

BSA CLASS ACTION – LLS FUNDING AGREEMENT

Contents

Page 1	Key information
Page 2	Signing page
Pages 3 to 48	LLS Funding Agreement

KEY INFORMATION

- Litigation Lending Services Limited (**LLS**) is funding the BSA Class Action and Shine Lawyers is conducting the BSA Class Action.
- To accept the LLS Funding Agreement, please complete your details on pages 2 and 3 and sign where indicated on page 2. We will separately contact you to obtain details specific to your claim if you have not already provided them.
- LLS and Shine Lawyers will not seek from you any payment towards any legal costs and disbursements, other than from any proceeds recovered. If the prosecution of the claims is unsuccessful, you will have no liability to Shine Lawyers for legal costs and disbursements.
- If you accept the LLS Funding Agreement, your participation will be kept confidential, and will only be disclosed by us in the following circumstances:
 - To LLS.
 - If there is a settlement or successful judgment, to the Court on a confidential basis.
 - If required as part of settlement or judgment, to BSA on a confidential basis to enable verification of your claim and/or payment of proceeds.
- You cannot be appointed as the lead applicant (**Representative Claimant**) in any class action that may be commenced without your prior and explicit written consent.
- LLS will fund all disbursements costs, a proportion of Shine Lawyers' professional fees, and will indemnify the Representative Claimant against adverse costs. In return, LLS will take a share of any proceeds recovered as set out in the LLS Funding Agreement or as ordered by the Court.
- Shine Lawyers will risk share 20% of its professional fees, which are only payable if proceeds are recovered, and cannot exceed the amount of any proceeds that are recovered. The risk share component is subject to a 25% uplift subject to the Court's approval.

Please read the terms of the LLS Funding Agreement, obtain independent legal advice if you wish, and if you agree with the terms, please sign in the relevant place on page 2.

A copy of the signed LLS Funding Agreement will be provided to you for your records.

By signing the LLS Funding Agreement you agree to the terms of the LLS Funding Agreement.

EXECUTED by the parties as an Agreement:

By signing, the Claimant agrees to the terms of the LLS Funding Agreement. A copy of the signed Agreement will be provided to you for your records.

Signing of the LLS Funding Agreement by the Claimant:

Signature	<input type="text"/>	Date
Name	<input type="text"/>	<input type="text" value="/ /"/>

Signing of the LLS Funding Agreement by LLS:

Signature	<input type="text"/>	Date
Name	<input type="text"/>	<input type="text" value="/ /"/>

"COVER PAGE A"

THIS AND THE FOLLOWING PAGE IS THE "COVER PAGE A" TO THE LLS FUNDING AGREEMENT, IN RESPECT OF THE PROPOSED ACTION AGAINST BSA LIMITED

IMPORTANT NOTES:

- Please read the terms of the LLS Funding Agreement, obtain independent legal advice if you wish and then sign where indicated on page 2; and
- A copy of the signed LLS Funding Agreement will be provided to you for your records.
- Signing this Cover Page A on the following page means that the Claimant agrees to the terms of the LLS Funding Agreement.

DATED

BETWEEN:

LLS FUND SERVICES PTY LTD ABN 51 627 975 213 AS TRUSTEE FOR LLS FUND ("LLS")

ADDRESS Level 36, 1 Macquarie Place, Sydney, New South Wales 2000

("Claimant")

CONTACT NAME

ADDRESS

CONTACT EMAIL

CONTACT NUMBER

SHINE LAWYERS

("Lawyers")

ADDRESS

6/299 Elizabeth Street, Sydney, New South Wales

LLS FUNDING AGREEMENT

THE PARTIES

Claimant (details below) AND Litigation Lending Services Ltd (“**LLS**”) (details below)

THE ITEMS

IMPORTANT NOTE TO APPLICANT

Complete all details in CAPITAL LETTERS. Read this Agreement, take legal advice if you wish and then sign on page 2.
Please return to LLS the first 3 pages (and any additional pages you use) and keep a copy for yourself.
If you have executed the Retainers online, a copy will be provided for your records.

ITEM 1. LLS CONTACT FOR DAY-TO-DAY CORRESPONDENCE

NAME Lisa Brentnall	PHONE 0414 227 710
----------------------------	---------------------------

ITEM 2. LLS's DETAILS

The address given here is the address for the service of notices

CONTACT PERSON Lisa Brentnall EMAIL lbrentnall@litlend.com.au	ADDRESS Litigation Lending Services Ltd Level 36, 1 Macquarie Place Sydney NSW 2000
--	--

ITEM 3. RESPONDENT

NAME	BSA Limited	
ACN/ABN (IF APPLICABLE)	ACN 088 412 748	ABN 50 088 412 748

RECITALS

- A** The Claimant has or may have one or more Claims against the Respondent.
- B** Other persons have or may have claims which are the same or similar to the Claims. The Claimant, together with those other persons, wishes to bring Proceedings in respect of some or all of the Claims.
- C** The Claimant has requested LLS to provide funding for the pursuit of the Claims.
- D** LLS is prepared to conduct the Project Investigation and subject to the outcome of the investigation, pay the Project Costs pursuant to the terms of this Agreement.
- E** The Claimant has agreed, in return, to assign LLS a share of the Claim Proceeds (if any) on the terms of this Agreement.
- F** The Claimant proposes to enter into the Retainer with the Lawyers.
- G** The Claimant is aware that LLS will also provide funding to other LLS Claimants which funding may be in different terms to this Agreement and may fund other actions against the Respondent unrelated to the Claims.
- H** The Claimant is aware that where the Claimant has more than one Claim against more than one Respondent, it is possible that separate Proceedings will be instituted against different Respondents in relation to those Claims.
- I** The Claimant is aware that his, her or its Claims may be pursued in common with other Relevant Claims and may be against one or more Respondents and that any Class Action may include (as members of the class) persons who have not entered into a funding agreement with LLS.
- J** The Claimant and LLS acknowledge that each has, by virtue of their respective contributions, obligations and entitlements (including each to receive a share of any Claim Proceeds) set out in this Agreement, an interest in the Claims, the Proceedings and any Claim Proceeds.

1 Definitions and Interpretation

Agreement means this agreement.

Adverse Costs Insurance means a contract of insurance that provides cover for the costs incurred by the Respondent in the Proceedings that may be the subject of an Adverse Costs Order.

Adverse Costs Insurance Premium means any sum paid out by LLS to purchase Adverse Costs Insurance.

Adverse Costs Insurance Provider means any person considering providing, or provides, Adverse Costs Insurance to LLS or any LLS Claimants, in respect of the Relevant Claims, whether before or after the date of this Agreement.

Adverse Costs Order means any costs order made in favour of the Respondent against the Representative, the Claimant and/or LLS in the Proceedings, or prior to or in contemplation of the Proceedings (as part of the Project Investigation, in respect of costs of the Respondent incurred during the term of this Agreement).

Alternative Dispute Resolution Process means any form of negotiation, discussions, mediation, conciliation, expert determination, arbitration or other form of dispute resolution process which seeks to Settle any and/or all of the Relevant Claims and/or the Proceedings.

Budget means the capped Legal Costs and Disbursements for the Common Benefit Work set out in Schedule 1.

Business Day means any day that is not a Saturday, Sunday or a Public Holiday in New South Wales.

Claim means the legal claim or claims the Claimant has or may have against some or all of the Respondents arising out of, or connected with, the facts, matters, circumstances and/or allegations set out in **Item (b) of Schedule 2**.

Claim Proceeds means any amount of money, or the value of any goods, services or benefits, any interest (including interest earned on trust money), any monies recovered by virtue of a Costs Order or any agreement in respect of costs and any ex gratia payments which are attributable to the resolution, Settlement, judgment and/or enforcement in respect of the Claim. The Claim Proceeds refers to the gross value of these sums prior to any set-off or counterclaim exercised or exercisable by the Respondent, prior to any deduction for tax payable and is not net of any costs or expenses of conducting the Claim. There will be a separate Claim Proceeds for each separate Proceeding.

Claimant means the person or entity listed as the "Claimant" on Cover Page A to this Agreement.

Claimant's Share means the share borne by the Claimant calculated by reference to the proportion that the amount of the Claims bears to the total amount of the Relevant Claims.

Class Action means proceedings commenced under Part IVA of the *Federal Court of Australia Act 1976 (Cth)* or any other similar or equivalent law as effective from time to time, against the Respondents in respect of the Relevant Claims.

Co-Funder means any person considering entering into, or enters into, an agreement with LLS to provide co-funding to the Claimant, or a similar arrangement, in respect of the Relevant Claims, whether before or after the date of this Agreement.

Commencement Date means the date on which this Agreement has been executed and delivered by both Parties.

Common Benefit Work means Legal Work other than Individual Legal Work, including Legal Work for the common benefit of LLS Claimants or a sub-class of LLS Claimants.

Common Fund Application means an application in the Class Action by the Representative seeking all class members, including LLS Claimants, to pay fees to LLS from any Claim Proceeds in accordance with terms that are the same or similar to the terms of this Agreement (including the Standard Lawyer Terms).

Common Fund Order means, where the Proceedings are pursued as an "open class" class action, and in the course of those Proceedings the Court makes orders requiring the representative applicant and all group members to pay a share of the legal costs, commission and any other amounts payable to a litigation funder from a common fund comprising any amounts they may receive in any settlement or judgment in the Proceedings.

Condition Subsequent means in LLS's sole opinion the value of the Relevant Claims is sufficient to make pursuing the Relevant Claims viable.

Confidential Information means:

- (a) the contents and subject matter of this Agreement;
- (b) any forensic report and or legal opinions obtained by or on behalf of the LLS Claimants under this Agreement (or any summaries of them);
- (c) any information relevant to the Relevant Claims whether of a technical, commercial or any other nature;
- (d) any information coming to a Party by virtue of being a Party to this document; and
- (e) information developed by a Party relevant to the Claim prior to or during the term of this Agreement including all information, data, documentation, functions, features, agreements with third parties, marketing information, customer or contact lists, trading data and financial information;

irrespective of whether it is provided to a Party before, on or after the Commencement Date, except for information in the public domain other than as a result of a breach of this Agreement.

Conflicts Management Policy means LLS's policy for managing conflicts annexed at Schedule 3 to this Agreement, as may be amended from time to time.

