

24 July 2020

**UNION STANDARD INTERNATIONAL GROUP PTY LTD (ADMINISTRATORS APPOINTED)
ACN 117 658 349**

FREQUENTLY ASKED QUESTIONS – UPDATED ON 24 JULY 2020

Dear USG Client,

I refer to our previous Frequently Asked Questions dated 13 July 2020 and provide an updated FAQs.

This FAQ is also available to view on the BRI Ferrier website: <http://briferrier.com.au/about-us/current-matters/union-standard-international-group-pty-ltd>

1. What is a Voluntary Administration?

A voluntary administration is a formal insolvency appointment governed by Australian corporations law, whereby an external administrator is appointed over the business and assets of a Company which is experiencing financial difficulty and may be or about to become insolvent. The purpose of a voluntary administration is to resolve the Company's future quickly.

The appointment of a voluntary administrator triggers a moratorium on all outstanding debts of USG as at the date of the voluntary administrator's appointment, in this case being 8 July 2020.

For further information on the voluntary administration process, our first report to creditors was issued electronically on 10 July 2020 and is also available on the BRI Ferrier website: <http://briferrier.com.au/about-us/current-matters/union-standard-international-group-pty-ltd>

2. Who should I contact for queries?

In the first instance, please review this FAQ document in full. Should your query not be specifically covered herein, you may submit your query by email to usg@brifnsw.com.au.

In the event your query relates to your USG account(s), specifically closing out your open position(s), if any, please contact Lochlan McDonald from USG at lochlan.m@usgfx.com to assist with your query.

3. I have never dealt with USG, why am I receiving correspondence?

We understand that there has been a migration of clients from the Corporate Authorised Representatives of USG, Maxi EFX Global AU Pty Ltd (trading as EuropeFX) and BrightAU Capital Pty Ltd (trading as TradeFred), with which you may have had previous dealings.

In the event you are certain you have had no dealings with USG, you are invited to expressly advise this office of same (that you are not a client/creditor of USG) by sending an email to usg@brifnsw.com.au. It is suggested that you do not simply 'unsubscribe' from receiving further email correspondence from this office.

4. How can I withdraw funds from my USG account?

All trading has been suspended and the online platform has been restricted, such that there are no new deposits and no new positions taken.

After seeking legal advice and orders from the Federal Court of Australia, **clients are allowed until 5.00PM AEST on 7 August 2020 to close their open contracts**, crystallising their position however withdrawals are still not permitted at this time. Clients are encouraged to act quickly before the deadline and may wish to seek their own professional advice.

Any clients with open positions after this deadline will be closed out by the Company, pursuant to its rights under the Product Disclosure Statement.

Further information on withdrawal of funds will be provided to clients in future reporting in the coming weeks.

5. Are my funds safe?

Client monies are controlled by USG in designated client trust bank accounts held with Commonwealth Bank of Australia. These funds have been frozen and secured, totalling circa \$6M. The reporting provided to us shows that there are sufficient funds held to satisfy the reported client liabilities.

However, a substantial number of previously unreported creditor claims were submitted for the first meeting of creditors held on 20 July 2020. These claims allege that the Company provided a service to hold client funds in Australian bank accounts and earn "interest", rather than for trading purposes. We intend to investigate these claims as a matter of priority.

If this is how you utilised the Company's services, we ask that you submit details of your claim, and provide supporting documents including:

- Copies of any agreements of their dealings with the Company;
- Any product disclosure statements;

- ▲ Copies of correspondence with the Company regarding their claim or investment;
- ▲ Bank transfer evidence; and
- ▲ Any other relevant documents.

The above information should be emailed to usg@brifnsw.com.au.

6. Can my account be transferred?

We understand that some parties may have transferred or sought to transfer their accounts out of USG Australia. We are not parties to any transfers to date and are making urgent enquiries in respect of same.

We would urge caution should you seek to transfer your account.

7. Do I need to complete a proxy form?

The proxy form was only required for attendance at the first meeting of creditors, which was held on Monday, 20 July 2020 at 2:00PM AEST. As this meeting has now passed, there is no need to submit the proxy form.

When the Second Meeting of Creditors is convened, you will need to submit a new Proxy Form for this meeting.

8. Do I need to complete a proof of debt form?

Until funds are returned to you, you are considered a creditor of USG and are encouraged to complete and return to this office a proof of debt form, a copy of which is available to download from the BRI Ferrier website.

This document represents a formal declaration by you as to USG's indebtedness to you as at the date of the Administrators' appointment, being 8 July 2020. If you have yet to close your position, this should be your equity position as at 8 July 2020, excluding any credits as it cannot be "cashed out". A revised form can be submitted at a later stage.

If you have closed your open contracts and crystallised your position, where there is a balance owed to you, you should submit your claim in respect of this balance, excluding any credits.

Brief instructions regarding completion of this form are as follows:

- ▲ In section one:
 - enter the full name of your account (line 1) followed by your address as per USG's records (line 2) and your debt amount (line 3);
 - in the particulars text box, enter the approximate date you made the initial deposit/investment, the consideration (i.e. what product did you invest in), your equity position amount in numbers and any other relevant information in the 'remarks' section;
- ▲ In section two:

- if you do not hold any formal security over your investment, you may leave the text box blank; and
- indicate whether you are a related creditor of the Company (i.e. related party as defined in Section 9 of the Corporations Act);
- ▲ Strike out '3A.' or '3B.', whichever relevant;
- ▲ If you consent to receiving electronic communications only from the Administrators, place a cross in the text box and complete your contact name and email address details;
- ▲ Sign and date the form, including your occupation and address details.

Your proof of debt form must be supported by documentary evidence.

9. What happened at the first meeting of creditors?

At the first meeting of creditors, our appointment as Voluntary Administrators was confirmed. The Administrators' interim remuneration was approved and a Committee of Inspection was formed.

The purpose of a Committee is to assist and advise the Administrators. The Committee also monitors the conduct of the Administrators and may approve certain steps in the administration. They are also able to give directions to the Administrators and the Administrators must consider these directions but is not required to comply with these directions.

The members of the Committee are as follows:

1. Hongda Jiang;
2. Jiapei Liu;
3. Maxi EFX Global AU Pty Ltd;
4. Peter Huang;
5. Shih Kuei Cheng; and
6. Yueh Lii Chang.

The above list should not be considered exhaustive and this document will be updated periodically as the matter develops.