

SUPREME COURT OF QUEENSLAND

CITATION: *Tran Health Pty Ltd v Bradfield Pharmacy Group Pty Ltd*
[2026] QSC 252

PARTIES: **TRAN HEALTH PTY LTD**
ACN 149 852 489
(applicant/respondent)
v
BRADFIELD PHARMACY GROUP PTY LTD
ACN 160 462 082
(first respondent/applicant)
CHEMPRO PTY LTD
ACN 134 545 645
(second respondent)

FILE NO/S: BS 4476/26

DIVISION: Trial

PROCEEDING: Application

ORIGINATING COURT: Supreme Court

DELIVERED ON: 19 October 2026

DELIVERED AT: Brisbane

HEARING DATES: 9 and 12 October 2026

JUDGE: Freeburn J

ORDERS:

1. Pursuant to rule 7(2) of the *Uniform Civil Procedure Rules 1999*, the time for the filing and service of the application filed 30 September 2026 is abridged.
2. Pursuant to s 38(f) of the *Partnership Act 1891* (Qld), the partnership between the Applicant and the First Respondent (the Partners), known as “*Bundall Chempro Chemist*” (the Partnership) is dissolved on and from the date of this order.
3. Nikhil Khatri and James Robba of Worrells, Level 15, 300 Queen Street, Brisbane in the State of Queensland, be appointed as receivers and managers of the property of the Partnership (the Receivers) to:-
 - (a) Coordinate and assist the Partners, or Chempro (Qld) Pty Ltd on the Partners behalf, make an application for a pharmacy business licence for the Partnership, to the Queensland Pharmacy Business Ownership Council pursuant to the *Pharmacy Business Ownership Act 2024*;

- (b) Undertake those steps, and all other such actions as the Receivers consider reasonable, so as to ensure that the Partnership continues as a going concern and with the Partners holding a pharmacy business licence pursuant to the *Pharmacy Business Ownership Act 2024*;
 - (c) Take possession of and to collect, get in and receive the debts due and owing to the Partnership and other assets, property or effects belonging to the Partnership;
 - (d) Sell all and any such assets, property or effects at public auction or by private treaty to such person (including, if the Receivers think fit, to one or more of the Partners) and upon such conditions as the Receivers shall think fit and to pay out any debts due and owing by the Partnership as may be determined by the Receivers;
 - (e) If the Receivers consider it appropriate to do so pending such sale, to carry on the business of the Partnership by carrying into effect existing contracts and entering into such new contracts as are necessary for carrying on the business in the ordinary way;
 - (f) If the Receivers consider it appropriate to do so pending such sale, to continue to perform, on behalf of the Partnership, any leases, tenancies or letting agreements, or agreements to lease, tenant or let, with respect to any of the property of the Partnership;
 - (g) If the Receivers consider it appropriate to do so pending such sale, to lease or let any of the property of the Partnership (including real property) on such terms as the Receivers shall think fit; and
 - (h) Do all such things by way of employment of persons, or purchase and disposal of stock, as may be necessary or desirable.
4. The Receivers be authorised to operate and draw on all of the Partnership bank accounts conducted by the Partners, to sign cheques and withdraw funds from any such accounts for the purpose of discharging Partnership debts, to give receipts for all moneys received by the Receivers for and on behalf of the Partnership, and to open and operate a bank account or accounts on behalf of the Partnership.

5. The Receivers be empowered to sign all contracts of sale, memoranda of transfer and all such other documents and do all such acts as may be necessary or convenient to give effect to any sale for and on behalf of the Partners as the Receivers are empowered to make by these Orders.
6. The Receivers shall be remunerated out of the assets, property, income or effects of the said business in accordance with the Schedule of hourly rates attached to the Consent to Act as Receivers filed on 30 September 2026 and shall be authorised to deduct the same from time to time from any moneys coming into the Receivers' hands pursuant to these Orders.
7. The Receivers be authorised to reimburse themselves from any moneys coming into their hands pursuant to these Orders, in respect of any expense incurred by the Receivers in the course of their duties as receivers and managers.
8. The Receivers apply the proceeds of sale (if any) of the assets, property and effects of the Partnership in accordance with Section 47 of the *Partnership Act 1891* (Qld).
9. The Partners shall render:-
 - (a) to the Receivers full assistance in carrying out these Orders; and
 - (b) if required by the Receivers, a full account of their dealings and transactions in respect of the business and property of the Partnership.
10. The Receivers may bring and prosecute any action the Receivers think necessary in the name of the Partnership for the purpose of giving effect to the provisions of these Orders, provided that the Receivers shall give fourteen days' notice in writing to each Partner of his intention to bring any such action.
11. The Receivers shall make all necessary accounts and enquiries for the purpose of giving effect to the provisions of these Orders.
12. The Partners shall deliver forthwith to the Receivers all books of account and other documents relating to the Partnership.
13. The Partners, and the Receivers, have liberty to apply upon giving four days' notice in writing, except as expressly provided in these Orders.