Costs Order means an order made by a court requiring a person to pay the legal costs incurred by another person in relation to a court proceeding.

Disbursement means any disbursements or expenses the Lawyers incur whether as principal or as agent on the Claimant's behalf in relation to the Legal Work, including (without limitation) barristers and other experts' fees, searching fees, lodging fees, travel expenses, courier fees and photocopying fees.

Group Members means all persons who are identified as group members in the Proceedings, and who do not opt out of the Proceedings by the time specified by the Court for doing so.

GST means goods and services tax under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Individual Legal Work means Legal Work in connection with the specific Claims of a specific LLS Claimant, not including Common Benefit Work.

Investigation Product means all information, documentation, conclusion, opinion, analyses, results and conclusions obtained, reached, conducted and/or created (as the case may be) in or as a result of the Project Investigation.

LLS Claimants means the persons who have the Relevant Claims. Unless otherwise stated, LLS Claimants include the Claimant.

LLS Commission means the amount provided for and calculated in accordance with **Item (e) of Schedule 2**.

LLS Entitlements means an amount equal to:

- (a) the Claimant's Share of the Project Costs (with any adjustments necessary relating to GST);
- (b) an additional amount, on account of GST, being the amount obtained by multiplying the prevailing rate of GST (currently 10%) by an amount equal to the consideration to be received by LLS for any taxable supply made to the Claimant by LLS under or in connection with this Agreement; and
- (c) the LLS Commission, but where the amount of LLS Commission is greater than the balance of the Claim Proceeds after the assignment of the amounts referred to in sub-clauses (a) and (b) above, then that balance;

to be paid, assigned and attributed (as the case may be) in the order of priority as listed above.

Lawyers means the firm identified in **Item (c) of Schedule 2** or any other solicitors appointed in their place by agreement of LLS and the Representative.

Legal Costs means reasonable legal professional fees incurred by or on behalf of the Claimant in accordance with the terms of the Retainer in relation to the Legal Work. For clarity, Legal Costs do not include Disbursements.

Legal Work means such advice, legal and administrative services which the Lawyers consider reasonably necessary to conduct the Project Investigation or to conduct or prosecute the Claims and/or Proceedings, including work to negotiate a Settlement of the Claims.

Loss means any financial loss, damage, costs, liability or expense of any nature.

Overarching Objective means the just resolution of the Relevant Claims as quickly, inexpensively and efficiently as possible with the aim of maximizing the present value of money received via the Settlement or adjudication of the Relevant Claims, net of costs, whilst having due regard to all risks including, in particular, the risk of the Relevant Claims being unsuccessful.

Parties means LLS and the Claimant (and **Party** means either one of them).

Privilege means, unless the context otherwise requires, legal professional privilege and includes any joint privilege or common interest privilege.

Proceeding means any and all Class Actions for the determination of the substantive issues arising in respect of the Relevant Claims issued by or taken over by the Claimant or any other LLS Claimants, whether proposed to be conducted or in fact conducted in Australia or any other jurisdiction. For clarity, Proceeding does not include Project Investigation.

Progress Report means a written report provided to LLS addressing each of the matters set out in Schedule 4 concerning all material aspects of the conduct of the Proceedings and/or the Claims.

Project Costs means the external costs incurred at any time up to the conclusion of this Agreement in respect of or associated with investigating, prosecuting and/or resolving the Claims and/or the Relevant Claims, comprising:

- (a) the costs involved in the provision of any security for costs;
- (b) any Adverse Costs Insurance Premium;
- (c) any Adverse Cost Order;
- (d) the Legal Costs and Disbursements associated with the Project Investigation;
- (e) the Legal Costs and Disbursements associated with the Proceeding;
- (f) the Legal Costs and Disbursements associated with any Alternative Dispute Resolution Process;
- (g) any other costs, expenses and disbursements incurred by LLS in relation to the Relevant Claims and this Agreement; and
- (h) any GST payable as a result of the above costs or expenses being incurred.

For clarity, Project Costs does not include Remaining Costs or Remaining Costs for Project Investigation.

Project Investigation means work undertaken prior to and in contemplation of Proceedings, including but not limited to:

- (a) investigating the evidentiary basis for the Claims;
- (b) collating material documents;
- (c) investigating the capacity of any Respondent to pay any judgment, award or order which may be made against that Respondent relating to the Claims in any Proceedings;

- (d) investigating the interest of the Respondent to resolve the Claims by any Alternative Dispute Resolution Process;
- (e) investigating any other matter that LLS determines is relevant to the Claims, the potential Proceedings or its obligations under this the Agreement; design and implement any Alternative Dispute Resolution Process for the resolution of the Relevant Claims, other than initiation of Proceedings; and
- (f) initiate and undertake proceedings for preliminary discovery, examination or other mechanism for the purpose of gathering information or detail concerning the Relevant Claims or any Respondent.

Project Investigation Funding Cap means the capped amounts set out in **Item (d) of Schedule 2**.

Regulations means the *Corporations Amendment Regulation 2012 (No.6)* as amended from time to time.

Related Body Corporate has the meaning given in section 50 of the *Corporations Act 2001* (Cth).

Relevant Claims means the claims of persons who have, or may have, claims which are the same or similar to the Claims, against some or all of the Respondents. Unless otherwise stated, Relevant Claims include the Claim.

Remaining Costs means the following amounts (including GST):

- (a) the percentage set out in **Item (j) of Schedule 2** of the reasonable Legal Costs of the Lawyers incurred up to the conclusion of this Agreement for the sole purpose of preparing for, prosecuting and resolving the Proceedings (excluding any Project Investigation) together with any applicable uplift fee;
- (b) any legal fees or disbursements incurred for or in respect of the Legal Work (excluding any Legal Work for Project Investigation) in excess of capped amounts for each Stage set out in the Budget (as the case may be) together with any applicable uplift fee; and
- (c) any interest on the amounts set out in subclauses (a) and (b) of this definition incurred by the Lawyers from the date that such amounts are incurred at the rate set out in **Item (k) of Schedule 2**

For clarity, Remaining Costs do not form part of the Project Costs and do not include Remaining Costs for Project Investigation.

Remaining Costs for Project Investigation means:

- (a) the percentage set out in **Item (l) of Schedule 2** of the reasonable Legal Costs of the Lawyers incurred up to the conclusion of this Agreement for the sole purpose of Project Investigation;
- (b) any legal fees or disbursements incurred for or in respect of the Legal Work for Project Investigation in excess of the Project Investigation Funding Cap together with any applicable uplift fee; and

- (c) any interest on the amounts set out in subclauses (a) and (b) of this definition incurred by the Lawyers from the date that such amounts are incurred at the rate set out in **Item (m) of Schedule 2**

For clarity, Remaining Costs for Project Investigation do not form part of the Project Costs and do not include Remaining Costs.

Representative means any one or more of the LLS Claimants who is a representative party in a Proceeding.

Resolution means when all or any part of the Claim Proceeds is received by or on behalf of the Claimant or a Related Body Corporate or related entity of the Claimant. Where Claim Proceeds are received in part or where there is more than one Proceeding, a "Resolution" occurs each time a part is received in respect of each Proceeding.

Respondent means the person or entity named in **Item (i) of Schedule 2** and any other person against whom claims arising out of the same factual circumstances as the Claim, are made by the Lawyers on behalf of the Claimant.

Retainer means the agreement between the Claimant and the Lawyers that includes the Standard Lawyers Terms.

Automatic Termination Date means the date specified in **Item (a) of Schedule 2**.

Settlement means any settlement, compromise, discontinuance, withdrawal, abandonment, dismissal or waiver of all or part of the Claims. "**Settle**" has corresponding meaning.

Stage means the stage or stages set out in the column titled "Stage" in the Budget.

Standard Lawyer Terms means the terms and conditions set out in Schedule 5.

Trust Account means a bank account established and held by the Lawyers, which is capable of being used to hold Claim Proceeds on trust for the Claimant and LLS, and if considered appropriate by the Lawyers, to also hold other monies obtained from other Relevant Claims on trust for the other LLS Claimants and LLS.

Interpretation

In this Agreement, unless a contrary intention appears:

- (d) headings and bold type are for convenience only and do not affect the interpretation of this Agreement;
- (e) words or expressions importing the singular include the plural and vice versa;
- (f) words or expressions importing a gender include any gender;
- (g) words or expressions denoting individuals include any legal entity, and any words or expressions denoting acts done or roles undertaken include those done or undertaken an act by an authorised representative of a legal entity;
- (h) a reference to a Party includes that Party's successors and permitted assigns;

- (i) if a Party is made up of more than one person, or a clause refers to more than one Party, any obligation on those persons is joint and several;
- (j) a provision of this document will not be construed to the disadvantage of a Party merely because that Party was responsible for the preparation of this document or the inclusion of the provision in this document; and
- (k) where an act is required to be done, or a time period expires, on a day which is not a Business Day, then the act must be done by, and the time limit will expire on, the following Business Day.

2 Commencement and Cooling Off Period

- 2.1 This Agreement commences on the Commencement Date.
- 2.2 The Claimant may withdraw from this Agreement by doing so in writing prior to the expiry of 14 days after the date this Agreement is signed by the Claimant. Such withdrawal will cause this Agreement to terminate, but will not be treated as a termination under clause 10. Time is of the essence.
- 2.3 If the Claimant withdraws in accordance with clause 2.2, upon LLS receiving the written notice pursuant to that clause, the Claimant shall have no continuing or further obligation to LLS save for any obligations to preserve the Privilege arising in respect of the terms of this Agreement and any other information received prior to the withdrawal pursuant to or in connection with this Agreement. This clause survives the withdrawal or termination of this Agreement.

