

## COURTNEY'S POSITION PAPER

1. Courtney in his capacity as the only current beneficiary of the Worrall Trust is concerned to ensure that the administration of the STAR Trust is placed on a proper footing and that all necessary legal action is taken by the Trustee and the Enforcer to:
  - i. defend any proceedings that threaten trust assets brought by Benaud; and
  - ii. mitigate the significant damage done to the share value of Lara Corp.
  
2. Courtney is extremely concerned that Lloyd appears to have been self-dealing with the Mayfair Property. Such a transaction is prima facie voidable at the instance of a beneficiary, however fair the price paid.
  
3. Further Lloyd is conflicted by his attempts to prevent legal action being taken against Chappell & Co. This obstruction is a prima facie breach of his fiduciary obligation to act responsibly with a view to the proper execution of the STAR trust.
  
4. Courtney asks that:
  - a. The Trustee take steps to seek the appointment of a new Enforcer. Courtney submits that as the only beneficiary of the Trust he would be the obvious candidate.
  
  - b. The Trustee take all necessary steps to take action against Chappell & Co in an attempt to mitigate Lara Corp's loss.
  
5. Steps (a) and (b) plainly need to be taken to safeguard the interests of Courtney.

6. In the event that the Trustee refuses to act in the best interests of Courtney then Courtney will report the Trustee to the Cayman Monetary Authority and ask that it uses its power to appoint a manager to take over the running of Sobers Ltd as it is entitled to do in the event of a Trust Company carrying out business in a manner that is “detrimental to the interests of the beneficiaries of any trust.”
7. The new manager appointed will then be able to take the necessary steps outlined above together with such action against Mr. Lloyd, Mr. Worrall and Mr. Kanhai personally as proves necessary for breach of their fiduciary duties.
8. In the unlikely event that the Monetary Authority refuses to take action then Courtney will issue proceedings in England. The STAR trust will of course not be recognized as a trust by the English Courts but rather as an agency contract. Courtney will therefore sue Lloyd, the Trustee and its directors for specific performance and breach.

Andrew Child

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