

WOOLWORTHS CLASS ACTION IMPORTANT NOTICE ABOUT CONFLICTS OF INTEREST

Maurice Blackburn Pty Ltd (**MB**) offers to provide legal services to claimants in relation to the investigation and, if appropriate, prosecution of claims in a class action against Woolworths Ltd (**Woolworths Class Action**). MB's offer is set out in the Retainer and Costs Agreement.

International Litigation Funding Partners Pte Ltd (**ILFP**) offers to provide litigation funding to claimants for the proposed Woolworths Class Action. The offer is set out in the Funding Agreement.

Managing Conflicts of Interest

In ASIC's Regulatory Guide 248: "*Litigation schemes and proof of debt schemes: Managing conflicts of interest*", it is noted that the nature of a litigation funding arrangement has the potential to lead to a divergence between the interests of the Class Members and the interests of the funder and lawyers because:

1. the funder has an interest in minimising costs and maximising their return;
2. lawyers have an interest in receiving fees and costs; and
3. Class Members have an interest in minimising costs and the remuneration paid to the funder and, in doing so, maximising any return.

This divergence of interests necessarily results in potential conflicts between the interests of the funder, lawyers and Class Members.

All of MB's lawyers are required by legislation and professional standards to place your interests and those of the other Class Members ahead of any pecuniary interest.

In addition, the arrangements put in place in relation to the Woolworths Class Action provide:

1. The Funding Agreement will be with ILFP alone, and all funding decisions will be made by ILFP.
2. Under the Funding Agreement ILFP acknowledges that the representative applicant(s) will provide instructions to MB as their Lawyers and that MB owes its professional duties to the lead applicants and Class Members, and not to ILFP.
3. Under the Funding Agreement, any dispute regarding settlement is to be referred to independent Senior Counsel to be determined.

Further, you should note that the courts have a jurisdiction to control solicitors in the performance of their duties and any settlement of the Woolworths Class Action will be subject to Court approval.

Other Relationships

MB has conducted a review of its business operations that relate to funded litigation and identified the following relationships that are relevant to its management of potential conflicts of interest:

MB and ILFP

ILFP has previously funded other class actions conducted by MB and it is expected that ILFP will also fund other class actions to be conducted by MB in the future.

Principals of MB also own the ultimate economic interests in Claims Funding International plc (**CFI**), which owns 50% of Claims Funding Europe plc (**CFE**). The other 50% of CFE is owned by ILFP. In effect, CFE is a joint venture vehicle between CFI and ILFP, which provides litigation funding services in Europe.

CFA and ILFP

Claims Funding Australia Pty Ltd (**CFA**) is the trustee of a discretionary trust, the primary beneficiaries of which are principals of MB or entities associated with them.

The ultimate economic interests in ILFP are held by trustees for discretionary trusts, the trustees and beneficiaries of which include partners of Siskinds LLP (a law firm based in Canada).

CFA is currently funding several class actions conducted by Siskinds, and it is expected that CFA will also fund other class actions to be conducted by Siskinds in the future.

All of the above arrangements have been entered into on normal, arms-length commercial terms.