If the Dispute remains unresolved after the period referred to in subclause 10(c), the Dispute must be referred to mediation to:
 - (i) the Honourable Mr John Sackar AM KC; or
 - (ii) if Mr Sackar is unwilling or unable to act as mediator, a mediator agreed between the Parties, being either a suitably qualified Senior Counsel practising at the Victorian or New South Wales Bar, or a retired judge of the High Court of Australia, Federal Court of Australia or Supreme Court of an Australian State or Territory; or
 - (iii) if agreement is not reached on the choice of mediator within 3 Business Days after the period referred to in subclause 10(c), a mediator nominated by the President of the Law Institute of Victoria.
- (e) The Parties agree to accept all reasonable and standard terms for the engagement of the mediator.
- (f) The role of the mediator is to assist in negotiating a resolution of the Dispute.
- (g) A mediator may not make a decision that is binding on a Party unless the Party has agreed to this in writing.
- (h) Each Party will use all reasonable endeavours to resolve the Dispute through mediation, including by persons with authority to agree to the resolution of the Dispute participating in the mediation and by providing the mediator with all information relevant to the Dispute (without prejudice to legal privilege).

- (i) If the Dispute is not resolved within 10 Business Days after the date of reference to mediation or the appointment of the mediator under clause 10(d), a Party that has complied with the foregoing provisions of this clause 10 may terminate the dispute resolution process set out under this clause 10 by giving notice to each other Party to that effect. Upon such a notice being given, each Party (including a Party who has not previously given a notice in respect of the Dispute under this clause 10) may start Court proceedings in respect of the Dispute.
- (j) Each Party must bear its own costs of complying with this clause 10. For the avoidance of doubt, the Non-Commonwealth Parties' costs of complying with this clause 10 may be reimbursed out of the Legal Costs Sum.

11. Termination

- (a) If the Court finally declines to make the Approval Order, unless the Parties in writing agree otherwise within 10 Business Days after the Court so declines, this Deed will terminate and will be of no force and effect.
- (b) The Court will 'finally decline' to make the Approval Order if the Court declines to make such orders (either in the original jurisdiction or on appeal therefrom) and the Appeal Period has expired or all rights of appeal (including to seek leave to appeal) have been exhausted.
- (c) The Court will not be taken to have 'finally declined' to make the Approval Order merely because it:
 - (i) invites or requires any party to the Proceedings (or any appeal therefrom) to submit further evidence, make further submissions or provide further information regarding the Approval Order;
 - (ii) invites the Parties to consider varying any part of this Deed (including its Annexures); or
 - (iii) makes orders or declarations in substantially the terms of, but not identical terms to, the Approval Order.

12. Notices

- (a) Any notice provided under this Deed must be in writing and delivered by email to the Party at the address for that Party as follows:
 - (i) the Knox Applicants, the Prygodicz Applicants, and Gordon Legal: agrech@gordonlegal.com.au
 - (ii) the Commonwealth: mmckean@thomsons.com.au
 - (iii) Omni Bridgeway: emcnee@omnibridgeway.com
- (b) A Party may vary or amend its address for notice in subclause 12(a) by giving notice of that address to all other Parties, effective upon receipt.
- (c) A notice sent by email is regarded as being given and received on the date on which it is received:
 - (i) so long as the sender does not receive a response indicating it has not been delivered (in which case it is taken not to have been given and received); and

- (ii) except that, where it is sent other than on a Business Day or after 5pm on a Business Day, it is taken to be received on the next Business Day at 9am.

13. Operation of this document

- (a) This Deed contains the entire agreement between the Parties about its subject matter.
- (b) The Heads of Agreement is replaced by this Deed and has no further effect (including, for the avoidance of doubt, the provisions of the Heads of Agreement that are expressed to survive its termination).
- (c) Subject to clause 2.3(d)(ii), any previous understanding, agreement, representation or warranty relating to the subject matter of this Deed is replaced by this Deed and has no further effect, if and when the Approval Order is made.
- (d) Any provision of this Deed which is unenforceable is, where and to the full extent possible, to be severed to the extent necessary to make this Deed enforceable, unless this would materially change the intended effect of this Deed.

14. Acknowledgement of incomplete legal proceedings and other inquiry processes

- (a) The Parties acknowledge that they enter into this Deed fully and voluntarily on their information and investigation.
- (b) Each Party to this Deed acknowledges that it is aware that it or its advisers, agents or lawyers may discover facts different from or in addition to the facts that they now know or believe to be true with respect to the subject matter of this Deed and the Robodebt Scheme, including:
 - (i) that there may be current inquiry or regulatory processes relating to the Robodebt Scheme; and
 - (ii) that there may be future (as yet unknown) processes,by which additional information relevant to the Proceedings might become available.
- (c) Each Party to this Deed acknowledges that this Deed is entered into before completion of all steps relating to the Proceedings, without a formal pleading in relation to the Applicants' Potential Misfeasance Claim, and without the Prygodicz Orders having been set aside.
- (d) The Parties acknowledge that it is their intention, if the Approval Order is made, to, and they do fully and finally, settle according to the provisions of this Deed the Claims in the Proceedings, notwithstanding the incomplete Proceedings and other current or future inquiry processes.

15. Authority to execute

- (a) Each Party who executes this Deed declares that they have full authority to execute it and that they have obtained any necessary consents or approvals.
- (b) Each person who executes this Deed on behalf of a Party under power of attorney declares that they are not aware of any fact or circumstance that might affect their authority to do so under that power of attorney.

EXECUTED as a deed.

Signed, sealed and delivered by and on behalf of the Commonwealth of Australia as represented by the Attorney-General's Department by:

Date: _____ September 2025

Signature of witness

Signature of authorised signatory

Full name of witness

Full name of authorised signatory

Executed by Gordon Legal Pty Ltd (ACN 624 972 836) as nominee and agent for the Gordon Legal partnership in accordance with section 127(1) of the *Corporations Act 2001* (Cth)

Date: _____ September 2025

Signature of Director

Signature of Director/Secretary

Full name of Director

Full name of Director

Signed by Omni Bridgeway (Fund 5) Lion Pty Ltd (ACN 673 495 264) in accordance with section 127 of the *Corporations Act 2001* (Cth):

Date: _____ September 2025

Signature of Director

Signature of Director

Full name of Director

Full name of Director

Signed, sealed and delivered by Nathan Knox
in the presence of:

Signature of witness

Full name of witness

Signed, sealed and delivered by David Mandell
in the presence of:

Signature of witness

Full name of witness

Signed, sealed and delivered by Katherine
Prygodicz in the presence of:

Signature of witness

Full name of witness

Signed, sealed and delivered by Elyane Porter
in the presence of:

Signature of witness

Full name of witness

Date: _____ September 2025

Signature of Nathan Knox

Date: _____ September 2025

Signature of David Mandell

Date: _____ September 2025

Signature of Katherine Prygodicz

Date: _____ September 2025

Signature of Elyane Porter

Signed, sealed and delivered by Steven Fritze
in the presence of:

Date: _____ September 2025

Signature of witness

Signature of Steven Fritze

Full name of witness

Signed, sealed and delivered by Felicity Button
in the presence of:

Date: _____ September 2025

Signature of witness

Signature of Felicity Button

Full name of witness

Signed, sealed and delivered by Shannon Thiel
in the presence of:

Date: _____ September 2025

Signature of witness

Signature of Shannon Thiel

Full name of witness

Signed, sealed and delivered by Devon Collins
in the presence of:

Date: _____ September 2025

Signature of witness

Signature of Devon Collins

Full name of witness