3 Claimant's acknowledgements and obligations

- 3.1 The Claimant authorises and appoints LLS to:
 - (a) make any decision or do any act necessary and/or incidental to conduct the Project Investigation and commence, prosecute, progress or resolve the Claims and/or Proceedings; and
 - (b) for the purposes of clause 3.2(f), to complete, sign and file with the relevant Court any opt out notice on the Claimant's behalf, together with any further or other acts that may be required to give effect to such opt out or withdrawal from the proceeding.
- 3.2 During the term of this Agreement the Claimant will:
 - (a) do everything reasonable and necessary to assist LLS with their endeavour to investigate, commence, prosecute, progress or resolve the Claims or Proceedings;
 - (b) co-operate in good faith with LLS, and comply with any reasonable request LLS makes, in order to achieve the Overarching Objective and, in particular, will provide to LLS all information that LLS reasonably requires;
 - (c) follow all reasonable legal advice given by the Lawyers in relation to the Claims;
 - (d) not have any communication with any Respondent in respect of the Claims other than through the Lawyers or upon their reasonable advice;

- (e) not cause, permit or assert any charge, lien or other encumbrance or right over or otherwise attaching to the Claim Proceeds after the Commencement Date, except with the prior written consent of LLS, which consent may be withheld by LLS at its discretion; and
- (f) withdraw from or opt out of any other proceeding conducted against the Respondent if the claims pursued in that proceeding overlap with the Claims in the Proceedings, and otherwise at the direction of LLS, at the advice of the Lawyers.

3.3 The Claimant acknowledges that the Lawyers:

- (a) will determine, in consultation with the Representative and LLS, what Relevant Claims should be made or pursued at any stage of the Proceedings; and
- (b) will if necessary, determine the amounts of each Relevant Claim and the Claimant's Share; and
- (c) have entered, or will enter into, an agreement with LLS in the same or similar terms as the Standard Lawyer Terms.

3.4 The Claimant agrees that if there is any inconsistency between the Retainer on the one hand and this Agreement or the Standard Lawyer Terms on the other, the terms of this Agreement or the Standard Lawyer Terms, as applicable, will prevail.

4 Funding for Project Investigation

4.1 Without limiting the generality of clause 3.1 above, the Claimant authorises and consents for LLS to, at LLS's discretion, conduct the Project Investigation and perform any act for the purposes of the Project Investigation.

4.2 LLS may, in its absolute discretion, instruct the Lawyers to conduct the Project Investigation or any part thereof. If LLS elects to do so, then subject to the Project Investigation Funding Cap, it will pay the Lawyers' Legal Costs and Disbursements incurred for the Project Investigation less any Remaining Costs for Project Investigation.

4.3 LLS will pay any Adverse Cost Order incurred for, or arising out of, the Project Investigation.

4.4 The Claimant acknowledges that to the extent that the Lawyers' Legal Costs and Disbursements for Project Investigation exceed the Project Investigation Funding Cap, the excess forms part of the Remaining Costs for Project Investigation which are dealt with in accordance with the Standard Lawyers Terms and clause 6.2(b)(ii).

4.5 Any information or documents provided by the Claimant to LLS may be used by LLS for the purposes of advancing the Claims, the Relevant Claims and/or the Proceedings. Such information or documents are confidential in accordance with clause 11.

4.6 Notwithstanding any termination of this Agreement, any Investigation Product may be retained and used by LLS:

- (a) to assist in the preparation, prosecution or resolution of any Relevant Claims;
- (b) to obtain legal or financial advice, or financial services, in connection with or in respect of its performance of this Agreement or any other agreements with LLS Claimants; and

- (c) to monitor its actual and potential rights and obligations under this Agreement and any other agreements with LLS Claimants.

5 Funding for Proceedings

- 5.1 On conclusion of the Investigative Work, LLS, may at its sole discretion, by written notice to the Claimant that the Condition Subsequent has been met, elect to provide funding for the Proceedings on the terms of this Agreement.
- 5.2 If LLS exercises the election in clause 5.1, LLS will:
 - (a) pay the Project Costs;
 - (b) pay any Adverse Costs Order and take steps to confirm this obligation with the Court and the Respondent where necessary; and
 - (c) to the extent required by an order of the Court, provide any security for the costs of any Respondent in such form that LLS determines and the Respondents or the Court accept, relating to costs incurred by a Respondent during the term of this Agreement.
- 5.3 The funding of payments for the Common Benefit Work is capped at each Stage to the amounts as set out in the Budget.
- 5.4 Further to clause 5.3 and to the extent applicable, the Claimant acknowledges that to the extent that the Lawyers' Legal Costs and Disbursements for the Common Benefit Work exceed the capped amounts for each Stage as set out in the Budget, the excess forms part of the Remaining Costs which are dealt with in accordance with the Standard Lawyers Terms and clause 6.2(b)(ii) below. However, LLS may at its sole discretion extend the funding beyond any capped amounts in the Budget.
- 5.5 LLS may, by written notice to the Claimant, suspend its funding obligations under this Agreement if:
 - (a) LLS has not received a monthly report from the Lawyers in accordance with clause 8.3(d), until the receipt of all outstanding reports; or
 - (b) LLS has not received from the Lawyers a copy of any invoice in respect of the Legal Work for a period of 3 months or more, until the receipt of all outstanding invoices.

6 LLS Entitlements and Remaining Costs

- 6.1 LLS Entitlements

In consideration for LLS agreeing to provide the services and funding set out in this Agreement, upon Resolution, the Claimant, as assignor, assigns and pays to LLS, as assignee, the LLS Entitlements from any Claim Proceeds.
- 6.2 Mechanism for payment of the LLS Entitlements and Remaining Costs from the Claim Proceeds
 - (a) The Claimant agrees to and will take all reasonable steps, and give all necessary instructions where required, to ensure that upon Resolution:

- (i). any Claim Proceeds are paid into the Trust Account in the first instance;
 - (ii). the Lawyers promptly and otherwise within 1 business day, inform LLS of the event in clause 6.2(a)(i); and
 - (iii). the Lawyers pay the LLS Entitlements directly to LLS from the Trust Account in accordance with subclause 6.2(b) below.
- (b) From the Claim Proceeds, the Claimant and the Lawyers will cause:
- (i) as first priority, the LLS Entitlements to be paid to LLS within 7 days of receipt of the Claim Proceeds into the Trust Account and before any other payment from the Trust Account;
 - (ii) as second priority, any Remaining Costs and Remaining Costs for Project Investigation to be paid to the Lawyers pursuant to their entitlements under this Agreement and the Standard Lawyer Terms; and
 - (iii) as third priority, all remaining amounts belonging to the Claimant to be paid to the Claimant.

6.3 LLS Entitlements to be held on trust

The Claimant acknowledges that the LLS Entitlements are to be held on trust for LLS by the Lawyers until they are paid to LLS.

7 Additional Respondents and Appeals

- 7.1 If any person or entity other than that named in **Item (i) of Schedule 2** becomes a Respondent ("**Additional Respondent**"), then from the date on which LLS gives notice that it agrees to accept Adverse Costs Order exposure in respect of that Additional Respondent, an additional percentage or amount as set out in **Item (f) of Schedule 2** for that Additional Respondent (or, where there is more than one Additional Respondent referred to in LLS's notice, for each Additional Respondent that is not represented by the same lawyers) is added to the percentage or amount set out in **Item (e) of Schedule 2**.
- 7.2 If any person (not being a Respondent or Additional Respondent) becomes a party to the Proceedings at the initiative of a Respondent or an Additional Respondent, then from the date the person becomes a party an additional percentage or amount as set out in **Item (g) of Schedule 2** for that person (or, where there is more than one person, for each group of persons that are not represented by the same lawyers) is added to the percentage or amount set out in Item (e) of Schedule 2).
- 7.3 If there is a final judgment in the Proceedings which is not in favour of the Claimant or the Representative and LLS has notified the Lawyers in writing that it is prepared, in its discretion, to fund an appeal, then LLS will pay, as part of the Project Costs, the reasonable legal costs and disbursements of the appeal and will pay any Adverse Costs Order if the appeal is unsuccessful. Where the Claimant is a Representative in a Class Action, the Lawyers will lodge and prosecute the appeal in the name of the Claimant.
- 7.4 If there is a final judgment in the Class Action in favour of the Claimant or Representative and the Respondent appeals, then LLS may elect, in its discretion and in writing to the Lawyers, to fund the reasonable legal costs and disbursements of the defence of the appeal. If LLS so elects,

then LLS will pay, as part of the Project Costs, the reasonable legal costs and disbursements of the appeal and any Adverse Costs Order if the defence of the appeal is unsuccessful. Where the Claimant is the Representative in the Class Action, the Lawyers will defend the appeal in the name of the Claimant.

- 7.5 If LLS notifies the Claimant (or the Representative) and the Lawyers under sub-clauses 7.3 or 7.4, then from the date of LLS's notice an additional percentage or amount as set out in **Item (h) of Schedule 2** will be added to the percentage or amount set out in **Item (e) of Schedule 2** in consideration of the funding of each appeal by LLS.
- 7.6 If there is a judgment in the Proceedings in relation to an interlocutory application which is not in favour of the Claimant or the Representative and LLS has notified the Lawyers in writing that it is prepared, in its discretion, to fund an appeal, then LLS will pay, as part of the Project Costs, the reasonable legal costs and disbursements of the appeal and will pay any Adverse Costs Order if the appeal is unsuccessful.
- 7.7 If there is a judgment in the Proceedings in relation to an interlocutory application which is in favour of the Claimant or Representative and the Respondent appeals, then LLS may elect, in its discretion and in writing to the Lawyers, to fund the reasonable legal costs and disbursements of the defence of the appeal. If LLS so elects, then LLS will pay, as part of the Project Costs, the reasonable legal costs and disbursements of the appeal and any Adverse Costs Order if the defence of the appeal is unsuccessful.

