



**ALLIANZ CAR DEALER ADD-ON INSURANCE CLASS ACTION**  
***Jordan Wilkinson v Allianz Australia Insurance Limited***  
Supreme Court of Victoria

Case: S ECI 2020 04230

Filed on: 11/11/2020 11:06 AM

**CLASS ACTION SUMMARY STATEMENT**

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

Where seven or more people have claims that arise out of similar circumstances, a class action can be brought by one plaintiff on their own behalf and representing others. Members of the class are called group members (**Group Members**).

**2. Who is the Allianz Car Dealer Add-On Insurance Class Action against, and what is the claim for?**

The claim is against Allianz Australia Insurance Limited (**Allianz**) concerning insurance sold to consumers that was added on to loans when financing the purchase of a motor vehicle or motorcycle (**Vehicle**).

These Add-On Insurance products are:

- (a) **“Loan Protection Insurance”** (also referred to as “repayment insurance”, “consumer credit insurance” or “CCI”);
- (b) **“Motor Equity Insurance”** (also referred to as “guaranteed asset protection insurance”, “GAP insurance”, “shortfall insurance”, “purchase price insurance”, or “value protect insurance”);
- (c) **“Extended Motor Warranty”** (also referred to as “mechanical insurance”, “Motor Vehicle Warranty” or “extended warranty insurance”); and
- (d) **“Tyre and Rim Insurance”**.

The class action alleges that:

- (a) Allianz, either by reason of its sales system or the conduct of its authorised representatives in car yards (**Dealers**), gave “personal advice” to consumers within the meaning of the *Corporations Act 2001* (Cth) (**Corporations Act**), but breached various obligations in relation to the giving of that advice that are imposed on Allianz by that law;
- (b) Allianz engaged in misleading or deceptive conduct contrary to the Corporations Act and the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**), and made false or misleading representations contrary to a provision in the ASIC Act;

- (c) Allianz engaged in unconscionable conduct contrary to requirements in the ASIC Act; and
- (d) Allianz's conduct wrongly induced consumers to buy the Add-On Insurance or Allianz knew or should have known that consumers who purchased add-on insurance did so in the mistaken belief that the products were necessary for or of value to them.

The class action alleges that Allianz is liable to pay the Plaintiff and Group Members compensation and/or the amount of the premiums mistakenly paid for the Add-On Insurance.

### **3. Who is a Group Member in the Allianz Car Dealer Add-On Insurance Class Action?**

You may be a Group Member if you, any time since 1 June 2006 to 11 November 2020:

- (a) purchased a Vehicle from a Dealer;
- (b) purchased the Vehicle using a loan arranged by the Dealer; and
- (c) the loan provided for Allianz to be paid a premium for any or all of the Add-On Insurance products listed above.

A complete definition of Group Members is in Part A.2 of the Statement of Claim.

Loan Protection Insurance, or CCI, contained "trauma and death" cover that was underwritten by Allianz Life Insurance Limited or OnePath Life Limited. These policies are included in the class action.

### **4. Who is the law firm acting for the Plaintiff?**

Maurice Blackburn.

### **5. What is the role and responsibility of the Plaintiff?**

The Plaintiff, Mr Jordan Wilkinson, is the representative of the Group Members. Mr Wilkinson is providing and will continue to provide instructions to Maurice Blackburn regarding the conduct of the case. He may give evidence in a trial. In hearing the Plaintiff's case, the Court will be asked to make findings in relation to questions of fact and/or law that are common to all Group Members.

### **6. How is the Allianz Car Dealer Add-On Insurance Class Action funded?**

All costs associated with the Allianz Car Dealer Add-On Insurance Class Action will be borne by Maurice Blackburn, unless and until there is a successful outcome. A successful outcome is when a settlement is agreed and approved by the Court or the Court awards compensation in a judgment after a trial.

Maurice Blackburn's no win no fee retainer agreement sets out the terms on which it is acting. Group Members can ask to see a confidential copy of the retainer signed by Mr Wilkinson by contacting Maurice Blackburn.

The Plaintiff intends to make an application for a Group Costs Order in the Allianz Car Dealer Add-On Insurance Class Action. If a Group Costs Order is made the retainer will need to be revised in accordance with Court orders.

A Group Costs Order is an order of the Court in which the legal costs payable to the law practice representing the Plaintiff and the group members are calculated as a percentage of the amount of any award or settlement. The percentage is determined by the Court.

The Plaintiff and Group Members will not be asked to pay anything upfront. Costs will only be payable in the event of a successful settlement or judgment and then only as approved by the Court.

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

The Plaintiff's legal fees and disbursements are 'conditional', meaning that they are only recoverable by Maurice Blackburn if there is a successful outcome. Amounts recoverable by Maurice Blackburn for legal fees and disbursements must be approved by the Court as reasonable, before being deducted from the money to be paid to Group Members. Those deductions will never exceed a Group Member's recovery.

If there is a successful outcome, the Plaintiff's legal fees and disbursements will be charged in one of two ways:

- (a) calculated using time-based billing for professional fees, with disbursements (for example, filing fees, fees for experts and barristers) charged at cost; OR
- (b) calculated as a percentage of the amount of any collective award or settlement in the event that the Court makes a Group Costs Order. The percentage is determined by the Court.

If there is not a successful outcome, the Plaintiff and Group Members will not be asked to pay Maurice Blackburn's costs or disbursements. Also, Group Members cannot be pursued for costs by Allianz as the *Supreme Court Act 1986* (Vic) prohibits orders for costs against group members unless and until a group member takes their own individual action.

#### **8. Are there any other class actions that relate to Allianz car dealer add-on insurance practices?**

Yes. A class action, *Tracy-Ann Fuller v Allianz Australia Insurance Limited* (ACN 000 122 850) and *Anor* (No. S ECI 2020 02853) was filed in the Supreme Court of Victoria by Ms Fuller's lawyers, Johnson Winter & Slattery, on 7 July 2020.

Maurice Blackburn is unaware of any other filed class action as at the date of filing this class action.

**9. Who can Group Members contact for further information about the case?**

For further information about the Allianz Car Dealer Add-On Insurance Class Action, group members may contact Maurice Blackburn, at no out of pocket cost, via the following methods:

<b>Email</b>	addonclassaction@mauriceblackburn.com.au	<b>Post</b>	Allianz Car Dealer Add-On Insurance Class Action Maurice Blackburn PO Box 523 Melbourne VIC 3001
<b>Phone</b>	1800 497 191		