



Annexure A

NOTICE OF PROPOSED SETTLEMENT

FEDERAL COURT OF AUSTRALIA

QOIN CLASS ACTION

This notice contains important information about the proposed settlement of the Qoin Class Action. You should read this notice carefully as your legal rights may be affected by the proposed settlement. If there is anything in the Notice that you do not understand, you should seek legal advice immediately.

The Parties in the Qoin Class Action want to settle the Class Action.

The Court has requested this notice to be published because your legal rights may be affected by the settlement

You may have already received a letter about this Class Action requesting whether you wanted to stay part of the Class Action or opt out of the Class Action. This notice is different to that letter

THIS NOTICE IS NOT LEGAL ADVICE

What is this notice about?

- 1 This notice is published by order of the Federal Court of Australia (**Court**).
- 2 This notice relates to the **Qoin Class Action** brought by Eco Green Straws Trading Pty Ltd and Bethany Joy McManus (**Applicants**) on their own behalf and on behalf of persons who purchased one or more Qoin Tokens and/or accepted Qoin Tokens in exchange for the provision of goods or services and suffered loss or damage as a result. The Respondents deny all allegations made against them in the Class Action.
- 3 The purpose of this notice is to inform you that:
 - (a) the Applicants have **settled the claims made in the Class Action** against the Respondents on terms which are subject to the approval of the Court;
 - (b) you have a **right to object** or make submissions in relation to the proposed settlement; and



- (c) a settlement deed has been executed (Settlement Deed) which provides details of the settlement;

4 This notice may be relevant to you as you may be a “**Group Member**” of the Class Action.

Are you a group member in the class action?

5. You may be a Group Member in the class action if:

- (a) Since 1 October 2019
 - (i) Bought one or more Qoin; and/or
 - (ii) Accepted Qoin in exchange for the provision of goods or services
 - (iii) Suffered loss or damage by reason of the conduct alleged against the Respondents; and
 - (iv) Did not opt out of the Proceedings by sending an Opt Out Notice to Banton Group or the Federal Court of Australia.

Proposed Settlement

5 The parties have reached a conditional settlement of the Proceeding.

6 The main terms of the proposed Settlement is that:

- (a) upon sanction by the Court of the Settlement, the Respondents will pay 4.3 Million Qoin Tokens to settle the claims of the Applicants and Group Members in the Class Action (**Settlement Fund**).
- (b) the Class Action will be discontinued with no orders as to costs;
- (c) Group Members will retain their existing Qoin Tokens;
- (d) the Funder will not be involved in or support any further or replacement class action against the Respondents;
- (e) the Settlement Fund will be distributed in accordance with an approved Settlement Distribution Scheme (**SDS**) approved by the Court; and
- (f) any settlement of the Proceeding will be subject to Court approval pursuant to s 33V(1) of the *Federal Court of Australia Act 1976* (Cth).

Payment to the funder

7 International Litigation Partners No. 13 (**Funder**) has paid, or is to pay approximately \$2,489,003.71 in legal fees and disbursements towards the class action on behalf of the Applicants’ and Group Members.



- 8 The Funder is seeking a commission of not greater 40% of the Settlement Fund in compensation for this expense. The Funder is seeking a commission of not greater 40% of the Settlement Fund in partial compensation for this expense. In the event that BPS Financial Pty Ltd (ACN 604 899 381) is ordered to pay a pecuniary penalty, and pays that penalty, in *Australian Securities & Investments Commission v BPS Financial Pty Ltd (ACN 604 899 381)* proceeding number QUD380/2022, the funder may apply for orders that some of the penalty monies are used to reimburse it for its legal fees in addition to commission of not greater 40% of the Settlement Fund.

Why are the Applicants settling for Qoin?

- 9 The reason why there is no proposed monetary (cash) settlement is because the Respondents do not have any significant:
- (a) Cash; or
 - (b) Assets; or
 - (c) Applicable Insurance.

