

**Dixon Advisory & Superannuation Services Pty Ltd**  
**(Subject to Deed of Company Arrangement) (the Company or DASS)**  
**ACN 103 071 665**

**Minutes of the Seventh Committee of Inspection Meeting**  
**held on Thursday, 28 November 2024 at 4:30pm AEDT**  
**by Virtual Meeting Technology (the Meeting)**

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**Opening**

Ms Rebecca Gill introduced herself and other PricewaterhouseCoopers staff present before calling the Meeting to order at 4:32pm AEDT.

Ms Gill acted as Chairperson of the Meeting in accordance with Section 75-50 of the Insolvency Practice Rules (Corporations) 2016 (**IPR**).

**Members Present**

The Chairperson confirmed that Committee of Inspection (**COI**) members were in attendance via the Microsoft Teams video conference platform. As a quorum was present, the Meeting could proceed in accordance with IPR 80-5.

Pursuant to Section 75-75 of the IPR, all persons participating in the meeting using virtual meeting technology are taken to be present in person at the meeting.

The following COI Members were in attendance at the Meeting:

- Ms Jan Smith
- Ms Kate Gorham
- Ms Cathy Monro
- Mr Peter Freund

The Chairperson advised that former COI member, Watson & Co Superannuation Pty Ltd ATF Watson & Co Superannuation Fund, represented by Ms Vicky Antzoulatos of Shine Lawyers provided formal notice of their resignation from the COI on 1 July 2024.

**Minutes of Meetings**

The Chairperson advised that minutes of the Meeting would be lodged with the Australian Securities and Investments Commission (**ASIC**) in accordance with IPR 75-145. The Chairperson noted that the Deed Administrators reserve the right not to disclose in the minutes commercially sensitive information that may prejudice investigations and asset realisations.

**Time and Place of Meeting Convenient Confidentiality**

The Chairperson declared that the time and place for holding the meeting was convenient in accordance with IPR 75-30.

The Chairperson reminded members present that discussions in the Meeting were confidential and should not be disclosed to anyone other than COI members. Furthermore, the Chairperson confirmed that it was the Deed Administrators' intention to retain legal privilege over all matters discussed during the Meeting.

**Agenda**

The Chairperson referred to the agenda outlined in the Notice of the Seventh Meeting of the Committee of Inspection dated 22 November 2024.

The Chairperson advised that the purpose of the Meeting was to:

- To provide an update on the status of the Deed Administration, including an update on the formal Proof of Debt (**POD**) process, status of POD claims submitted, and the estimated return to creditors under the Deed of Company Arrangement (**DOCA**).
- To provide an update on the discussions held with the Australian Financial Complaints Authority (**AFCA**) and the Compensation Scheme of Last Resort (**CSLR**) operator.
- Consider the Deed Administrators' remuneration report and associated resolution.
- To answer any questions from COI members; and
- Discuss any other business.

## **Tabling of documents**

The following documents were tabled:

- Notice of Meeting dated 22 November 2024.
- Remuneration Approval Report dated 22 November 2024.

The Chairperson confirmed these that these documents are taken to have been tabled at the Meeting as a copy of the documents had been given to the COI members prior to the Meeting.

## **Motions and resolutions**

The Chairperson confirmed that all motions proposed at the Meeting will be determined on a show of hands vote.

## **Update on the deed administration**

The Chairperson provided the following update on the key workstreams since the last COI meeting.

### **Class Action Settlement**

- The Chairperson confirmed that the Deed Administrators received the final Class Action Settlement payment (Tranche B) on 11 June 2024.
- The net amount received with respect to the class action settlement, after the applicant's costs were paid, was c.\$12m

