

28 June 2021

CIRCULAR TO CLIENTS AND CREDITORS

Dear Sir or Madam

UNION STANDARD INTERNATIONAL GROUP PTY LTD (IN LIQUIDATION)
ACN 117 658 349 ("THE COMPANY")
UPDATE ON LEGAL PROCEEDINGS NO: NSD754/2020

We refer to our appointment as Liquidators of the Company and previous reports.

You are likely aware that we brought an application in the Federal Court of Australia ("Court") seeking directions as to the treatment of funds recovered in the liquidation as "trust" or general funds and determining the different classes of clients entitlements to the various funds. The application was filed with the Court along with a detailed affidavit on 23 April 2021.

An initial directions hearing was held on 24 June 2021, at which Justice Jagot made various Interim Orders. Those orders included the timeframe for the application and final hearing, being 28 and 29 October 2021. As directed by the Court, a copy of the Interlocutory Process and the Interim Orders are available for download from our firm's website: <https://briferrier.com.au/about-us/current-matters/union-standard-international-group-pty-ltd>.

We note that the Court confirmed the appointment of two (2) "contradictors" acting as representatives for the major creditor classes, being "trading" client and "investor" clients, and their respective legal counsels. The contradictors role is to provide informed argument to the Court on behalf of their respective class of creditor, whilst we (the Liquidators) lead the majority of the factual evidence. The appointed contradictors are both members of the Committee of Inspection and are therefore well-informed on the liquidation.

The Court also made Interim Orders approving the use of the Trust funds to pay certain costs that have already been incurred, and those to be incurred relating to the proceedings. Further, the Court set a regime for the approval of costs moving forward, being first by the Committee of Inspection, or failing which the Court. Access to funding is essential in order to allow the Liquidators to pursue recovery actions for the benefit of creditors including but not limited to for instance, tax refunds.

We will provide further updates as the legal proceedings and liquidation progress. In the interim, we have updated the Frequently Asked Questions on our website and encourage creditors to review these periodically. If you have additional queries, please email our team at usg@brifnsw.com.au.

Yours faithfully

UNION STANDARD INTERNATIONAL GROUP PTY LTD (IN LIQUIDATION)

A handwritten signature in black ink, appearing to read "Peter Krejci".

PETER KREJCI

Joint and Several Liquidator

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