8 Instructions to the Lawyers and Settlement

- 8.1 In the Class Action, the Claimant acknowledges and agrees that, with respect to the Common Benefit Work:
- (a) the Representative is entitled to give day-to-day instructions to the Lawyers;
 - (b) however, the Representative (including where the Claimant is the Representative) may authorise LLS to give day-to-day instructions to the Lawyers on the Representative's behalf, subject to clause 8.5; and
 - (c) nevertheless, the Representative may override any instruction given by LLS by the Claimant giving instructions directly to the Lawyers
- 8.2 In the Class Action, the Claimant acknowledges and agrees that, with respect to Individual Legal Work for the Claims:
- (a) the Claimant is entitled to give day-to-day instructions to the Lawyers;
 - (b) however, the Claimant may authorise LLS to instruct the Lawyers on the Claimant's behalf; and
 - (c) nevertheless, the Claimant may override any instruction given by LLS by the Claimant giving instructions directly to the Lawyers.
- 8.3 The Claimant hereby irrevocably instructs LLS to, subject to clauses 8.1, 8.2 and 8.5, give day to day instructions to the Lawyers and irrevocably instructs the Lawyers to:
- (a) comply with all day to day instructions given by LLS;

- (b) prosecute the Claim efficiently and effectively, in accordance with the Budget (if the Proceeding is a Class Action) and in accordance with the Overarching Objective;
 - (c) where applicable, make a Common Fund Application if directed by LLS to do so, at LLS's sole discretion; and
 - (d) keep LLS fully informed of all material developments concerning the Relevant Claims and provide a Progress Report to LLS as requested by LLS, within 2 Business Days of such request or as otherwise agreed between LLS and the Lawyers.
- 8.4 Except in relation to settlement of the Claims, which is dealt with in sub-clauses 8.5 to 8.9 below, if the Lawyers notify LLS and the Claimant that the Lawyers believe that circumstances have arisen such that they may be in a position of conflict with respect to any obligations they owe to LLS and those they owe to the Claimant, the Claimant and LLS agree that, in order to resolve that conflict, the Lawyers may:
- (a) seek instructions from the Claimant, whose instructions will override those that may be given by LLS;
 - (b) give advice to the Claimant and take instructions from the Claimant, even though that advice is, and instructions are, or may be, contrary to LLS's interests; and
 - (c) refrain from giving LLS advice and from acting on LLS's instructions, where that advice is, or those instructions are, or may be, contrary to the Claimant's interests.
- 8.5 In the context of the Proceeding (being a Class Action), if the Representative:
- (a) wants to Settle the Proceedings for less than LLS considers appropriate; or
 - (b) does not want to Settle the Proceedings when LLS considers it appropriate to do so;
- then the Claimant agrees that LLS and the Representative must seek to resolve their difference of opinion by referring it to counsel for advice on whether, in counsel's opinion, Settlement of the Proceedings on the terms and in the circumstances identified by either LLS or the Representative or both, is fair and reasonable in all of the circumstances. For the avoidance of doubt, either LLS or the Representative or both may seek counsel's opinion.
- 8.6 For the purposes of clauses 8.5 and 8.9, counsel will be the most senior counsel of those retained by the Lawyers, in respect of the Claim. If no counsel has been retained then the Lawyers, in consultation with the Representative and LLS, will appoint counsel for that purpose. If LLS and the Representative are unable to agree on the selection of counsel then counsel will be appointed as selected by the President of the New South Wales Bar Association for that purpose.
- 8.7 If counsel's opinion is that the Settlement is fair and reasonable then the Claimant and LLS agree that, the Lawyers are instructed to do all that is necessary to Settle the Class Action consistently with the terms of the Settlement advised by counsel, provided that the approval of the Court to the Settlement is sought and obtained.
- 8.8 Subject to clause 8.9, the procedure set out in clauses 8.5 to 8.7 inclusive will also apply where the Claimant:
- (a) wants to Settle any Claim not yet the subject of a Class Action for less than LLS considers appropriate; or

- (b) does not want to Settle any Claim not yet the subject of a Class Action when LLS considers it appropriate to do so.

8.9 Where there is a proposed Settlement of any Claims not yet the subject of proceedings, the Claimant agrees to be bound by that proposed Settlement and that, the Lawyers are instructed to do all that is necessary to settle the Claims as part of that proposed Settlement provided advice is received from the most senior counsel of those retained by the Lawyers (or if no counsel has been retained, counsel appointed in accordance with clause 8.6) that the proposed Settlement is fair the reasonable in all of the circumstances. The Lawyers will determine the value of each Relevant Claim for the purposes of this clause and this Agreement.

8.10 Any costs incurred in respect to the procedures set out in clauses 8.5 to 8.9 will be paid by LLS and such costs will form part of the Project Costs.

9 Conflicts of Interest

9.1 LLS will:

- (a) comply with the Conflicts Management Policy;
- (b) comply with the requirements of the Regulations; and
- (c) provide timely and clear disclosure to the Claimant of any material breach by LLS of the Regulations relevant to the Claimant.

9.2 If any conflict arises as between the interests of LLS and the interests of the Claimant, then the Lawyers may continue to act for the Claimant, take instructions from the Claimant (and not LLS) and LLS will raise no objection to them doing so.

10 Termination

10.1 Automatic Termination

This Agreement will terminate if LLS provides a written notice to the Claimant by the Review Date or such subsequent date as agreed between LLS and the Lawyers (acting on behalf of the Claimant) that the Condition Subsequent has not been met.

10.2 Termination by LLS

LLS is entitled to terminate this Agreement by giving 7 days written notice to the Claimant if LLS, in its absolute discretion, forms a view that:

- (a) the prospects of success of the Claim have declined such that the Claim should no longer be pursued; or
- (b) pursuing the Claim or the Relevant Claims is no longer commercially viable.

10.3 Termination for Material Breach

If any Party commits a material breach of this Agreement or the Regulations and such breach is:

- (a) incapable of remedy, or
- (b) capable of remedy but the Party has failed to remedy the breach within 28 days of receiving a notice from the other Party requiring it to do so,

then the other Party may immediately terminate this Agreement by giving written notice to the other Party.

10.4 Termination of Lawyer's Engagement

- (a) If the Standard Lawyers Terms are terminated, LLS will inform the Claimant as to whether LLS and the Representative have agreed to other solicitors becoming the Lawyers.
- (b) If, pursuant to clause 10.4(a), LLS informs the Claimant that LLS and the Representative have agreed to other solicitors becoming the Lawyers, provided those solicitors agree with LLS to terms the same as or substantially the same as the Standard Lawyers Terms, those solicitors will become the Lawyers for the purposes of this Agreement in place of the existing Lawyers.
- (c) Replacement of the Lawyers in the circumstances of this clause:
 - (i) will not result in a termination of this Agreement; and
 - (ii) will not result in the replacement solicitors assuming any obligations of the Lawyers accrued to the date the appointment of the previous Lawyers is terminated.
- (d) If the Standard Lawyers Terms with the existing Lawyers are terminated and LLS informs the Claimant that it is not proposed to replace the Lawyers, then this Agreement will terminate as at the date of such notice.

10.5 Termination due to Common Fund Order in Competing Class Action

If a Common Fund Order is granted in proceedings that are in respect of the Relevant Claims but not funded by LLS (**Competing Class Action**) and as a result, the Claimant becomes obliged to pay a commission to the funder or any other entity in respect of the Competing Class Action, either Party may by written notice to the other Party terminate this Agreement.

10.6 Effect of Termination Pursuant to Clause 10.1, 10.2, 10.3, 10.4(d) or 10.5

Upon the termination of this Agreement pursuant to clause 10.1, 10.2, 10.3, 10.4(d) or 10.5:

- (a) All obligations of LLS under this Agreement cease on the date that the termination becomes effective, save for the following obligations accrued to that date:
 - (i) payment of any outstanding Project Costs incurred up to the date that the termination becomes effective; and
 - (ii) payment of any Adverse Costs Order in respect of costs which arise in, or are attributed to, the period beginning on the Date of Commencement and ending on the date the termination becomes effective.

- (b) The LLS Commission assigned to LLS pursuant to clause 6.1, is reassigned to the Claimant and LLS is not entitled to the LLS Commission, but LLS otherwise continues to be entitled to balance of the LLS Entitlements, excluding the LLS Commission, as an assignee under clause 6.1 or if such assignment is for any reason ineffective, the Claimant remains liable to pay the balance of the LLS Entitlements, excluding the LLS Commission, pursuant to this clause. This applies irrespective of when a Resolution occurs, including a resolution at a time after the termination.

10.7 Termination by the Claimant by Opting Out

If the Claimant exercises a right to opt out of the Class Action, then upon the exercise of that right this Agreement will terminate but LLS continues to be entitled to the LLS Entitlements as an assignee under clause 6.1 or if such assignment is for any reason ineffective, the Claimant remains liable to pay the LLS Entitlements pursuant to this clause. This applies irrespective of when a Resolution occurs, including a resolution at a time after the termination.

10.8 Survival of Termination

The obligations under this clause 10 are continuing and survive the termination of this Agreement.

11 Confidential information

- (a) A Party must not use or disclose the other Party's Confidential Information and must maintain any Privilege attaching to the Confidential Information, except as expressly permitted below:
 - (i). in the proper performance of this Agreement and to achieve the Overarching Objective;
 - (ii). to the Lawyers and LLS;
 - (iii). as may be disclosed to a Court to assist in obtaining Court approval of a Settlement of the Relevant Claims;
 - (iv). to the Respondents on a strictly confidential basis in order to assist in Settlement negotiations;
 - (v). to its Related Body Corporates, officers, employees and advisers (including legal or financial);
 - (vi). LLS is permitted to disclose the Confidential Information to any Co-Funders, Adverse Costs Insurance Providers and any Co-Funders' or Adverse Costs Insurance Providers' Related Body Corporates, officers, employees and advisors provided that the applicable recipient of such disclosure has agreed with LLS to keep the information confidential and/or the subject of Privilege;
 - (vii). as required by law; or
 - (viii). with the consent of the other Party.
- (b) Both Parties will ensure they have and will maintain operating procedures to comply with their obligations in clause 11(a).

- (c) The obligations in clauses 11(a) and 11(b) survive termination of this Agreement.
-

12 Warranties and Representations

12.1 Claimant's Warranties

The Claimant warrants that:

- (a) any facts, information or documents it has provided to LLS in relation to the Claims are accurate and complete to the best of its knowledge; and
- (b) it has received, or declined a reasonable opportunity to obtain, independent legal, accounting and financial advice in connection with this Agreement and the Claim.

12.2 Matters on which no warranty is provided

Neither Party provides any warranty or representation:

- (a) as to the qualification, experience, quality or suitability of the Lawyers or any insurer; or
- (b) as to the outcome that can or will be achieved from pursuing the Claim.

13 Dispute Resolution

13.1 Where a dispute arises regarding the Claims and/or Proceedings other than in respect of settlement (which is **dealt with under clauses 8.5 to 8.9**) or in respect of **the matters covered under clause 8.4 (Dispute), the Dispute must be resolved in accordance with this clause 13.**

13.2 This clause 13 is enlivened by the sending of a notice by either Party to the other stipulating that it is a notice seeking to enliven this clause and specifying the details of the Dispute.

