

- (e) generally acted in a manner adverse to the efficient conduct of the receiverships.

14. In addition to the above, we are instructed that your client has:

- (a) sought information in relation to the trading performance of the Lighthouse Beach Resort business in order to "...allow [him] to prepare [his] own budget for the business and to keep informed on the trading performance of the business." Your client has requested this information on the basis that he is "...the owner of the business and...a director and as such...[is] entitled to receive information on the business..."; and
- (b) stated that he may "...enter an agreement to buy, lease or take the management rights of another business in the Town and take [his] business, customers and staff with [him]."

15. Our clients consider that the conduct of your client as outlined in paragraphs 13 and 14 above constitutes, amongst other things and without limitation:

- (a) an interference with, or an obstruction of, the performance of our clients' duties and the exercise of their powers as receivers of the Companies; and
- (b) a potential breach of your client's duties and obligations pursuant to the Corporations Act.

16. Our clients also consider that such conduct could have a deleterious effect on financial outcomes of the receiverships of the Companies. In particular, your client's conduct (and the work and expense that it generates) will inevitably impact upon the level of the Receivers' remuneration, costs and expenses in the receiverships. Any such impact will, in turn, have potential personal implications for your client by reason of the guarantees that your client has provided to the Bank in respect of debts of the Companies.

Request for personal undertaking and repayment of funds

17. In light of the above, and in the interests of enabling the Receivers to conduct the receiverships in a commercial and expedient manner and in accordance with the Receivers' rights, duties and obligations, our clients request that your client provide our clients with a written undertaking that he will not interfere with our clients' conduct of the receiverships, the performance of our clients' duties, or the exercise of our clients' powers in relation to or in connection with the receiverships. Specifically, our clients request an undertaking that your client will not, for the duration of the receiverships of the Companies:

- (a) attend at or enter onto the property on which the Lighthouse Beach Resort is located (and which is secured by the Securities); *not even allowed on my own property*
- (b) engage, contact or solicit (or attempt to engage, contact or solicit) employees, agents or contractors of the Companies; *not allowed to talk to staff*
- (c) engage with media in relation to the receiverships, the Companies, or any matter relating to the receiverships or the Companies; or

Media →