### **Notice of Intention to Declare a Dividend (NIDD)**

- The Chairperson advised that the Deed Administrators provided creditors with notice of their intention to declare a dividend on 26 August 2024.
- The Deed Administrators followed a thorough process to ensure that all creditors received a copy of the NIDD. Per the loss calculation methodology approved by the Court (**Loss Methodology**), a total of 4476 former clients were identified as being creditors of DASS, in addition to 12 trade creditors. The Deed Administrators also provided a NIDD to 322 former clients who, although were not identified as being a creditor under the Loss Methodology, may have previously asserted a claim against DASS.
- This included ensuring that if a creditor's email was unable to be delivered, they attempted to contact the party through alternative means, such as alternate email address or by post.
- Ms Kate Gorham sought further clarification on why the 322 former clients received a NIDD.
- The Chairperson advised that some former clients, although not considered a creditor under the loss methodology, previously submitted a claim during the external administration. It may therefore be considered that these former clients had asserted a claim, and a copy of the NIDD was provided to them in accordance with the Court Orders.
- The Chairperson advised that in addition to contacting creditors as per the Court Orders, the Deed Administrators advertised the Company's NIDD in the following newspapers: The Sydney Morning Herald, The Age (Melbourne), The Courier-Mail (Brisbane), The Canberra Times and The Australian.
- *This section of the minutes has been redacted for legal and commercial-in-confidence reasons.*
- The Chairperson advised that there had been only 7 PODs lodged by parties not deemed to be a creditor per the Loss Methodology.
- The Chairperson advised that the Deed Administrators have commenced adjudicating on claims received and dealing with the disputes received and complex creditor situations, including power of attorney, deregistered corporate trustees and deceased estates.
- The Deed Administrators expect to declare a first and final dividend on or around 24 April 2025 for the Company.
- Ms Jan Smith inquired whether the claims of the creditors that disputed their loss calculation were addressed prior to the deadline for submission of creditor PODs on 25 October 2024,
- The Chairperson advised that adjudication of the disputed claims commenced after 25 October 2024 . The Chairperson also noted that

further work is required to address deceased estates and the assignment of claims.

- No further questions were forthcoming.

#### Estimated distribution to creditors

- The Chairperson presented an updated estimated outcome statement and discussed it with the COI members.
- *This section of the minutes has been redacted for legal and commercial-in-confidence reasons.*
- Ms Cathy Monro inquired about the possibility of recovering any fees from AFCA or the CSLR with respect to work completed by the Deed Administrators on related matters..
- The Chairperson advised that the Deed Administrators had previously enquired about this, and it is unlikely that any funding will be provided by AFCA or the CSLR.
- Ms Cathy Monro inquired about the amount of time the Deed Administrators had dedicated to tasks associated with AFCA and the CSLR.
- The Chairperson responded that the exact figures were not immediately available but assured that they would be provided to the COI at a later date.

There was a further general discussion about the updated estimated outcome statement.

#### Dealings with AFCA/CSLR

The Chairperson provided the following update in respect of the Deed Administrators' dealings with Australian Financial Complaints Authority (AFCA) and the Compensation Scheme of Last Resort (CSLR).

- The Chairperson advised that AFCA was continuing to assess complaints made against DASS to determine whether the former DASS clients who have made complaints are eligible for compensation under the CSLR.
- The Chairperson advised that AFCA has been provided with the relevant documentation (under a Data Sharing Agreement which was signed on 31 July 2024) required to assess complaints made against DASS with respect to 360 complaints (over two tranches). In addition, E&P is in the process of collating the documentation with respect to a further 1,158 complaints in accordance with the Data Sharing Agreement. The Deed Administrators understand that once the documentation for the third tranche is provided to AFCA, AFCA will request the documentation for the balance of complaints received against DASS.
- Additionally, the Deed Administrators have provided the CSLR with certain information the CSLR requires to assess whether 45 former clients of DASS are eligible for compensation under the CSLR.
- *This section of the minutes has been redacted for legal and commercial-in-confidence reasons.*
- The Chairperson and the COI members discussed the process in which a former client would need to follow to make a claim under the CSLR
- The Chairperson advised that ASIC's case against Mr. Paul Ryan had been dismissed.
- The Chairperson advised that a senate inquiry into the collapse of the Company's business had been commenced, however, the Deed Administrators had not been contacted in this respect and that there is no subsequent impact on the DOCA.