The Proposed Settlement Distribution Scheme

- 10 The proposed method of distributing the Settlement Fund is set out in the SDS.
- 11 Each Group Member's entitlement to a share of the Settlement Fund (**Scheme Payment**) will be determined by the Scheme Administrator in accordance with the terms of the SDS (**Process**).
- 12 If the SDS is approved, then:
- (a) The Funder will receive a proportion of the Settlement Fund in accordance with an amount approved by the Court; and
 - (b) The remaining Qoin Tokens will be transferred to Qoin Wallets with a Qoin Balance of at least 1 Qoin Token on a **proportional basis**.
 - (c) For the purpose of paragraph 12(b), any Qoin Tokens received for free from the Respondents (**Incentive Qoin Tokens**) will not be taken into account when calculating Group Member balances.
- 13 **The Qoin Tokens will be distributed proportionally, this means that Group Members with larger Qoin Token balances will receive more of the Settlement Fund than those with small balances.**
- 14 If a Group Member's Scheme Payment is more than 0 Qoin Tokens but less than 1 Qoin Token, they will receive 0 Qoin Tokens.

Court Approval Process

- 15 Before the Settlement becomes effective, the Court must be satisfied that the Settlement is a fair and reasonable compromise of the claims and must approve its



terms as being in the interests of the Group Members. If the Settlement is not approved by the Court, the Class Action is unlikely to continue.

Options For Group Members

16 As a Group Member **you must choose one of the following options:**

(a) **A - Do nothing** if you are in favour of the Settlement. If the Settlement is approved by the Court, you will be included in the Settlement on the terms of the Settlement Distribution Scheme as approved by the Court.

OR

(b) **B - Object to the approval of the Settlement** if you wish to object to the Settlement (see Option B). If you wish to be heard, you may choose to file evidence and submissions explaining why you say that the Settlement should not be approved.

If you choose option A

17 you do not need to do anything at this stage.

18 If the Settlement is approved, the Administrators will administer the scheme in accordance with the Settlement Distribution Scheme described above.

If you choose option B

19 If you do not believe the Settlement should be approved, you are entitled to ask the Court not to approve the Settlement. If you take that step, you will be asking the Court not to approve the Settlement of all group members' claims (and not just your own claim).

20 If you wish to oppose the Settlement, you should take the following steps:

(a) complete and return the enclosed 'Notice of Objection to Settlement' (located at Schedule 3 to this notice) to Banton Group at one of the following addresses by **3 February 2025**:

(i) Banton Group
Level 12
60 Martin Place
Sydney NSW 2000
Attention: Elliott Smith

OR

(ii) goinclassaction@bantongroup.com

(b) file any evidence on which you rely and any written submissions with the Court by 4pm on **3 February 2025** stating that you wish to oppose the Settlement and providing reasons why; and



- (c) attend (or send a representative to attend) the Approval Hearing on **4 March 2025**, when the Court will consider whether to approve the Settlement. It will be held at:

Federal Court of Australia
Harry Gibbs Commonwealth Law Courts Building
119 North Quay
Brisbane 4000 QLD

- 21 You or your representatives should be in a position to explain to the Court at the Approval Hearing why you consider that the Settlement should not be approved.

How To Get More Information

- 22 If you think you might wish to oppose the proposed settlement, you should obtain independent legal advice immediately.

- (a) you may obtain a copy of the Settlement Deed and/or the Settlement Distribution Scheme and/or obtain further information about the matters referred to in this notice by contacting Banton Group on (02) 8076 8090 or at goinclassaction@bantongroup.com

- 23 The Court cannot answer questions about the process or provide legal advice.



Schedule 1

Notice of Objection to Settlement Form

No. QUD 395 of 2021

Federal Court of Australia
District Registry: Queensland
Division: General

ITS ECO PTY LTD ACN 634 737 643 and another named in the schedule

Applicants

BPS FINANCIAL LIMITED ACN 604 899 381 and others named in the schedule

Respondents

To: Banton Group
Level 12
60 Martin Place
Sydney NSW 2000
Attention: Elliott Smith

The group member identified below gives notice that an objection is made to the proposed settlement of the above-named representative proceeding. The group member's written reasons for the objection are attached to this notice.

Name of group member:	
Person completing this form (print):	
42 digit Wallet Address	
Authority of person completing this form (e.g. company director, lawyer):	
Telephone contact:	
Postal address:	

Date: _____

Signed by:

Capacity (e.g. group member or lawyer for group member):

(Note: the written reasons for the objection may be attached to this notice.)