



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

**Family Fresh Growers Market Pty Ltd as Trustee for Family Fresh Growers Market Trust
ACN 635 190 591
(Family Fresh)**

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to Family Fresh and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and 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.

We are Professional Members of the Australian Restructuring Insolvency Turnaround Association (**ARITA**). We acknowledge that we are bound by the ARITA Code of Professional Practice.

A. Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those I have disclosed in this document.

B. Circumstances of Appointment

How we were referred this appointment

This appointment was not referred to us by a third party, but followed several other appointments within an informal corporate group of family run companies operating in the grocery industry.

Rob Kirman met with Mr Reinaldo Nunes, the majority shareholder of an informal corporate group of family run companies, and advisors to the companies Mendelawitz Morton Commercial Lawyers (**Mendelawitz Morton**) and Vantage Performance on 17 March 2021. The purpose of the meeting was to gain a high level understanding of the corporate group and the financial position of the relevant corporate entities within the group, and to discuss the various insolvency options available.

The relevant corporate entities that comprise the group, in addition to Family Fresh, include:

- SKB Australia Pty Ltd atf KBS Family Trust, trading as Darch IGA (**SKB**);
- Mainteam Pty Ltd atf Redside Trust, trading as Ellenbrook IGA (**Mainteam**); and
- Evermaze Pty Ltd atf Evermaze Trust, trading as Vale IGA (**Evermaze**).
- Villanex Pty Ltd atf Villanex Trust, trading as Aveyley Liquor (**Villanex**).

Between 26 March 2021 and 18 April 2021, Rob Kirman and a senior member of McGrathNicol attended a number of meetings with Mr Nunes, other family members and company advisers to receive an update on the financial position of SKB, Mainteam, Evermaze and Villanex, and to discuss potential insolvency appointments to those entities.



Mr Nunes' wife, and director of Family Fresh, Helena Nunes (**Director**) attended a number of the above meetings, albeit Family Fresh was not discussed at those meetings.

On 19 April 2021, SKB resolved to appoint Rob Kirman and Rob Brauer as voluntary administrators and Rob Kirman and Rob Brauer were also appointed Liquidators of Mainteam, Evermaze and Villanex. .

On 20 April 2021, the Director contacted Rob Kirman of McGrathNicol regarding the financial position and performance of Family Fresh. The same day Mr Kirman met with the Director at Family Fresh's trading premises in Wanneroo, WA (**Premises**) and discussed potential insolvency options available.

On 23 April 2021, following the Family Fresh business ceasing to trade and the landlord of the Premises entering into possession of the Premises, the Director again contacted Rob Kirman seeking a consent to act as liquidator of Family Fresh.

Draft appointment documents were provided to the Director on 23 April 2021, and on 27 April 2021, Mr Kirman provided the Director with Consent to act as liquidator of Family Fresh. The Director subsequently resolved to appoint Rob Kirman and Rob Brauer as liquidators of Family Fresh on 27 April 2021.

Whilst there was no direct referrer in relation to the Family Fresh appointment, for transparency, the initial referral of Mr Nunes and the subsequent SKB, Mainteam, Evermaze and Villanex appointments to Rob Kirman of McGrathNicol was by Mendelawitz Morton, the legal advisors of those entities. Mendelawitz Morton were not engaged by Family Fresh.

We received no remuneration for attending any of the above meetings or for providing advice about insolvency options.

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

- it is recognised by the Courts and the ARITA Code of Professional Practice that pre-appointment advice regarding the insolvency process and available options is necessary and does not amount to an impediment to accepting an appointment; and
- the communications that took place prior to our appointment were focused on understanding Family Fresh's current financial position and explaining insolvency options. The nature of these communications would not be subject to review and challenge during the course of a Liquidation. Nor would the advice influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the Liquidation in an objective and impartial manner.

We have provided no other information or advice to Family Fresh, the Director and/or relevant advisors prior to our appointment beyond that outlined in this DIRRI.

C. Declaration of Relationships

Within the previous two years, have we, or our firm, had a relationship with:	
Family Fresh?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The directors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No



Within the previous two years, have we, or our firm, had a relationship with:	
Any associates of Family Fresh?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No An associate is a director or secretary of Family Fresh, a related body corporate of Family Fresh or a director or secretary of a related body corporate of Family Fresh. A related body corporate includes the holding company of Family Fresh, a subsidiary of Family Fresh and a subsidiary of the holding company of Family Fresh. We have not had any prior relationships with any associates of Family Fresh.
A former insolvency practitioner appointed to Family Fresh?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A secured creditor entitled to enforce a security over the whole or substantially the whole of Family Fresh's property?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Metcash Trading Limited (Metcash) and Baiada Poultry Pty Ltd (Baiada) hold a charge or charges on the whole or substantially the whole of the property of the company. McGrathNicol has not undertaken restructuring and advisory work for Metcash or Baiada previously. Accordingly, this relationship does not result in a conflict of interest or duty and our independence in acting as liquidator of the company has not been affected.

Do we have any other relationships that we consider are relevant to creditors assessing our independence?
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No As specified on pages one and two of this Declaration, prior to our appointment of Family Fresh, Rob Kirman and Rob Brauer of McGrathNicol were appointed as liquidators of Mainteam, Villanex and Evermaze, as well as Voluntary Administrators of SKB. Whilst Family Fresh is not related to Evermaze, Mainteam and SKB by way of common directorships or as subsidiary or holding company, the Director of Family Fresh is the spouse of the director of SKB, who is also a previous director of Family Fresh and a director and/or majority shareholder of SKB, Mainteam and Evermaze. Historically, Family Fresh was also financially dependent on other group Entities. We are of the view that the appointment to the group of companies may have benefits to the conduct of the liquidation, including cost-savings and enabling an as accurate as possible view to be obtained of the activities and financial position of the companies. We are aware that there are inter-company transactions within the group, but at this time are not aware of any potential conflicts of interest arising from the appointments over the various group members. However, to the extent it becomes apparent that pre-appointment dealings between companies in the group may give rise to a conflict which may impact the outcome for creditors of a particular company, then we undertake to disclose any such conflicts to the creditors and, as appropriate, seek Court directions regarding how to resolve the potential conflict.



D. Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities I may be entitled to under the law.

Dated: 11 May 2021

.....
Rob Kirman

.....
Rob Brauer

Note:

1. The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.
2. 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.
3. Please note that the presentation of the above information is in accordance with the standard format suggested by ARITA.