14. On 26 October 2026 (at a time to be fixed) I shall hear the parties on the form of the order and on costs.

15. Orders 2 to 13 above shall not take effect until the orders made on 26 October 2026 are formally taken out.

CATCHWORDS: PARTNERSHIP – DISSOLUTION AND WINDING UP – DISSOLUTION BY THE COURT – GENERALLY – where the applicant and first respondent are equal partners in a pharmacy business – where the first respondent applies for the dissolution of, and the appointment of receivers to, the partnership – where the parties do not agree on the terms of their partnership – where the parties dispute the requirements of an application for a pharmacy business licence to the Queensland Pharmacy Business Ownership Council, the receipt of invoices by the pharmacy from a business operated by the husband of the applicant’s director, the outstanding rent owed under a sublease by the applicant to the pharmacy, the banking practices of the pharmacy and the applicant’s use of a carrier company for the dispensing of medicinal cannabis by the pharmacy – where the parties’ evidence displayed animosity towards each other – where the applicant altered its views about the extent of that animosity after the first respondent gave evidence – where the applicant submits that the partners’ disputes are ordinary tensions that exist in partnership arrangements from time to time – whether there has been a complete breakdown of the relationship between the partners which justifies a dissolution of the partnership under section 38(f) of the *Partnership Act 1891* (Qld)

Partnership Act 1891 (Qld), s 38(f)

Pharmacy Business Ownership Act 2024 (Qld), s 10, s 13, s 19, s 20, s 23

Accurate Financial Consultants Pty Ltd v Koko Black Pty Ltd (2008) 66 ACSR 325; [2008] VSC 86, applied

COUNSEL: A P Collins for the applicant/respondent
B J Kabel for the first respondent/applicant
T W Elliss for the second respondent

SOLICITORS: Richards Legal for the applicant/respondent
Cowen Schwarz Marschke for the first respondent/applicant
23LEGAL for the second respondent

[1] This proceeding started life as an application by the applicant, Tran Health Pty Ltd (**Tran Health**), for an urgent injunction. A similar urgent injunction was sought by Ms Thanh Tran, the director of Tran Health, in companion proceedings (BS 4475/26). Ultimately, both of those applications were resolved because the injunctions sought

narrowed¹ and then the applicant in each case accepted undertakings by the respondents.

- [2] The remaining dispute is a cross-application by the first respondent in this proceeding, Bradfield Pharmacy Group Pty Ltd (**Bradfield Pharmacy**), for the dissolution of, and the appointment of receivers to, the partnership between Tran Health and Bradfield Pharmacy. That application is made pursuant to section 38(f) of the *Partnership Act 1896* (Qld) which empowers the court to dissolve the partnership “*if in any case circumstances have arisen which, in the opinion of the court, render it just and equitable that the partnership be dissolved*”.
- [3] Tran Health and Bradfield Pharmacy are 50/50 partners in the pharmacy business at showroom 7, Bundle Circle, 21-29 Ashmore Road, Bundall which trades as “*Bundall Chempro Chemist*” (**Bundall Pharmacy**). Ms Thanh Tran (also known as Kelly Tran) is the sole director of Tran Health. Mr Kieran Bradfield is the sole director of Bradfield Pharmacy. For all relevant purposes, Ms Tran and Mr Bradfield are the alter egos of their respective companies.
- [4] The Bundall Pharmacy operates under a franchise agreement with Chempro (Qld) Pty Ltd (**Chempro**), which operates the Chempro group of pharmacies.² Ms Tran was the managing partner.³ That did not mean she was in the pharmacy day to day. But it did mean that she made all the management decisions. Mr Bradfield managed a separate pharmacy at Lennox Heads. However, he expected to be consulted by Ms Tran in relation to major decisions concerning the Bundall Pharmacy.
- [5] Tran Health resists dissolution and the appointment of receivers to the pharmacy business of the partnership. That resistance is rather broad, as illustrated by the following paragraphs of Tran Heath’s supplementary written submissions:
 - 7. Rather than addressing these issues [that is Bradfield Pharmacy’s breach of its fiduciary duties] and advising it would cooperate in respect of any application [under the new *Pharmacy Business Ownership Act 2024* (Qld)], the first respondent filed its own ‘defensive application’ seeking to appoint receivers. There is no prior indication of any intention to do so or that such a process was even being contemplated. There had never previously been any assertion as to misconduct or the breakdown in trust warranting the appointment of the receiver.
 - 8. It is respectfully submitted that the Court ought recognise that which is being engaged in by the first respondent in such circumstances. Rather than providing a simple undertaking, Mr Bradfield (the director of the first respondent) raises alleged complaints which are historical in nature but does not point to any legitimate evidence whatsoever that there is any basis for a

¹ The applicants had originally sought orders restraining the respondents from entering into various agreements, but ultimately what was sought was some involvement in the process of applying for a licence under the new *Pharmacy Business Ownership Act 2024* (Qld).