13.3 The Parties will use their best endeavours to resolve the Dispute within 14 days from receipt of the notice under clause 13.2.

13.4 Failing resolution, the Dispute will be referred to a third party counsel agreed between the parties in dispute, or failing agreement as to the identity of counsel to be appointed within 7

days from the failure to resolve the Dispute under clause 13.3, by a counsel nominated by the President of the Bar Association of New South Wales.

- 13.5 For the purpose of conducting a determination under this clause 13, counsel shall inform themselves as they see fit at their discretion. The Parties shall co-operate in good faith with any requirements of counsel to assist them with their role under this clause 13.
- 13.6 The determination of counsel under this clause 13 is to be final and binding on the Parties.
- 13.7 Each of the Claimant and LLS is liable for 50% of the cost of the counsel engaged for the purpose of this clause 13. For avoidance of doubt, the Claimant's share for Counsel's costs under this clause is not funded or payable by LLS

14 General

14.1 Amendment of this Agreement

This Agreement may only be amended as follows:

- (a) by notice in writing by LLS to the Claimant, and the Claimant does not notify LLS in writing within 14 days that the amendment is rejected;
- (b) if a Common Fund Order is sought and obtained and any conditions imposed by the Court on the order coming into effect are satisfied (including undertakings being obtained from all persons required to give them under the terms of the Common Fund Order) (**CFO Effective Date**), the terms of this Agreement shall be automatically amended (without the need for a variation agreement) in such manner as necessary to give effect to any terms of the Common Fund Order which conflict with the terms of this Agreement. Any such amendments shall take effect from the CFO Effective Date; or
- (c) otherwise by written agreement of both Parties.

14.2 Assignment

- (a) Unless otherwise provided for in this Agreement, neither Party may assign, delegate, charge or otherwise transfer or encumber any of its rights or obligations under this Agreement without the prior written consent of the other Party.
- (b) The consent referred to in clause 14.2(a) must not be unreasonably withheld.
- (c) Notwithstanding clause 14.2(a), LLS may assign and transfer all its rights and obligations under this Agreement to any person to which it transfers all or part of its business, provided that the assignee undertakes in writing to be bound by the obligations of LLS under this Agreement.

14.3 Severance

If a provision of this Agreement would, but for this clause, be unenforceable:

- (a) the provision will be read down to the extent necessary to avoid that result; and

- (b) if the provision cannot be read down to that extent, it will be severed without affecting the validity and enforceability of the remainder of this Agreement.

14.4 Entire Agreement

- (a) This Agreement records the entire agreement between the Parties as to its subject matter. It supersedes and replaces all prior agreements, obligations, representations and understandings.
- (b) The Parties have not entered into this Agreement on the basis of any representation, warranty or undertaking that is not expressly set out in this Agreement.

14.5 Governing Law and Jurisdiction

The laws of New South Wales govern this document and the Parties submit to the exclusive jurisdiction of the Supreme Court of New South Wales or the Federal Court of Australia, as relevant.

14.6 Partnership etc

- (a) Neither Party intends to be a partner or owe fiduciary duties to the other.
- (b) LLS has the authority to make commitments on behalf of the Claimant in accordance with the terms of this Agreement. Otherwise, neither Party has, or will represent that it has, any authority to make any commitments on behalf of the other Party.

14.7 Execution of this Agreement

This Agreement may be executed in a number of counterparts and exchanged in hard copy or via email of a scanned pdf. image of the executed Cover Page A.

14.8 **Input Tax Credits**

- (a) In this clause 14.8 the following definitions apply:
 - (i) **ATO** means the Australian Taxation Office;
 - (ii) **BAS** means a business activity statement;
 - (iii) **Creditable Acquisitions** has the same meaning given to the term "creditable acquisitions" in the GST Act;
 - (iv) **GST Act** means *A New Tax System (Goods and Services Tax) Act 1999* (Cth); and
 - (v) **Input Tax Credit** has the same meaning as the expression "input tax credit" as in the GST Act;
- (b) The Claimant must not claim any Input Tax Credit for the GST paid or payable by LLS under this Agreement with respect to any Legal Costs, Disbursements and Adverse Costs Insurance Premium, unless such a claim is made by the Claimant for and on behalf of LLS for the benefit of LLS pursuant to clause 14.8(c).

- (c) In the event that the Claimant is entitled to any Input Tax Credit the GST paid or payable by LLS under this Agreement with respect to any Legal Costs, Disbursements and Adverse Costs Premium and the Claimant receives the benefit of such Input Tax Credit, then the Claimant must:
- (i) when legally entitled to do so, lodge with the ATO a BAS for each tax period during the course of this Agreement and must do so within the prescribed timeframes;
 - (ii) include in its BAS for the relevant tax period the amount of Input Tax Credit that it is entitled to claim in respect of its Creditable Acquisitions that were paid for as part of the Legal Costs and/or Disbursements; and
 - (iii) repay to LLS the amount of the Input Tax Credit referred to in clause 14.8(c)(ii), within 7 days upon receipt of the refund from the ATO; and/or in the event that the ATO credits the amount of any such Input Tax Credit to which the Claimant is entitled against any other tax liability of the Claimant, then within 7 days of notification by the ATO that such a credit has been made.
- (d) For the avoidance of doubt, the Claimant acknowledges that LLS is beneficially entitled to the Input Tax Credits referred to in this clause 14.8 and undertakes to provide LLS with the benefit of all the Input Tax Credits received.

15 Notices

15.1 How to give notices

- (a) Any notice given under this Agreement must:
- (i) be in writing in English and signed by the party;
 - (ii) clearly state that the communication is a notice under this Agreement; and
 - (iii) be sent by hand delivery, pre-paid post or email to:
 - the Claimant using the details on page 1 and 2 of this Agreement; and
 - LLS using the details in Items 3 and 4 on page 1 of this Agreement.
- (b) A Party may change its address and other details for receipt of notices by giving 7 days' notice to the other Party.

15.2 Time of receipt

- (a) A notice is taken to be received:
- (i) if hand-delivered, at the time of delivery;
 - (ii) if sent by pre-paid post, three days (if sent within Australia) or 10 days (if sent internationally) after the date of posting; or

- (iii). if sent by email, when the sender receives a delivery confirmation report that records the time that the email was delivered to the addressee's email address.
- (b) If due to this clause a notice would be taken to be received on a day that is not a Business Day, or after 5.00pm on a Business Day, the notice is taken to have been received at 9.00 am on the first Business Day after that day.

SCHEDULE 1 – FUNDING CAP FOR PROCEEDINGS

Stage	Event Code	Legal Costs (incl GST) Capped	Disbursements (incl GST) Capped	Total (incl GST) Capped
PROJECT INVESTIGATION				
Investigations		\$120,000		\$120,000
Counsel Advice			\$30,000	\$30,000
Draft Claim & Filing		\$43,274	\$50,050	\$93,324
Due Diligence		\$30,228	\$23,650	\$5,878
Book Build		\$50,000	\$30,000	\$80,000
Application for Common Fund orders		\$102,648	\$32,450	\$135,098
PROCEEDINGS				
Particulars		\$35,015	\$29,708	\$64,723
Defence/Reply		\$46,420	\$55,550	\$101,970
Opt Out Notices		\$32,058	\$13,970	\$46,028
Discovery/Disclosure		\$250,000	\$11,000	\$261,000
Subpoenas/Notices to Produce		\$141,522	\$17,600	\$159,122
Lay Witness Statements in Chief		\$190,564	\$58,300	\$248,864
Lay Witness Statements in Reply		\$81,330	\$8,250	\$89,580
Expert Evidence		\$114,598	\$35,200	\$149,798
Expert Evidence in Reply		\$88,000	\$17,600	\$105,600
Mediation/Settlement Negotiations		\$180,488	\$70,950	\$251,438

Preparation of Trial Bundle		\$105,129	\$26,400	\$131,529
Preparation for Hearing		\$193,468	\$129,800	\$323,268
Hearing (15-day estimate)		\$341,286	\$371,250	\$712,536
Directions Hearings x 5		\$281,138	\$88,000	\$369,138
Contested Interlocutory Applications x 3		\$364,980	\$108,900	\$473,880
Settlement Approval Hearing		\$88,220	\$50,050	\$138,270
Disbursements (excluding Counsel)			\$574,000	\$574,000
TOTALS:		\$2,880,366	\$1,832,678	\$4,713,044

SCHEDULE 2 – DESCRIPTION/PARTICULARS

The details of each item which constitute its definition for the purpose of this Agreement is set out in the corresponding column entitled “Particulars” in this table as follows:		
Item	Item Name	Particulars
(a)	“Review Date” (Clause 1)	The date which is 14 days after Judgment has been given in relation to the Common Fund Application
(b)	“Claim” (Clause 1)	That the Respondent engaged in sham contracting in that the Claimant was treated as a contractor of the Respondent when they ought to have been treated as employees.
(c)	“Lawyers” (Clause 1)	Shine Lawyers
(d)	Project Investigation Funding Cap (Clause 1)	<ol style="list-style-type: none"> 1. Legal Costs to a capped amount of \$2,880,366 (inclusive of GST); and 2. Disbursements to a capped amount of \$1,832,678 (inclusive of GST).
(e)	LLS Commission (Clause 1)	<p>“LLS Commission” means the higher of either Option 1 or Option 2</p> <ol style="list-style-type: none"> 1. For any Claim Proceeds received into the Trust Account within eighteen (18 months) of the Commencement Date, an amount equal to 25% of the Claim Proceeds; and 2. For any Claim Proceeds received into the Trust Account after eighteen (18) months of the Commencement Date, an amount equal to 30% of any Claim Proceeds.

