

IA Financial Group's appointment of ARMnet as its new software provider for lending activities

News Release

29 October 2018

Industrial Alliance Insurance and Financial Services (**IA Financial Group**) (TSE code: IAG) in Canada has appointed Axxess Consulting Group Pty Ltd ("**Axxess**") , to be acquired by AXS Group Limited (ASX code: **AXS**) and its ARMnet software as its primary software provider to support its group and independent advisor network across Canada for lending services. With the introduction of ARMnet, IA Financial Group intends to grow its lending activities given ARMnet's software capabilities in the origination, underwriting and servicing of loans. ARMnet offers a faster program for distribution given its automation and digitization capabilities.

The parties are working towards a roll out to go live by the end of November 2018.

IA Financial Group is among the top 100 largest public companies in Canada. It manages and administers over CAD\$172.9 billion in assets with a market capitalization over CAD\$6 billion.

The transaction is a major deal for Axxess with a fixed 3-year term plus 12-month extensions by agreement. The implementation of ARMnet's software will see a new broker portal rolled out for all loan origination activities across its broker network throughout Canada and Western United States. Axxess will receive base licensing fees plus transactional fees on activities for all business originated that is scaling by volume that will contribute towards a strong uplift in revenue and profit performance.

David Grey, Managing Director of AXS Group said "With the introduction of ARMnet, we will see a change in strategy with a revised pricing model. This deal has been a collaboration of efforts of the teams in Axxess, led by Ivan Colak and AXS to get this outcome and we look forward to working with IA Financial Group."

The next phase will see the parties expand the servicing of loans and transition of IA Financial Group's existing loan book of over CAD\$3 billion onto the software.

About Axxess

Founded in 2004, Axxess is a SaaS software provider located in Australia with over 40 clients globally. The ARMnet software is a proprietary and customer centric software solution designed to integrate, transform and accelerate all workflows processes for a client and become the primary platform solution for its clients' products. Axxess will become part of AXS Group Limited when it lists on the Australian Securities Exchange Limited ("ASX") planned towards the end of November 2018 (ASX Code: AXS).

About IA Financial Group

Founded in 1892, IA Financial Group Insurance and Financial Services Inc. is a life and health insurance company that offers a wide range of life and health insurance products, savings and retirement plans, RRSPs, mutual and segregated funds, securities, auto and home insurance, mortgage loans and other financial products and services. The fourth largest life and health insurance company in Canada. IA Financial Group is at the head of a large financial group, which has operations across Canada, as well as in the Western United States. IA Financial Group contributes to the financial wellbeing of over 4 million Canadians, employs more than 6,500 people, 25,000 brokers and manages and administers over CAD\$172.9 billion in assets with a market capitalization over CAD\$6 billion. IA Financial Group stock is listed on the Toronto Stock Exchange under the ticker symbol IAG.