² The proceeding was originally against Chempro Pty Ltd but by order on 9 October 2026 that misnomer was corrected to Chempro (Qld) Pty Ltd.

³ In the partnership agreement (discussed below) Ms Tran’s role was described as the ‘Working Partner’.

breakdown in trust or that the partnership cannot continue to be conducted successfully. These allegations are raised as the partners approach the 2 November 2026 deadline with the consequence the partnership cannot continue to trade whilst the relevant licence is outstanding.

9. Indeed, upon proper scrutiny, the complaints Mr Bradfield raises are relatively minor and fly in the face of the relationship which otherwise existed as between the partners.⁴

- [6] It can be seen that there is, at the least, something of a tension. The idea appears to be that the partners of the pharmacy business can battle each other in hostile Supreme Court litigation regarding apparently serious issues,⁵ and at the same time can be regarded as able to carry on their pharmacy business with a working relationship predicated on mutual trust and confidence.⁶ Of course, what requires scrutiny is the relationship between the partners.

The Legal Principles

- [7] Counsel for Tran Health relied on the principles set out in *Hamer v Parity Partners Pty Ltd*⁷ which itself relied on *Fordyce v Ryan*⁸ and *Singh v Brisbane Sikh Temple (Gurdwara) Inc.*⁹ However, those cases involved the court's power to make an interlocutory order appointing a receiver if it considers it just or convenient pursuant to section 12(1) of the *Civil Proceedings Act 2011* (Qld). That jurisdiction is commonly invoked where the property the subject of the action may be injuriously affected or dissipated before trial unless a receiver is appointed to preserve it.
- [8] *Hamer*, for example, involved an interlocutory application to install a court appointed receiver in place of the trustee of an unregistered managed investment scheme because it was alleged that, amongst numerous other failings, he had demonstrated prolonged and inexcusable incompetence.
- [9] I reject the submission that *Hamer* and similar cases are of any particular assistance in this case.¹⁰ Here, Bradfield Pharmacy seeks to dissolve the partnership pursuant to section 38(f) of the *Partnership Act 1896* (Qld). A partner's application to dissolve a partnership under that section does not have much in common with an interlocutory application for the appointment of a receiver under section 12(1) of the *Civil Proceedings Act 2011* (Qld). One important difference is the fiduciary relationship between partners. It has been said that a stronger case of a fiduciary cannot be conceived than that which exists between partners.¹¹ As was explained by Bacon VC in *Helmore v Smith*:

⁴ Tran Health's Supplementary Submissions dated 8 October 2026 at [7]-[9].

⁵ Each partner's counsel cross-examined the other partner.

⁶ See *Partnership Act 1891* (Qld), s 5.

⁷ [2022] QSC 232 at [14]-[22].

⁸ [2017] 2 Qd R 240; [2016] QSC 307.

⁹ [2022] QSC 151.

¹⁰ Counsel for Tran Health argued that "there's no difference in respect to the appointment of a receiver pursuant to a partnership, or if not exactly the same...": T2-48.

¹¹ *Cassels v Stewart* (1881) 6 App Cas 64 at 79, quoted in Higgins & Fletcher, *The Law of Partnership in Australia and New Zealand*, 8th ed at 115.

Their mutual confidence is the lifeblood of the concern. It is because they trust one another that they are partners in the first instance; it is because they continue to trust each other that the business goes on.¹²

- [10] And so, both the *Partnership Act 1896* and standard partnership agreements make provision for the dissolution of partnerships. Further, a court order for the dissolution of a partnership is likely to be made if, for whatever reason, the objects for which the partnership was formed can no longer be attained, either at all or in the manner originally contemplated by the partners. A complete breakdown of the relationship between the partners will, in general, justify dissolution, as will circumstances in which the applicant partner or partners have lost trust and confidence in the other partners.¹³ Of course, trivial breaches or incidents which will not justify a dissolution under any other ground will clearly not suffice.¹⁴
- [11] Even the analogy with a winding of a company on the just and equitable ground in section 461(1)(k) of the *Corporations Act 2001* (Cth) is of limited assistance. That is because the structure of the two types of entities are different, with the corporation having a separate identity and separate legal rights to those individuals who are behind the company. However, there are similarities. Lord Wilberforce has recognised that, when courts apply conceptions of probity, good faith and mutual confidence to companies of the quasi-partnership type, they are relying on and applying principles developed by the law of partnership.¹⁵
- [12] Counsel for Bradfield Pharmacy referred to *Accurate Financial Consultants Pty Ltd v Koko Black Pty Ltd* where Dodds-Streeton JA (with whom Ashley JA and Forrest AJA agreed) said this:

