### **Harvey Norman Class Action**

# Jonathan Wong and Constantinos Daglas v Harvey Norman Holdings L

## Pty Ltd

## **Supreme Court of Victoria**

#### **GROUP PROCEEDING SUMMARY STATEMENT**

### **Updated November 2025**

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10 November 2025

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The Plaintiffs Telephone: 1800 298 572

of:

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#### 1. What is a class action?

A class action is a legal case that is brought under a special procedure in certain Courts. It allows legal claims for a large number of people to be brought in one case.

Where seven or more people have legal claims that involve similar circumstances, a class action can be brought by one person (called the "lead plaintiff"), to claim compensation for everyone affected (called "group members"). The legal case runs based on the lead plaintiff's case. Group members then get the benefit of the Court's judgment about whether the law has been broken and whether people affected are entitled to compensation.

When a class action is started, we don't need to know who the group members are to claim compensation for them. We just need to describe them in the Court documents. Everyone who meets that description is part of the class action as a group member. Later down the track, group members are given the opportunity to get out of the class action if they want to; this is called "opting out".

#### 2. Who is a group member in the Harvey Norman Class Action?

The Harvey Norman Class Action is on behalf of everyone who bought an extended warranty known as Product Care, in Australia between 18 September 2018 and 19 September 2024 (when the class action was filed in Court). Product Care was sold during this time by Harvey Norman, Domayne and Joyce Mayne, both in their stores and online.

The full definition of "group member" is in the Statement of Claim filed in the Court on 28 August 2025. The Statement of Claim is the Court document that sets out the case.

## 3. Who is the Harvey Norman Class Action against, and what is the claim for?

The claim is against Harvey Norman Holdings Ltd and Yoogalu Pty Ltd. Yoogalu is a whollyowned subsidiary of Harvey Norman Holdings Ltd, which was involved in designing Product Care and approving its terms and conditions.

The class action alleges that Product Care was of little benefit or value to purchasers, because it almost never covered any fault in the goods. Product Care only covers faults where the goods fail to operate and the customer is not entitled to a replacement under the Australian Consumer Law. Under the Australian Consumer Law, customers have very broad and strong rights to a replacement or refund for faulty goods, especially if the goods stop working. So there is almost no situation where Product Care covers a fault.

The class action also alleges that Harvey Norman, Domayne and Joyce Mayne were selling Product Care illegally, because it is a financial product and they did not have the licence they needed to sell it. The licence they needed is known as an Australian Financial Services Licence.

The class action claims that Harvey Norman, Domayne and Joyce Mayne used misleading or deceptive conduct in selling Product Care by *not* telling customers that it was of no substantive benefit to them and that it was being sold illegally.

Finally, the class action alleges that Harvey Norman, Domayne and Joyce Mayne acted unconscionably by selling Product Care as an additional protection despite being aware that it was of little benefit or value to purchasers.

#### 4. What are the role and responsibilities of the lead plaintiff?

The role of the lead plaintiff is to represent the claims of all group members. The lead plaintiff will give instructions to their lawyers about the way the case runs and may give evidence. In this case, there are two lead plaintiffs. They are Jonathan Wong and Constantinos Daglas.

5. Which law firm is acting for the lead plaintiffs and group members? Maurice Blackburn and its agent, Echo Law.

#### 6. How is the class action funded?

The lead plaintiffs and group members will not be asked to pay anything upfront.

The lead plaintiffs intend to apply to the Court for a Group Costs Order. A Group Costs Order is an order of the Court in which the legal costs payable to the law practice representing the lead plaintiffs and group members are calculated as a percentage of any compensation awarded by the Court or agreed to in a settlement (which is where the defendants agree to pay compensation without the need for a trial). The percentage needs to be approved by the Court as being appropriate or necessary to ensure that justice is done in the case.

Maurice Blackburn and Echo Law are acting on a "no win no fee" basis until the Court makes its decision on the lead plaintiffs' application for a Group Costs Order.

Maurice Blackburn has entered into a Costs Sharing Agreement with CF FLA Australia Investments 4 Pty Ltd so that the risks and costs of conducting the class action as well as any returns are shared between them.

It is important to note that the Costs Sharing Agreement will not affect the amount of recovery that is returned to group members pursuant to any Group Costs Order.

#### 7. How are legal fees and disbursements charged?

The legal fees and disbursements (for example, fees for experts and barristers) for the class action are "conditional", meaning that they only need to be paid if the case is successful.

If the class action is successful, the legal fees and disbursements for running the case will be charged in one of two ways:

- (a) If the Court makes a Group Costs Order (see 6 above), the lead plaintiffs' lawyers will be paid a percentage of the compensation awarded by the Court or agreed in a settlement.
- (b) Otherwise, if the Court does not make a Group Costs Order, the lead plaintiffs' legal costs will be calculated using time-based billing for professional fees, plus disbursements charged at cost, interest and an "uplift" fee these can only be paid if they are approved by the Court as fair and reasonable.

# 8. Who can group members contact for more information?

The best source of information about the Harvey Norman Class Action is the Maurice Blackburn website.

Group members can contact Maurice Blackburn for more information at no out-of-pocket cost.

**Email** <u>harveynormanclassaction@mauriceblackburn.com.au</u>

Phone 1800 298 572 (Group Member Hotline)

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Harvey Norman Class Action

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