



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

Dalcassian Consulting Pty Ltd (Administrators Appointed)

ACN 115 029 055

(Dalcassian)

The purpose of this document is to assist creditors with understanding any relationships that the Administrators have and any indemnities or upfront payments that have been provided to the Administrators. None of the relationships disclosed in this document are such that the independence of the Administrators is affected.

This information is provided to you to enable you to make an informed assessment on any independence concerns, so you have trust and confidence in our independence and, if not, can act to remove and replace us if you wish.

This declaration is made in respect of ourselves, our partners, the firm McGrathNicol, which for the purpose of this declaration includes the McGrathNicol Partnership, the McGrathNicol Advisory Partnership and McGrathNicol Services Pty Ltd.

A. Independence

We, Rob Kirman and Rob Brauer, of the firm McGrathNicol have undertaken an assessment of the risks to our independence prior to accepting the appointment as administrators of Dalcassian in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

B1. *Circumstances of appointment*

On 27 April 2020, Zircom Business Brokers (**Zircom**) contacted a McGrathNicol staff member to facilitate an introduction to Mr Craig McKie, who was Dalcassian's lawyer. McGrathNicol has a business relationship with Zircom and have assisted McGrathNicol with sales advice on previous engagements. This referral does not result in a conflict of interest or duty because:

- it is entirely unconditional; and
- the prior professional engagements undertaken with Zircom were on an entirely separate basis from this engagement.

Following the introduction, a telephone conversation occurred between Mr McKie and a McGrathNicol staff member on 27 April 2020 to discuss Dalcassian's background and its financial position.

On 28 April 2020, a telephone conversation occurred between Mr Kirman, Mr McKie and a McGrathNicol employee, with further telephone conversations between Mr McKie and a McGrathNicol employee on 28 and 29 April 2020.

Each of these telephone discussions were for the purposes of:

- gaining a high-level understanding of the current financial position of Dalcassian, the steps undertaken to preserve the business of Dalcassian and achieve a sale; and
- discuss the types of assistance McGrathNicol could provide to Dalcassian, including providing an overview of the various insolvency processes, including the voluntary administration process.

On 30 April 2020, Mr Kirman and a McGrathNicol employee met with Mr McKie and Dalcassian's sole director, Ms Lisa Kennedy and provided a consent to act. Ms Kennedy appointed Mr Kirman and Mr Brauer as Administrators at the conclusion of that meeting.



In our opinion, these meetings do not affect our independence for the following reasons:

- It is recognised by the Courts and the CoPP that pre-appointment advice on the insolvency process and available options is necessary and does not amount to an impediment to accepting an appointment; and
- The nature of the advice provided was such that it would not be subject to review and challenge during the course of the Administration. Nor would the advice influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Administration in an objective and impartial manner.

No fees were rendered for the attendances referred to above.

B2. *Prior professional services to the Insolvent*

Neither we, nor our firm, have provided any professional services to, or in relation to, Dalcassian in the previous 24 months.

B3. *Relevant Relationships (excluding professional services to the Insolvent)*

Neither we, nor our firm, have, or have had, within the preceding 24 months, any relationships with Dalcassian, an associate of Dalcassian, a former insolvency practitioner appointed to Dalcassian or any person or entity that is entitled to enforce a security interest in the whole or substantially the whole of Dalcassian's property.

B5. *No other relevant relationships to disclose*

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with Dalcassian an associate of Dalcassian a former insolvency practitioner appointed to Dalcassian or any person or entity that is entitled to enforce a security interest in the whole or substantially the whole of Dalcassian's property that should be disclosed.

C. *Indemnities and up-front payments*

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute, and we have not received any up-front payments in respect of our remuneration or disbursements.

Dated: 5 May 2020

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Rob Kirman

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Rob Brauer

Note:

If the circumstances change or new information is identified, we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with our next communication, as well as table a copy of any replacement Declaration at the next meeting of the insolvent's creditors. For Creditors' Voluntary Liquidations and Voluntary Administrations, this document and any updated versions of this document are required to be lodged with ASIC.

Please note that the presentation of the above information is in accordance with the standard format suggested by ARITA.