



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

Sunnyside Up (WA) Pty Ltd (In Liquidation)
ACN 169 280 013
(Sunnyside)

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to Sunnyside 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 (**CoPP**).

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 referred to us by Nexia Australia, external accountants of Sunnyside.

Nexia Australia refers engagements to McGrathNicol from time to time. We believe this referral does not result in a conflict of interest or duty because:

- It is entirely unconditional.
- Each professional engagement referred by Nexia Australia in relation to a particular entity is conducted on an entirely separate basis which has no bearing on this appointment.
- These engagements are only commenced after full regard is given to potential conflicts of interest in relation to all interested stakeholders.
- No prior engagements have been undertaken by McGrathNicol in relation to Sunnyside.
- There is no expectation, agreement or understanding between us and Nexia Australia regarding the conduct of the Liquidation and we are free to act independently and in accordance with the law and applicable professional standards.



Did we meet with the company, the directors or their advisors before we were appointed?

On 11 February 2022, a Director at Nexia Australia contacted a senior McGrathNicol staff member, requesting a meeting to discuss the financial position of Sunnyside. Email correspondence was subsequently exchanged during the period 15 February 2022 and 28 March 2022, between Nexia Australia and McGrathNicol, to provide McGrathNicol with financial information relating to Sunnyside.

Two meetings occurred to understand the financial position of Sunnyside, discuss insolvency options and plan for the liquidation appointment as set out in the table below.

Date	Purpose	Attendees
8 March 2022	Discuss the financial position of Sunnyside and outline the insolvency options available.	A senior McGrathNicol staff member, Ms Julie Pringle and Michael Ashurst (directors), Elaine Ashurst (shareholder), the company's external bookkeeper and a senior staff member from Nexia Australia.
17 March 2022	Discuss the financial position of Sunnyside in further detail and plan for the liquidation appointment.	Rob Brauer, a senior McGrathNicol staff member, Ms Julie Pringle and Michael Ashurst (directors), Elaine Ashurst (shareholder), the company's external bookkeeper and a senior staff member from Nexia Australia.

No remuneration was received for attendance at these meetings.

On 28 March 2022 the members of Sunnyside resolved to wind up the company by way of a creditors' voluntary liquidation and to appoint Rob Brauer and Rob Kirman as joint and several liquidators of Sunnyside.

In our opinion, the meetings and exchange of email correspondence does not affect our independence for the following reasons:

- The Courts and the ARITA CoPP specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or an impediment to accepting the appointment.
- The nature of the advice provided, which involved receiving a background briefing and providing factual information about insolvency processes was such that it would not be subject to review and challenge during the course of the 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.
- ARITA's CoPP recognises that planning or preparation for a prospective appointment is not generally considered to create a threat to the independence of an appointee.

We have provided no other information or advice to Sunnyside, Ms Pringle and Mr Ashurst, and its 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:	
Sunnyside?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The directors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Any associates of Sunnyside?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <p>An associate is a director or secretary of Sunnyside, a related body corporate of Sunnyside or a director or secretary of a related body corporate of Sunnyside. A related body corporate includes the holding company of Sunnyside, a subsidiary of Sunnyside and a subsidiary of the holding company of Sunnyside.</p>
A former insolvency practitioner appointed to Sunnyside?	<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 Sunnyside's property?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>ANZ Banking Group holds a charge on the whole or substantially the whole of the property of the company.</p> <p>McGrathNicol undertakes restructuring and advisory work from time to time on instructions from ANZ Banking Group.</p> <p>We believe this relationship does not result in a conflict of interest or duty because:</p> <ul style="list-style-type: none">▪ Each professional engagement undertaken for ANZ Banking Group in relation to a particular entity or group of entities is conducted on an entirely separate basis which has no bearing on this appointment.▪ These engagements are only commenced after full regard is given to potential conflicts of interest in relation to all interested stakeholders.▪ McGrathNicol has not undertaken an engagement for ANZ Banking Group in respect of the company (other than that referred to in Part B above). <p>Given these factors, our independence in acting as Liquidators of the company has not been affected.</p>

Do we have any other relationships that we consider are relevant to creditors assessing our independence?

Yes No



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: 6 April 2022

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Robert Brauer

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Robert Kirman

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 CoPP 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.