(f)	Increase in LLS Commission for additional respondents (Clause 7.1)	0%
(g)	Increase in LLS Commission for additional party (other than respondent) (Clause 7.2)	0%
(h)	Increase in LLS Commission for appeals (Clauses 7.5)	An additional 2%
(i)	Respondent (Clause 1)	BSA Limited ACN 088 412 748
(j)	Remaining Costs – Percentage borne by Lawyers (Clause 1)	20%
(k)	Interest Rate on Remaining Costs (Clause 1)	0%

(l)	Remaining Costs for Project Investigation – Percentage borne by Lawyers (Clause 1)	20%
(m)	Interest Rate on Remaining Costs for Project Investigation (Clause 1)	0%

SCHEDULE 3 – CONFLICT OF INTEREST POLICY

LLS FUND SERVICES PTY LTD ABN 51 627 975 213 AS TRUSTEE FOR LLS FUND CONFLICTS OF INTEREST POLICY

1. Background
 - 1.1. A business providing financial services to litigation schemes and/or litigation arrangements is exempt from the requirements that would otherwise apply under Chapter 7 of the *Corporations Act 2001* ("Corporations Act"), but must maintain, for the duration of the scheme or arrangement, adequate practices for identifying and managing any conflicts of interest that may arise.
 - 1.2. ASIC's Regulatory Guide 248 ("RG 248") sets out ASIC's expectations for compliance with Section 7.6.01AB of the *Corporations Amendment Regulation 2012 (No. 6)* *Amendment Regulation 2012 (No. 1)* as follows:
 - 1.2.1. Each entity is responsible for determining its own arrangements to manage interests that may conflict; and
 - 1.2.2. Each entity must be able to demonstrate that it has adequate practices to manage conflicts of interest, including documenting, implementing, monitoring and reviewing those arrangements.
2. Purpose
 - 2.1. LLS Fund Services Pty Ltd ABN 51 627 975 213 as Trustee for LLS Fund ("LLS") relies on the exemptions under the *Corporations Regulations 2001* ("the Regulations") for litigation funding schemes and litigation funding arrangements.
 - 2.2. The purpose of this document is to set out LLS' policy with respect to identifying, managing and monitoring conflicts of interest, so as to ensure compliance with the Regulations and to enhance the protection of Claimants' interests.
 - 2.3. The policy also sets out which positions are responsible for completion of the various tasks and responsibilities outlined in the document.
3. Scope
 - 3.1. This policy applies to all of LLS' cases, including those under which LLS provides either funding and/or an indemnity, and applies regardless of whether there is a single Claimant or a group of Claimants. The definitions of a litigation funding scheme and

a litigation funding arrangement are outlined in reg 5C.11.01 of the *Corporations Amendment Regulations 2012 (No. 6)*.

4. General Principles

- 4.1. Delegations and responsibilities are to positions and not to individuals.
- 4.2. The work undertaken in respect of the policy is to be documented, so as to substantiate compliance with the obligation to maintain adequate practices and follow certain procedures for managing conflicts of interest.
- 4.3. Compliance with the obligation may vary according to the nature, scale and complexity of each type of funding arrangement.
- 4.4. All individual positions nominated are responsible for understanding the responsibilities assigned to them, and are obligated to execute their responsibilities as outlined within this document.
- 4.5. Any breaches of this policy should be reported to the CEO and Chairman of the Board.
- 4.6. This policy will be reviewed annually (in June), by the CFO and CEO, in conjunction with the Litigation Managers (**LM**). Any proposed changes are to be approved by the Board, and the revised policy implemented subsequent to Board approval.
- 4.7. After each annual review of the policy by the CFO and CEO, a statement will be issued to the Board confirming that the review has been completed and the regulation requirements have been met.

5. Conflicts of Interest

- 5.1. According to RG 248.11, the nature of the arrangements between the parties involved in a litigation funding arrangement has the potential to lead to a divergence of interests between the claimants and the interests of the funder and the lawyers because:
 - 5.1.1. The funder has an interest in minimising the legal and administrative costs associated with the scheme and maximising their return;
 - 5.1.2. Lawyers have an interest in receiving fees and costs associated with the provision of legal services; and
 - 5.1.3. The claimants have an interest in minimising the legal and administrative costs associated with the scheme, minimising the remuneration paid to the funder and maximising the amounts recovered from the defendant or insolvent company.

- 5.2. The divergence of interests may result in conflicts between the interests of the funder, lawyers and the claimants. These conflicts can be actual or potential, and present or future.
- 5.3. Conflicts of interest between the funder, lawyers and claimants may arise in a litigation scheme where:
 - 5.3.1. The lawyers act for both the funder and the claimants;
 - 5.3.2. There is a pre-existing legal or commercial relationship between the funder, lawyers and/or claimants; or
 - 5.3.3. The funder has control of, or has the ability to control, the conduct of the proceedings.
- 5.4. The divergence of interests between the funder, lawyers and claimants in a litigation scheme could affect:
 - 5.4.1. The recruitment of prospective claimants;
 - 5.4.2. The terms of any funding agreement;
 - 5.4.3. A scheme where there are difficulties with the case of the representative party, but not with the cases of other claimants of the class; and
 - 5.4.4. Any decision to settle or discontinue the action.
6. Measures in Place to Mitigate Conflicts of Interest
- 6.1. LLS has in place the following measures which serve to mitigate potential conflicts of interest:
 - 6.1.1. Neither LLS nor its employees provide legal advice or legal services to claimants;
 - 6.1.2. Each Director of LLS provides an annual Declaration of Existing Interests which states any interests held by that Director (direct or indirect) in incorporated or unincorporated entities, including any directorships, committee memberships or positions of office;
 - 6.1.3. In every funding agreement, LLS contracts with the claimant as a principal;
 - 6.1.4. The funding agreement provides that LLS acknowledges and agrees that the lawyers for the claimant are instructed by the claimant in all matters relating to the claim and that the claimant has the right to direct, conduct and conclude the claim;

- 6.1.5. LLS does not engage the same lawyers to act for it in a particular matter as those that are engaged to act for the claimant, and LLS will not seek to influence the claimant's lawyers to cede control of the claim to LLS, or otherwise to act in breach of their professional duties;
- 6.1.6. Any funds arising from a settlement or judgment are paid into the trust account of the claimant's solicitor and distributed to LLS by that solicitor according to the terms of the funding agreement;
- 6.1.7. The funding agreement provides for dispute resolution in the event of any actual conflict of interest arising between LLS and the claimant, being referral to Counsel;
- 6.1.8. LLS will not enter into any agreements to provide funding for any claims against the company's appointed statutory auditor (or other professional services provider);
- 6.1.9. LLS will not enter into any agreements to provide funding for any claims where the company's appointed statutory auditor is joined or likely to be joined; and
- 6.1.10. Prior to accepting any litigation funding contract, the Litigation Manager will make appropriate enquiries to ensure that all parties involved in the claim or likely to be joined in the matter are appropriately identified and documented so that, should LLS' auditor be named, the person(s) making the final decision to proceed will be adequately informed so that clauses 6.1.8 and 6.1.9 can be put into effect before proceeding.

7. Procedures for Identifying Situations in Which Interests May Conflict

- 7.1. At the time LLS determines that it will provide an offer of funding to a party ("the claimant"), the LM will review the claimant's claim and will seek to identify any interests LLS has that may be divergent to those of the claimant.
- 7.2. At the time LLS determines that it will provide an offer of funding to the claimant, the LM will review the Declaration of Existing Interests of LLS Board members and will seek to identify any interests LLS Board members may have that may be divergent to those of the claimant.
- 7.3. The LM will discuss those divergent interests with the CEO, and determine whether LLS is in a position to proceed with the offer of funding.
- 7.4. The LM will document those divergent interests in its Register of Actual or Potential Conflicts of Interest ("Conflicts Register"), and the key agreed outcomes.

- 7.5. The LM will conduct a quarterly review of each case, with a view to assessing whether a conflict of interest has arisen between LLS' interests and those of a claimant or claimant(s). The review will be documented in the Conflicts Register.
- 7.6. The LM will discuss any conflicts of interest that are identified as part of that quarterly review with the CEO, and summarise the agreed key outcomes in the Conflicts Register.
- 7.7. The CEO will review the Conflicts Register on a quarterly basis, and sign off that all potential and existing conflicts of interest have been identified and appropriately documented.
- 7.8. After each quarterly review of the Conflicts Policy by the CEO, a statement will be issued to the Board confirming that the review has been completed and the regulation requirements have been met.
8. Procedures for Disclosing and Managing Conflicts of Interest
 - 8.1. If prior to entering a funding agreement, LLS has identified that a potential conflict exists, it will notify the claimant, via the claimant's lawyers, of those potential conflicts in the form of Schedule 1. The notification date and a copy of the letter will be filed in the Conflicts Register.
 - 8.2. If prior to entering a funding agreement, LLS has identified that an actual conflict exists, it will notify the claimant, via the claimant's lawyers, of those conflicts, together with a proposal for managing those conflicts of interest.
 - 8.3. If, during the course of providing funding for a claim, LLS determines that a conflict of interest has arisen between LLS' interests and those of the claimant or claimants, LLS will notify the claimant(s), via their lawyer, of the conflict it has identified, and will provide the claimant with a proposal to seek to manage the conflict as follows:
 - 8.3.1. In the first instance, LLS will recommend to the claimant(s) that they seek legal advice in relation to the conflict.
 - 8.3.2. LLS will also propose to the claimant(s) that the conflict be referred to Counsel for an advice as to an appropriate and reasonable resolution of the conflict.
 - 8.4. In respect of 8.2 and 8.3 above, the date the notification and proposal are provided to the claimant will be documented in the Conflicts Register, along with a copy of that notification, the proposal and any subsequent response. The agreed processes (if any) for managing that conflict will also be filed in the Conflicts Register, and procedures will be put in place to adhere to that agreement.

- 8.5. The method of delivery of disclosure/notification to the claimants, as provided for above will in most cases be in writing and delivered in hard copy form to the claimant's lawyer. If, however LLS determines that this method and form is inappropriate, it will choose a method and form more suitable to the particular circumstances of the case.

9. Recruitment of Prospective Members/Claimants for Class Actions or Representative Proceedings
 - 9.1. Recruitment is usually undertaken by the lawyers for the claimants, not by LLS. LLS however will take steps to ensure that as far as possible and reasonable, it will review the process of recruitment of prospective claimants to any litigation funding arrangement. This review will include a LM reviewing the terms of any advertisements made to the public to ensure that no misleading or false statements are made in relation to aspects of the funding arrangement. That review, and any subsequent correspondence with the lawyers, will be documented in the Conflicts Register.
 - 9.2. The CEO will recommend to the lawyers engaged in the recruitment process that any documents provided to prospective claimants must clearly state any risks to claimants in entering into a litigation funding arrangement, as well as the amount or percentage return to be paid to the funder. The LM will note the date that this letter was provided in the Conflicts Register, along with a copy of that letter and any subsequent correspondence with the lawyers.

