



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

Miluc Pty Ltd (Administrators Appointed) IIOR & ATFT MLG Trust
ACN 084 459 987
(Miluc)

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to Miluc 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 we have disclosed in this document.

B. Circumstances of Appointment

How we were referred this appointment

This appointment was referred to us by In Front Australian Business Solutions (**In Front**), a secured creditor of Miluc.

We believe this referral does not result in a conflict of interest or duty because:

- the referral was unconditional;
- McGrathNicol has not previously undertaken an engagement in relation to Miluc, either on referral from In Front or otherwise;
- Although from time to time In Front refers matters to McGrathNicol, each professional engagement referred by In Front in relation to a particular entity is conducted on an entirely separate basis which has no bearing on this appointment;
- this engagement was only commenced after full regard is given to potential conflicts of interest in relation to all interested stakeholders; and
- referrals from secured creditors are commonplace and do not impact our independence in carrying out our duties as Voluntary Administrators.

There is no expectation, agreement or understanding between us and In Front regarding the conduct of the Administration and we are free to act independently and in accordance with the law and applicable professional standards.



In Front first contacted Rob Kirman via telephone on 27 August 2019 in respect of Miluc following the appointment of liquidators to Miluc Civil Pty Ltd (In Liquidation), a related entity guarantor for a rental agreement between In Front and Miluc. In Front were considering their options in relation to Miluc and provided Mr Kirman with a brief background in relation to the position of Miluc. During the call, Mr Kirman discussed some of the options In Front was considering to recover its debt.

A further telephone conversation occurred between In Front and Mr Kirman on 4 August 2020 and Mr Kirman met with In Front on 5 August 2020. The purpose of the conversations was to provide Mr Kirman with an update in relation to Miluc's financial position, confirm In Front was considering its position in relation to its outstanding debt due from Miluc and discuss options available to In Front.

A telephone conversation was held between Mr Kirman and In Front on 2 February 2021. The purpose of the conversation was to provide Mr Kirman with a further update in relation to Miluc's position, including specific properties, and to discuss the options available to In Front in relation to their outstanding debt due from Miluc.

On 25 May 2021 Mr Kirman, accompanied by a partner from HWL Ebsworth, met with In Front. The purpose of the meeting was to provide Mr Kirman with a further update in relation to Miluc's position, including specific properties, and to discuss the options available to In Front in relation to their outstanding debt due from Miluc. In Front requested Mr Kirman consent to act as Voluntary Administrator of Miluc. After considering the position of Miluc, Rob Kirman and Rob Brauer provided a consent to act later that day.

Limited information was provided to Mr Kirman via email correspondence on an ad-hoc basis between August 2019 and May 2021 when the above referenced discussions occurred. During each of the above communications no formal advice was provided and we received no remuneration.

The purpose of these emails and communications between In Front and McGrathNicol was to:

- provide background information to McGrathNicol in the event a formal; appointment was required;
- understand Miluc's business and the status of the property sale process;
- consider the options available to In Front and the types of assistance that McGrathNicol could provide in relation to Miluc. This included providing an overview of the various insolvency processes, including the voluntary administration process; and
- obtain information to enable effective planning for commencing a voluntary administration appointment.

These meetings did not involve any consideration of the effectiveness or validity of the security held by In Front and we understand In Front has separate legal representation in relation to this issue.

We received no remuneration and provided no advice to In Front or Miluc. At the time of writing, we have had no contact with the director of Miluc, Mr Michael Gosatti.

On 26 May 2021, In Front and Rob Kirman and Rob Brauer executed a deed appointing the Administrators.

In our opinion, these meetings do not affect our independence because:

- it is recognised by the Courts and the CoPP that pre-appointment communications regarding the insolvency process and available options is necessary and does not amount to an impediment to accepting an appointment; and
- the nature of the communications was such that it would not be subject to review and challenge during the course of the Administration. Nor would the communications 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.



In Front is a secured lender and has made some professional referrals to McGrathNicol in the past for insolvency services.

We have provided no other information to In Front, Miluc, Mr Michael Gosatti (director of Miluc) and (where applicable) 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:	
Miluc?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The director of Miluc?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Any associates of Miluc?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A former insolvency practitioner appointed to Miluc?	<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 Miluc's property?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No National Australia Bank Limited (NAB) and In Front hold charges on the whole or substantially the whole of the property of Miluc. McGrathNicol undertakes restructuring and advisory work from time to time on instructions from NAB and In Front. We believe this relationship does not result in a conflict of interest or duty because: <ul style="list-style-type: none"> ▪ Each professional engagement undertaken for NAB and In Front 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 NAB and/or In Front in respect of Miluc (other than that referred to in Part B above). Given these factors, our independence in acting as Voluntary Administrators of Miluc has not been affected.

Do we have any other relationships that we consider are relevant to creditors assessing our independence?
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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: 31 May 2021

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Signed, Rob Kirman

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Signed, 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.