#### ASIC Proceeding / Senate Inquiry

## **Questions from the Floor**

- The Chairperson opened the floor for any additional questions.
- Mr Peter Freund queried why the dividend will be paid in April 2025, and not sooner.
- The Chairperson advised that the Deed Administrators were required to work through and adjudicate on the large volume of claims. Additionally, there are some complex situations to work through, largely related to assignment of claims, deceased estates and Powers of Attorney.
- Ms Jan Smith inquired whether creditors could close their Self-Managed Superannuation Fund once the dividend has been paid.
- The Chairperson advised that creditors should seek their own independent advice on this.
- Mr Peter Freund asked whether it is possible to notify the creditor if their claim has been accepted by the Deed Administrators.
- Mr Andrew Khallouf (PwC) responded, explaining that if a claim has been accepted, the creditor will be notified upon receiving the dividend payment and accompanying correspondence. Mr Khallouf also noted that if the Deed Administrator requires further information from the creditor to adjudicate on their claim, they will receive notification from the Deed Administrator prior to the dividend being paid.

## **Deed Administrators' remuneration**

The Chairperson introduced the topic of Deed Administrators' remuneration and referred to the Remuneration Approval Report dated 22 November 2024, in particular Section 3.3 - which outlined the remuneration incurred during the period from 1 March 2024 to 31 October 2024.

- The Chairperson noted that the estimated remuneration for the Deed Administrators from 1 March 2024 to 30 June 2024 was projected to be between \$400,000 and \$600,000, excluding the further development of the Creditor Portal and GST. The actual fees incurred for this period amounted to \$596,402, aligning with the initial estimate.
- The Chairperson advised that on 19 April 2024, the Deed Administrators communicated to the COI that their estimated remuneration for the period from 1 March 2024 to the completion of the Deed of Company Arrangement (DOCA) was between \$1.80 million and \$2.82 million.
- The Chairperson noted that, as of 31 October 2024, the Deed Administrators had incurred fees totalling \$1,701,971.14, excluding GST, and they do not foresee any changes to the previously provided estimate.
- The Chairperson advised that the estimated cost for further development of the Creditor Portal was \$215,000 (plus GST). The development of the creditor portal (to the point of having it ready to issue the NIDD and for creditors to submit their claims) has been finalised and the total cost was \$213,310 (plus GST). Additionally, the Chairperson noted that the Creditor Portal team has assisted with additional "out-of-scope" matters, including helping creditors submit their PODs, offering post-launch support, and making necessary amendments to the Creditor Portal, in order to make the submission and adjudication process more efficient.
- The Chairperson asked whether the COI had anything comments regarding the Remuneration Approval Report dated 22 November 2024.
- Ms Cathy Monro asked if there is any scope to contain costs in respect of the Deed Administration.
- The Chairperson explained that a team, with a lower charge-out rate, was utilised to handle creditor inquiries and some other dividend related matters which reduced the costs charged to the matter. The Chairperson noted that this team might be used again to assist with the distribution if there is an increase in queries received.
- No further questions were forthcoming.

The Chairperson proposed the following resolution with respect to the Deed Administrators' remuneration:

### **Resolution 1:**

*“That the remuneration of the Deed Administrators is approved for the period from 1 March 2024 to 31 October 2024 totalling \$1,701,971.14 (plus GST) as set out in the Remuneration Approval Report dated 22 November 2024 to be paid immediately or as funds become available.”*

In accordance with IPR 75-70, the Chairperson allowed time for creditors presiding at the meeting to debate the proposed resolution.

No creditor wished to debate the proposed resolution, and the Chairperson put the proposed resolution to a vote.

The Chairperson declared that the resolution was passed unanimously on a show of hands.

**Any other business**

The Chairperson asked whether the COI had anything further they would like to discuss.

No comments or questions were forthcoming.

**Closure:**

The Chairperson thanked the committee members for their attendance and declared the meeting closed at 5:52 pm AEDT.

**Signed as a correct record**

**DATED this 18th day of December 2024**



**Rebecca Gill**  
Chairperson

**Meeting Attendance Register - Committee of Inspection**

**Dixon Advisory & Superannuation Services Pty Ltd (Subject to Deed of Company Arrangement)**

Committee of Inspection Meeting held by Virtual Meeting Technology at 4:30pm AEDT on 28 November 2024

Chairperson: Rebecca Gill

Committee of Inspection Member	Related Party?	Name of Proxy or Attorney	Type of Proxy (General / Specific)	Signature of Person Attending
Jan Smith	No	N/A	N/A	Attended via virtual meeting technology
Kate Gorham	No	N/A	N/A	Attended via virtual meeting technology
Cathy Monro	No	N/A	N/A	Attended via virtual meeting technology
Peter Freund	No	N/A	N/A	Attended via virtual meeting technology