10. The Terms of the Funding Agreement
 - 10.1. LLS will ensure that it includes terms within any funding agreements to which it is a party that provide:
 - 10.1.1. A clear statement as to the total amount of funding that LLS is providing for the claimant's costs and disbursements, any undertaking by LLS to provide security for costs or to pay any adverse costs ordered against the claimant and any other financial liability which LLS is undertaking to meet for the benefit of the claimant;
 - 10.1.2. That it agrees to keep the existence and terms of the funding agreement confidential and that it will not, without the claimant's consent, disclose the funding agreement to any third party other than LLS' legal and financial advisers or as required by law;
 - 10.1.3. The terms on which LLS may provide input into any settlement negotiations or offer which the claimant is proposing to submit or accept;

- 10.1.4. A mechanism for resolution of any dispute between LLS, the claimant and/or the lawyer, including but not limited to any dispute in relation to settlement, being referral of the dispute to Counsel;
 - 10.1.5. That in the event the claimant and LLS disagree on whether or not the claim should be concluded, or the terms upon which the claim is concluded, LLS acknowledges that the lawyers ultimately act for the claimant;
 - 10.1.6. In relation to Class Actions and Representative Proceedings, a cooling off period, to enable the potential claimant an opportunity to obtain legal advice; and
 - 10.1.7. The terms on which LLS and the claimant, respectively, may terminate the funding agreement.
- 10.2. LLS will provide a prospective claimant with the opportunity to negotiate amendments to the terms of a funding agreement, and a reasonable period of time within which to consider whether or not the claimant wishes to enter into the funding agreement with LLS on the terms offered by LLS.
11. Procedures for Dealing with Situations Where the Lawyer Holds Obligations to Both the Funder and Claimants
- 11.1. If the lawyers are engaged on terms that they act for LLS as well as for the claimant (generally not the case), the CEO will instruct the lawyers that their primary obligations are to the claimant and in the event there is a divergence of interests between those of LLS and those of the claimant, the lawyers must act to prefer the interests of the claimant over those of LLS.
 - 11.2. In a situation where there is no direct contractual relationship between the lawyers and any of the claimants to a litigation scheme, the CEO will ensure that the lawyers are aware that in the event there is a divergence of interests between LLS and the claimants, the lawyers hold an obligation to the claimants to protect their interests.
 - 11.3. The LM will record in the Conflicts Register the date that it provided the instruction to the lawyers as outlined in 11.2 and 11.2, along with a copy of that instruction (or a summary of the meeting notes).
12. Procedures for Dealing with a Pre-existing Relationship Between any of the Funder, Lawyer and Claimants
- 12.1. In the event LLS has an existing relationship with the lawyers instructed on a particular matter (ie, LLS has previously worked on a matter with the lawyers), it will disclose such relationship to the claimant, including the term of the relationship and the

nature of the relationship, and invite the claimant to consider whether it wishes to proceed with the funding arrangement.

- 12.2. The LM will record in the Conflicts Register the date that the disclosure was provided to the claimant as outlined in 12.1, along with a copy of that correspondence (or a summary of the notes from that meeting). The claimant's response will also be documented in the Register.
13. Procedures for Oversight of a Settlement in a Situation Where No Proceedings Have Been Issued
 - 13.1. If settlement of a litigation scheme is being considered by the parties prior to proceedings having been issued, the CEO will ensure that the proposed settlement has been considered by Counsel and that Counsel has indicated that it is an appropriate settlement. The LM will file a copy of the CEO's correspondence to Counsel (or a copy of the notes for the meeting with Counsel) in the Conflicts Register.
 - 13.2. In considering the settlement, Counsel will be asked to take into account the following:
 - 13.2.1. The amount offered to each claimant;
 - 13.2.2. The prospects of success of the claim;
 - 13.2.3. The likelihood of the claimant(s) obtaining judgment for an amount in excess of the settlement sum;
 - 13.2.4. Whether the settlement sum falls within a realistic range of likely outcomes;
 - 13.2.5. The terms of any advice received from an independent expert on the issues that arise in the case;
 - 13.2.6. The attitude of the group claimants to the settlement;
 - 13.2.7. The likely duration and cost to claimants of proceedings if continued to judgment;
 - 13.2.8. The terms of any funding agreement that specify the procedure that will be applied in reviewing and deciding whether to accept any settlement offer, including the factors that will and will not be taken into account in deciding to settle;
 - 13.2.9. Whether the funder might refuse to fund further proceedings if the settlement is not approved; and

- 13.2.10. Whether the settlement involved unfairness to any claimant or categories of claimants for the benefit of others.
- 13.3. The LM will record in the Conflicts Register the date that LLS received the advice from Counsel as outlined in 13.1, as well as a copy of Counsel's advice.
- 13.4. LLS will be bound by Counsel's advice in regards to the settlement.
- 14. Monitoring and Review of the Conflicts Register, Reporting to the Board
 - 14.1. The CEO will conduct a quarterly review of all existing funded matters, as well as the Conflicts Register in order to ensure that LLS is fully compliant with the policy, and that the Conflicts Register is current. This review will be documented in the Conflicts Register.
 - 14.2. The CEO will summarise the key conflicts as part of his/her CEO Report to the Board on a quarterly basis. Further, the CEO will use his/her discretion in reporting significant conflicts of interest to the Board as they arise. These reports will be filed in the Conflicts Register.

SCHEDULE 1 TO CONFLICT OF INTEREST POLICY - LLS DISCLOSURE LETTER TO CLIENT

Dear Claimant

Pursuant to Regulatory Guide 248 issued by the Australian Securities and Investments Commission in April 2013, LLS Fund Services Pty Ltd ABN 51 627 975 213 as Trustee for LLS Fund ("LLS") is required, as a litigation funder, to advise you of potential conflicts of interest that may arise throughout the duration of the attached litigation funding agreement (LFA).

The nature of the arrangements between the parties to a LFA has the potential to lead to a divergence of interests between the clients, the funder and the lawyers because, although those interests are generally aligned, in the sense that both aim to achieve a successful outcome to the litigation, there are some circumstances in which those interests may be in conflict. These conflicts of interest can be actual or potential, and present or future.

The conflicts of interest that we anticipate may arise are as follows:

- Where there is a pre-existing or potential future legal or commercial relationship between the funder and your lawyers. Please be advised that LLS has previously worked with Shine Lawyers who were retained to act for the plaintiff on several matters that were funded by LLS. Your lawyers, Shine Lawyers, will only be acting for you, not for LLS. This is reflected in the LFA, including clauses 8.4 and 9.2 of the LFA. Accordingly, your lawyers have an obligation to prefer your interests over any interests of LLS. However, we invite you to consider whether you wish to enter into the attached LFA where LLS has a pre-existing relationship with Shine Lawyers.
- Negotiation of the terms of the LFA. You are advised to seek advice from your lawyers in relation to the terms of the LFA. Pursuant to clause 2 of the LFA you are entitled to a cooling off period within which you may withdraw from the LFA.
- Procedural aspects of the claim. The parties may potentially disagree about the best strategy for pursuing the claim to achieve an optimal outcome. In the event there is a disagreement in relation to any procedural aspects of the claim, clause 13 of the LFA provides for a dispute resolution mechanism by way of referral to Counsel.
- Proposed settlement. The parties may potentially disagree about whether or not to accept a settlement offer, or whether to make a particular settlement offer. In the event there is a disagreement in relation to settlement, clauses 8.5 to 8.9 of the LFA provide for a dispute resolution mechanism by way of referral to Counsel for determination. Counsel must also

review and approve any proposed settlement where proceedings haven't been commenced. In relation to class actions in which proceedings have been commenced, further protection is afforded to class members as the Court is required to approve any proposed settlement.

- Termination of the funding agreement. Clauses 10.2, 10.3, 10.4, 10.5 and 10.6 of the LFA provides that LLS may terminate its obligations under the LFA, with notice, but LLS remains liable to indemnify you in respect of any adverse costs that are incurred up to the date of termination. You are also entitled to terminate the LFA in certain circumstances as outlined in clause 10.2 and 10.7 of the attached LFA. Please note that clause 8.2 departs from the Association of Litigation Funders' Best Practice Guidelines.
- Recruitment of members to a class action. LLS is obliged to review any documents that are released to the public to ensure that they do not contain misleading statements in relation to the proposed claim.

Whilst conflicts of interest have the potential to arise in the litigation funding context, LLS is committed to managing any such conflict to ensure that the interests of the client are protected and a successful outcome is achieved for all parties to the LFA.

Specifically, LLS reviews every claim that it provides funding for (both at the outset and during the course of the litigation) and in the event that LLS becomes aware that the interests of any of the parties to the LFA are in conflict, LLS will notify you in writing of the nature of the conflict and the way in which it proposes to manage such conflict in order to protect your interests.

Throughout the period of the LFA, should you feel at any time that your interests are in conflict with those of LLS, please contact us and/or your lawyers in order that the conflict can be addressed without delay.

Clause 13 of the attached draft litigation funding agreement provides for a dispute resolution mechanism in the event that a conflict of interest arises and the parties are unable to resolve that conflict informally among themselves. We recommend that you obtain your own legal advice in relation to the attached LFA and ensure that it addresses any concerns that you may have in relation to the management of any potential conflicts of interest.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Lisa Brentnall', written in a cursive style.

Lisa Brentnall
Senior Litigation manager

SCHEDULE 4 – PROGRESS REPORT

Name of Case	
Date of Report	
Name of lawyer making report	
Please list the key events which have occurred since the date of the last report	
Please indicate any key features of the case which have changed since the last report	
Please list the steps you expect to take in the next month	
Please provide your assessment of the prospects of success of the case, the prospects of settling and the prospects of enforcement as applicable. If any prospects have changed in the last month, please provided detailed reasoning	
Do you see any changes to the estimates of costs provided by you and reflected in Schedule 1 of the Litigation Funding Agreement? Please note the capped funding as set out in that schedule.	
What is your current estimated date for the final trial of this matter? If this has changed since the last report, please explain why.	
What proposals do you have to explore settlement in the next month, if any?	

