



7 August 2018

Provident class action – settlement of claims and two of four cross-claims

IOOF Holdings Limited (ASX:IFL, OTC:IOOFY) (IOOF) announced today, in accordance with its continuous disclosure obligations, that IOOF's wholly-owned subsidiary, Australian Executor Trustees Limited (AET), has agreed settlements in relation to certain of the legal proceedings to which AET is party in connection with its role as debenture trustee of Provident Capital Limited (Provident and the Provident Proceedings).

AET has entered into a settlement deed with Mr Creighton and has now finalised and will shortly execute the terms of a settlement deed with Mr and Mrs Smith, the representative plaintiffs in the two proceedings brought against AET in relation to Provident. Those settlements, when finalised, are expected to result in full and final settlement, without any admission as to liability, of all claims (including as to legal costs) made against AET as part of the Provident Proceedings. These settlements remain subject to approval by the Supreme Court of New South Wales.

As a result, and subject to Court approval of the settlements with Mr and Mrs Smith and Mr Creighton, the amount AET is expected to be obliged to pay to the plaintiffs and group members in the Provident Proceedings is \$44.25 million.

AET has also agreed settlements with PwC and HLB Mann Judd in respect of the cross-claims brought by AET against those parties as part of the Provident Proceedings, which relate to their role as auditors of Provident.

Subject to Court approval, these settlements are expected to resolve all aspects of the Provident Proceedings other than AET's and IOOF's cross-claims against their insurers and insurance broker.

IOOF makes this announcement today in accordance with its continuous disclosure obligations. IOOF also considers it relevant to inform the market that AET and IOOF will continue to vigorously pursue their claims against their insurers and insurance broker to judgment (if a satisfactory settlement cannot be achieved prior). In pursuing those claims, AET and IOOF are seeking to recover from those parties up to the whole of the amount that they will be obliged to pay the plaintiffs and group members in the Provident Proceedings as part of the settlements described in this announcement (less amounts recovered through the settlements with PwC and HLB Mann Judd), together with their costs of those Proceedings.

IOOF will continue to keep the market informed in relation to the outcome of the Provident Proceedings and any settlement discussions in accordance with its continuous disclosure obligations.

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About IOOF Holdings Limited

IOOF has been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become one of the largest groups in the financial services industry.

IOOF provides advisers and their clients with the following services:

- **Financial Advice** services via our extensive network of financial advisers and stockbrokers;
- **Platform Management and Administration** for advisers, their clients and hundreds of employers in Australia;
- **Investment Management** products that are designed to suit any investor's needs; and
- **Trustee Services** including compensation trusts, estate planning and corporate trust services.

Further information about IOOF can be found at www.ioof.com.au

