



Federal Court of Australia
District Registry: Queensland
Division: General

No: QUD79/2020

COEUR DE LION INVESTMENTS PTY LTD ACN 006 334 872 and others named in
the schedule
Plaintiff

THE PRESIDENT'S CLUB LTD ACN 010 593 263 and others named in the schedule
Defendant

ORDER

JUDGE: JUSTICE GREENWOOD

DATE OF ORDER: 23 November 2020

WHERE MADE: Brisbane

BY CONSENT, THE COURT ORDERS THAT:

1. The Second Plaintiff must within 7 days of the date of this order make an offer to every Member of the First Defendant (other than a member that is the Second Plaintiff or an associate (as that term is defined in the *Corporations Act 2001* (Cth) (the **Act**)) of the Second Plaintiff) (**Member**) to purchase all of their right title and interest in their shares in the First Defendant (**Shares**) and the corresponding stapled villa interest (**Villa Interest**). (Collectively are the **Stapled Interests**).
2. The Second Plaintiff's offer shall constitute an offer to purchase the Stapled Interests which Stapled Interests shall not constitute an interest in an unregistered managed investment scheme regulated under Chapter 5C of the Act. Such offer must be and is in accordance with the following terms:
 - a. is an unconditional offer to purchase;
 - b. \$65,000 for each Villa Interest and \$1 (one dollar) for each stapled Share of the defendant to which the offer to purchase relates, making a total of \$65,013 for each Stapled Interest;
 - c. has an expiry date for acceptance of the offer being on or before 30 days from the date of these orders;
 - d. not be an offer to acquire shares or interests in a registered managed investment scheme within the meaning of section 92(3) (a) of the Act.
3. McBride Legal must within 2 days of the date of these orders give a copy of each member's address to Alexander Law to send a copy of this order to every Member forthwith.



4. Every Member has liberty to apply within 21 days of the date of this order, in respect only of matters relating to the beneficial ownership of the Member's Stapled Interest as set out in order 6. Where a Member has applied under this order 4, the Second Plaintiff shall not become the beneficial owner of that Member's Stapled Interest as set out in order 6 pending the final hearing and determination of the Member's application.
5. The Second Plaintiff shall make the offer (referred to in order 2 above) and complete the purchase of the Stapled Interests by paying into Court the sum of \$20,804,160 (being \$65,013 x 320 Member Stapled Interests) not earlier than 15 days nor later than 21 days after the making of these orders.
6. Upon the Second Plaintiff paying into Court the sum of \$20,804,160 referred to in order 5:
 - a. All offers or requirements to make a bid by the Second Plaintiff for shares in the First Defendant are deemed to have been validly made and completed in accordance with the Act;
 - b. The Second Plaintiff shall be the beneficial owner of all of the Stapled Interests (other than any Stapled Interest which is the subject of an application under order 4);
 - c. the share register of the First Defendant must record that the Second Plaintiff as the legal and beneficial owner of the Shares (other than any Shares which are the subject of an application under order 4);
 - d. all directors and the secretary of the First Defendant shall cease to be officeholders of the First Defendant;
 - e. the Second Plaintiff shall cause consenting persons to be appointed as officeholders of the First Defendant;
 - f. the second, third, fourth, fifth and sixth defendants must deliver to the Second Plaintiff the company register and all corporate books, records, and other property of the First Defendant.
7. By the second plaintiff paying into Court the sum of \$20,804,160 referred to in Order 5, and by complying with these orders, the first defendant is not engaged in the operation of an unregistered managed investment scheme pursuant to section 601ED(6) of the Act.
8. Alexander Law must within 21 days of the date of these orders:
 - a. Give to every Member such instruments of transfer and other documents as prepared by Alexander Law as may be required to enable transfer from such Member to the Second Plaintiff (**Transfer Documents**) of all their right title and interest in their shares in the First Defendant (**Shares**) and the corresponding villa interest (**Villa Interest**) (collectively the Shares and Villa Interest are the **Stapled Interest**);
 - b. Request that the Member sign and return the Transfer Documents to Alexander Law.
9. If a Member has not applied under order 4 and has not returned the properly executed Transfer Documents to McBride Legal within 14 days after the Transfer Documents are



despatched to the Member, McBride Legal must promptly advise Alexander Law and any member of the firm of Alexander Law is appointed to sign the Transfer Documents forthwith as attorney of the Member and Alexander Law must sign the relevant Transfer Documents as attorney.

10. Where Alexander Law signs any Transfer Documents in accordance with order 9, Alexander Law must register the relevant power of attorney in the Department of Natural Resources which will enable registration of the transfer of the Stapled Interest.
11. Upon Alexander Law being in possession of properly executed Transfer Documents in respect of any Stapled Interest (including Transfer Documents in respect of the Villa Interest which, other than stamping, is in a form capable of immediate registration in the Department of Natural Resources other than a release of any mortgage) and having provided evidence to the Second Plaintiff confirming such matters, Alexander Law must apply to and obtain payment out of court of the sum of \$65,013 and where there is no mortgagee or encumbrance, must pay that amount to the relevant Member (i.e. the Member in respect of which Alexander Law is in possession of the Transfer Documents) or where there is a mortgagee or encumbrance, pay to the mortgagee or encumbrance such amount as is properly payable to the mortgagee or encumbrance in exchange for a release of the mortgage or encumbrance and the balance, if any, to the Member.
12. The parties shall have liberty to apply in respect of any matter set out in parts (a) and (b) below, the subject of these orders including, without limitation:
 - a. The disbursement of the sum of \$65,013 in respect of each Stapled Interest, including disbursement to any mortgagee or other encumbrance in respect of the Stapled Interest;
 - b. the disbursement back to the Second Plaintiff of the balance of the sum of \$20,804,160 which has not been paid out of Court in accordance with order 11 within 12 months of the date of these orders.
13. Upon receipt of confirmation referred to at order 11, the Second Plaintiff must pay the amount of stamp duty and registration fees properly payable in respect of Transfer Documents for a Villa Interest from a Member to the Second Plaintiff. McBride Legal, upon the receipt of registration fees from Alexander Law must take all necessary and reasonable steps to cause the transfer of all of the Villa Interests to be registered in the Department of Natural Resources and to keep the Second Plaintiff informed in respect thereof including providing regular reports regarding the transfers and a registration confirmation statement to the Second Plaintiff following registration of the transfer of each Villa Interest.
14. These proceedings be otherwise dismissed.
15. There shall be no order as to costs.
16. These orders are subject to the supervision of the Court so as to ensure that all those members who have transferred their share in the first defendant and the corresponding



stapled villa interest pursuant to the offer and these orders, receives the agreed purchase price of \$65,013.

Date that entry is stamped: 23 November 2020.

Sia Lagos
Registrar



Schedule

No: QUD79/2020

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District Registry: Queensland
Division: General

Second Plaintiff	PALMER LEISURE COOLUM PTY LTD ACN 146 828 122
Second Defendant	PATRICK JOHN KELLY
Third Defendant	IAN GEORGE LEWIS
Fourth Defendant	BRUCE MURDOCH WALLIS
Fifth Defendant	COLIN WAYNE OWEN
Sixth Defendant	MAREE KAY FRECKLINGTON