SCHEDULE 5 – STANDARD LAWYER TERMS

This agreement is made the _____ day of _____ 2019

BETWEEN: **SHINE LAWYERS** of 6/299 Elizabeth Street, Sydney, New South Wales 2000 ("**the Lawyers**")

AND: **LITIGATION LENDING SERVICES LIMITED** of Level 26, 1 Bligh Street, Sydney, New South Wales 2000 ("**LLS**").

RECITALS

- A. LLS has entered into or proposes to enter into the LLS Funding Agreements.
- B. The LLS Funding Agreements are all in the same, or substantially the same, terms.
- C. The Lawyers are aware of the terms of the LLS Funding Agreements and have agreed to act consistently with, and in accordance with, their terms and these Standard Lawyers Terms.

1. DEFINITIONS

1.1. In these Terms, unless the contrary intention appears:

"**Claims**" means the claims each Funded Person has or may have against some or all of the Respondents for loss and damage caused by the conduct of one or more of the Respondents.

"**Funded Person**" means all persons who have entered into an LLS Funding Agreement with LLS with respect to their Relevant Claims.

"**LLS Funding Agreement**" means all litigation funding agreements between LLS on the one hand and persons who have or may have claims arising out of, or connected with sham contracting allegations against BSA Limited on the other.

"**Standard Lawyer Terms**" means this agreement.

1.2. Unless otherwise defined herein or the context clearly requires otherwise, terms defined in the LLS Funding Agreement will have the meanings when used herein.

2. LLS Funding Agreement

2.1. The Lawyers will:

- 2.1.1. act consistently with the terms of the LLS Funding Agreement;
- 2.1.2. comply with all instructions set out in, or provided pursuant to, the LLS Funding Agreement; and
- 2.1.3. do all things which the LLS Funding Agreement contemplates the Lawyers will do.

- 2.2. The Lawyers agree that if there is any inconsistency between these Terms and the terms of the LLS Funding Agreement or the terms of any retainer between the Lawyers and any Funded Person, these Standard Lawyer Terms prevail.

3. COMMENCEMENT OF THE REPRESENTATION

- 3.1. The Lawyers will inform LLS in writing in a timely fashion of:
 - 3.1.1. the names of the individual lawyers and experts who will undertake Legal Work in connection with the Claims;
 - 3.1.2. the hourly rates of all solicitors;
 - 3.1.3. the hourly and daily rates of barristers retained or proposed to be retained; and
 - 3.1.4. all information necessary for the preparation of the Budget.

4. REPORTING

- 4.1. The Lawyers will keep LLS fully informed of all matters concerning the Relevant Claims and the Proceedings, including any mediation and settlement discussions. The Lawyers will ensure that the Claimant and LLS are given all necessary information and documents in order to facilitate informed instructions.
- 4.2. Without limiting the generality of clause 4.1, if the Lawyers become aware of any information which has or may have a material impact on the Claims, the Proceedings, or the potential for any judgment sum to be recovered, the Lawyers must immediately inform LLS of such information.
- 4.3. The Lawyers will provide Progress Reports in accordance with the terms of the LLS Funding Agreement.

5. COSTS, DISBURSEMENTS AND INTEREST

- 5.1. The Lawyers will charge for the Legal Work performed by reference to the time reasonably and properly spent at the hourly rates notified to LLS pursuant to Clause 3.1.2, subject to the Lawyers' right to increase the hourly rates by no more than five per cent (5%) of the initial hourly rates notified on each anniversary of the date of these Terms. Detailed time records must be kept by the Lawyers to facilitate time details being provided in accordance with Clause 6 below.
- 5.2. No fee will be charged by the Lawyers for any fee earners, other than those notified to LLS pursuant to Clause 3.1.2, without the prior consent of LLS. LLS will not be liable to pay the fees of any barristers or experts other than those notified to LLS pursuant to Clause 3.1.3 or those briefed with LLS's written consent. LLS will not unreasonably refuse to provide its written consent.
- 5.3. The Lawyers will only seek payment from LLS for Disbursements that are reasonably incurred by the Lawyers in progressing the Claims and/or the Proceedings, being:
 - 5.3.1. photocopying, printing and scanning at rates notified to and approved by LLS;
 - 5.3.2. travel and accommodation (where necessary), and
 - 5.3.3. other reasonable expenditure supported by invoices.
- 5.4. Under no circumstances shall LLS' liability to pay the Lawyers under the LLS Funding Agreement or these Standard Lawyer Terms exceed the Claimant's liability to pay the Lawyers.

6. INVOICES

- 6.1. The Lawyers will render monthly invoices to LLS with respect to the Legal Costs and Disbursements, accompanied by:
 - 6.1.1. the details contemplated by clause 6.5;
 - 6.1.2. a summary of the time details by their total cost (in a single dollar figure) allocation to each relevant event set out in the Budget; and
 - 6.1.3. invoices from barristers and experts and for any other disbursements; and
- 6.2. The monetary details in the monthly invoices will include a charge for the time detailed at 80% of the hourly rates of the Lawyers notified to LLS pursuant to Clause 3.1.2 and 100% of the hourly rates of the barristers notified to LLS pursuant to Clause 3.1.3.
- 6.3. Subject to the LLS Funding Agreement, LLS will pay:
 - 6.3.1. the reasonable legal fees of the Lawyers incurred up to the termination of the LLS Funding Agreement for the sole purpose of preparing for, prosecuting and resolving the Claims and/or the Proceedings; and
 - 6.3.2. 100% of barristers' fees, any other reasonable fees of experts approved by LLS and any other reasonable fees and disbursements as agreed with LLS up to the termination of the LLS Funding Agreement for the sole purpose of preparing for, prosecuting and resolving the Proceedings;

insofar as those costs and disbursements form part of the Project Costs. For clarity, this does not include Remaining Costs.
- 6.4. Provided invoices from the Lawyers comply with these Terms, LLS will pay them within 30 days from the end of the month in which the Lawyers' invoice is received by LLS. The Lawyers are entitled to interest on any invoices not paid within the above timeframe from the date of the issue of the invoice at the rate prescribed by the relevant legal profession regulations or rules and pursuant to those regulations.
- 6.5. The time details for fees of the Lawyers must be included with each invoice and must include, for each time entry:
 - (a) the date on which the time was spent;
 - (b) by whom the time was spent; and
 - (c) the time spent in six minute units.
- 6.6. LLS may at its discretion require the Lawyers to submit any one or more of their invoices to taxation or costs assessment.

7. PAYMENT OF REMAINING COSTS

- 7.1. The Lawyers will be obliged to continue with the Proceedings until a final Resolution notwithstanding that capped amounts set out in the Budget have been reached or exceeded (subject to any termination rights the Lawyers may have).
- 7.2. For the avoidance of doubt, the Lawyers will not seek to recover any Remaining Costs or any Remaining Costs for Project Investigation other than in accordance with these Terms and the LLS Funding Agreement.
- 7.3. On Resolution and in accordance with the LLS Funding Agreement, the Lawyers shall be entitled to payment or distribution out of any Claim Proceeds, an amount comprising the Remaining

Costs uplifted by an amount of 25% and the Remaining Costs for Project Investigation uplifted by an amount of 25%.

8. TERMINATION OF APPOINTMENT

- 8.1. The Lawyers may terminate these Terms on 7 days' written notice to LLS in the following circumstances:
- (a) if LLS fails to pay any costs in accordance with these Terms after LLS has been given 30 days' written notice to do so; or
 - (b) if the Lawyers terminate the Retainer between the Lawyers and Funded Person relating to the Claims and/or the Proceedings in accordance with their right to do so.
- 8.2. LLS may terminate these Terms:
- (a) by agreement with the Lawyers;
 - (b) upon 7 days' written notice at their discretion;
 - (c) in the event of professional misconduct or negligence by the Lawyers that has caused or is reasonably likely to cause material loss to a Funded Person or to LLS.
- 8.3. If these Terms are terminated pursuant to clauses 8.1 or 8.2, the Lawyers remain liable for all obligations under this Agreement accrued by them between the date of their appointment and the date of termination, but thereafter all obligations and entitlements of the Lawyers cease except:
- (a) those entitlements to Legal Costs under the LLS Funding Agreement accrued to the date of termination including their entitlement to Remaining Costs (calculated as per clause 7 above) should there be a Resolution, whenever that occurs; and
 - (b) the Lawyers shall continue to maintain any legal professional privilege attaching to, and the confidentiality of, the Confidential Information.
- 8.4. These Terms will terminate when all of the LLS Funding Agreements are terminated, such termination to take effect upon the last date on which the last LLS Funding Agreement is terminated. If there is a termination pursuant to this Term each party will remain liable for its obligations accrued to the date of termination. Nothing in these Terms shall affect or limit LLS's rights to terminate all or any of the LLS Funding Agreements.

9. ADDRESS FOR SERVICE

- 9.1. LLS's address for service will be as set out in the LLS Funding Agreements.
- 9.2. The Lawyers' address for service is as set out in the LLS Funding Agreements.

9.3. CONFIDENTIALITY

- 9.4. The Lawyers agree to keep the Confidential Information confidential and not to use them for any purpose other than as per the LLS Funding Agreements and these Terms unless disclosure of any of this information by the Lawyers is agreed in writing by LLS or is required by law.
- 9.5. The obligations in clause 9.4 survive the termination of these Terms.

10. VARIATION

10.1. These Terms may only be varied in writing signed by the Lawyers and LLS.

11. ACKNOWLEDGEMENT

11.1. Neither LLS nor the Lawyers intend to be partners, or joint ventures with or to each other. Nothing in this document shall constitute LLS and the Lawyers as partners or joint ventures.

12. GOVERNING LAW

12.1. This document is entered into in New South Wales, Australia, and is to be construed in accordance with and governed by the laws of New South Wales.

SIGNED by SHINE LAWYERS

.....
Signature
Date / /2019

.....
Signature
Date / /2019

SIGNED by LLS

.....
Director
Date / /2019

.....
**Company
Secretary/Director**
Date / /2019