IN THE SUPREME COURT OF VICTORIA AT MELBOURNE COMMERCIAL COURT

No. S CI 2014 02972

BETWEEN

TIMBERCORP FINANCE PTY LTD (IN LIQUIDATION) (ACN 054 581 190)

Plaintiff

and

DOUGLAS JAMES COLLINS & OTHERS (according to attached Schedule of Parties)

Defendants

DEFENCE TO PLAINTIFF BY COUNTERCLAIM'S CLAIM DATED 12 SEPTEMBER 2016

Date of document: 14 September 2016 Code: 108855

Filed on behalf of the First Defendant and Second Defendant

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The First and Second Defendants by Counterclaim (**Mr & Mrs Collins**) by way of defence to the Plaintiff by Counterclaim's claim dated 12 September 2016 and filed pursuant to leave granted 2 September 2016 says as follows:

- Mr & Mrs Collins deny that they make allegations against the Plaintiff by Counterclaim in paragraph 76C of Mr & Mrs Collins' Amended Defence to Further Amended Statement of Claim filed 5 September 2016 (the **Defence to Timbercorp Finance**).
- Further, Mr & Mrs Collins deny that in paragraph 76C of the Defence to Timbercorp
 Finance they deny that they ever obtained lots or became Growers in the 2008 Olive
 Project.
- 3. Further, the issue of whether Mr & Mrs Collins ever obtained lots or became Growers in the 2008 Olive Project:
 - (a) was not part of the trial of the proceeding of Timbercorp Finance's claim against them of indebtedness;
 - (b) is not an issue capable of settling the real dispute finally, namely Timbercorp Finance's claim against them of indebtedness; and

(c) therefore, is not a real question for determination in this proceeding, nor a question

that needs to be determined for the purposes of determining Timbercorp Finance's

claim against them of indebtedness.

4. By reason of the matters referred to above, insofar as the Plaintiff by Counterclaim in its

prayer for relief seeks a declaration:

(a) there is no basis for the seeking of such a declaration in circumstances where Mr &

Mrs Collins do not deny that they obtained lots or became Growers in the 2008 Olive

Project;

(b) there is no justiciable issue as between Mr & Mrs Collins and Timbercorp Securities

on the question of whether Mr & Mrs Collins obtained lots or became Growers in the

2008 Olive Project, and therefore there is no occasion for the exercise of judicial

power; and

(c) the making of such a declaration would be in response to a hypothetical and

therefore it is inappropriate for the Court to make any such declaration (Bass v

Permanent Trustee Co Ltd (1999) 198 CLR 334).

5. They otherwise deny the allegations therein and repeat the matters pleaded in

paragraphs 1 to 89 of their Defence to Timbercorp Finance.

Dated: 14 September 2016

Michael D Wyles

Fleur Shand

Dion Fahey

M&K Lawyers Group Pty Ltd

Solicitors for the First Defendant and

Second Defendant

SCHEDULE OF PARTIES

Dated: 14 September 2016 No. S CI 2014 02972

TIMBERCORP FINANCE PTY LTD (IN LIQUIDATION) (ACN 054 581 190)

Plaintiff

DOUGLAS JAMES COLLINS

First Defendant

JANET ANN COLLINS

Second Defendant

TIMBERCORP SECURITIES LIMITED (IN LIQUIDATION) (ACN 092 311 469)

Third Defendant

AND BETWEEN

TIMBERCORP SECURITIES LIMITED (IN LIQUIDATION) (ACN 092 311 469)

Plaintiff by Counterclaim

DOUGLAS JAMES COLLINS

First Defendant by Counterclaim

JANET ANN COLLINS

Second Defendant by Counterclaim

TIMBERCORP FINANCE PTY LTD (IN LIQUIDATION) (ACN 054 581 190)

Third Defendant by Counterclaim