

19 January 2022

Appointment of voluntary administrators to DASS

ASX Announcement

Dixon Advisory and Superannuation Services Pty Limited (**DASS**), a wholly-owned subsidiary of E&P Financial Group Limited (**EP1** or **Group**), has today appointed PwC Partners, Stephen Longley and Craig Crosbie, as Voluntary Administrators.

The appointment has been made as the directors of DASS have determined that mounting actual and potential liabilities mean it is likely to become insolvent at some future time.

Actual or potential liabilities include: possible damages arising from the representative proceedings led by Piper Alderman and Shine Lawyers; claims against DASS being determined by the Australian Financial Complaints Authority (**AFCA**); and penalties agreed between DASS and the Australian Securities & Investments Commission (**ASIC**).

Following the appointment of Voluntary Administrators, EP1 is aiming to:

- I. facilitate the prompt transfer of DASS clients to a replacement service provider of the client's choice with minimal disruption to client service; and
- II. propose a Deed of Company Arrangement (**DOCA**) which provides for the comprehensive settlement of all DASS and related claims (including the representative proceedings) in a manner which provides for equitable treatment of all DASS clients/creditors.

EP1 notes:

- **The voluntary administration relates to DASS only** – it does not affect any other EP1 entities or services provided by EP1 or related entities, including internally managed real asset funds, all of which are independently governed. There is no recourse for DASS liabilities to other entities within EP1;
- **No client assets are at risk** as all client assets are either held in clients' own names or on trust by independent third-party custodians;
- **There will be no staff impact** as a result of the voluntary administration. DASS clients will have continued access to their current Adviser/s; and
- **There will be minimal disruption to client service** while clients are supported through the transition to a replacement service provider of their choice.

In due course, the Group intends to propose a DOCA to the Administrators that will include, among other matters, a comprehensive settlement of the representative proceedings and all other claims.

The Group acknowledges the heads of agreement entered into between DASS and ASIC relating to alleged breaches by DASS of the Corporations Act, including the agreed penalty and contribution to ASIC's costs. The Group intends to contribute an equivalent sum for the benefit of creditors as part of a comprehensive settlement of all DASS and related claims.

Peter Anderson, Managing Director & CEO of EP1, said "The appointment of Voluntary Administrators to DASS has become necessary in light of the increasing number of claims against DASS and the potential associated financial liabilities.

It has also become apparent that settling individual claims as they arise will likely lead to inequities between client creditors. Voluntary administration provides an appropriate framework to ensure all client creditors are treated equitably.

Importantly, no client assets are at risk as a result of this process, and we will strive to minimise any disruption to clients who will have ongoing access to their Adviser(s)."

This announcement has been authorised for release by the Board of E&P Financial Group Limited.

Investors:

Paul Ryan

+ 61 3 9631 9866

paul.ryan@eap.com.au

Media Enquiries:

Mark Hawthorne

Civic Financial Communications

+ 61 418 999 894

About E&P Financial Group Limited

E&P Financial Group is an Australian Securities Exchange listed financial services group. In E&P Wealth we service approximately 9,200 clients, representing \$24.4 billion in funds under advice. In E&P Capital we are an advisor to many leading Australian institutions through the provision of research, institutional sales and trading, corporate advisory, equity capital market and debt capital market services. In E&P Funds, we manage \$6.7 billion of assets across a diverse range of asset classes.

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