[119] Winding up is the characteristic remedy in circumstances where a working relationship predicated on mutual co-operation, trust and confidence has broken down, whether resulting in deadlock or otherwise. Equity would not ordinarily order the continuation of such an association where it would be a futility, would require continuing supervision or would be tantamount to specific enforcement of a contract of personal services. As Dr Spry has observed:

... courts of equity do not ordinarily enforce, by orders of specific performance the maintenance of partnerships ... The considerations underlying the rule are not merely based on difficulties of enforcing the rights of the parties, for the refusal to intervene also depends on the undesirability, as a matter of policy, that unwilling persons should, despite their opposition, be obliged to maintain confidential and intimate relationships.¹⁶

¹² (1886) 35 Ch D 436 at 444.

¹³ *Lindley & Banks on Partnership*, 20th ed at [24-99].

¹⁴ *Ibid.*

¹⁵ *Higgins & Fletcher* (supra) at 227-228.

¹⁶ (2008) 66 ACSR 325; [2008] VSC 86 at [119] (footnotes omitted). The quote from Dr Spry is from I C F Spry LLD, *The Principles of Equitable Remedies — Specific Performance, Injunctions, Rectification and Equitable Damages*, 7th ed, 2007 at 122–123.

- [13] For Bradfield Pharmacy it is contended that here it is quite evident that there is a *mutual* breakdown of cooperation, trust and confidence. Thus, the submission is that the breakdown in the working relationship between Tran Health and Bradfield Pharmacy, and their directors, justifies the partnership being dissolved on the just and equitable ground.
- [14] It is necessary to examine the specific disputes that have separated the parties,¹⁷ the attitude of the parties to each other in this litigation in so far as it bears on their mutual co-operation trust and confidence, and the nature of the partnership agreement itself.

The Specific Disputes

Specific Dispute 1: The Application to the Council

- [15] The dispute that directly led to the litigation involves, on one view, a dispute about the filling out of a form. As Ms Tran explains in her affidavit, under the new *Pharmacy Business Ownership Act 2024* (Qld), the owner of an existing pharmacy business must apply to the Queensland Pharmacy Business Ownership Council (**the Council**) for a pharmacy business licence by 2 November 2026. The licence application must disclose each person who holds a “*material interest*” in the pharmacy.¹⁸ Section 13 of the *Pharmacy Business Ownership Act 2024* defines a material interest in this way:

13 What is a material interest in a pharmacy business

- (1) Each of the following is a material interest in a pharmacy business—
 - (a) an interest in the business as a shareholder of an owner of the business;
 - (b) an interest in the business as a beneficiary of a trust of which an owner, or a shareholder of an owner, of the business is trustee;
 - (c) another interest in the business, other than an interest of an owner of the business, that entitles the person who holds the interest to receive consideration that varies according to the profits or takings of the business.
 - (2) To remove any doubt, it is declared that if an owner of a pharmacy business is a friendly society, the interest of a member of the owner is not a material interest in the business.
- [16] Ms Tran became concerned that Chempro intended to lodge the licence application on behalf of all Chempro pharmacies, including on behalf of the partners in the Bundall Pharmacy. She was concerned that Chempro proposed to do that without disclosing the material interests of a number of people described in her affidavit as private profit share pharmacists. In other words, Ms Tran was concerned about a

¹⁷ Not all of the disputes are considered here. It was not necessary to be comprehensive.

¹⁸ Affidavit of Ms Tran affirmed 21 September 2026 (CFI-2) (**First Tran Affidavit**) at [19].

potential inaccuracy in the form submitted by Chempro to the Council on behalf of the two partners in the Bundall Pharmacy.

[17] On 28 August 2026, Ms Tran’s solicitors wrote to Chempro disputing that Chempro was entitled to lodge the form on behalf of the Bundall Pharmacy. They said they had been instructed to prepare the form on behalf of the Bundall Pharmacy. They sought an undertaking from Chempro, by return letter, that Chempro would not prepare or lodge the application to the Council. If the undertaking was not received within three days Ms Tran’s solicitors foreshadowed an application for an injunction.

[18] An undertaking was not received. On 3 September 2026, Ms Tran’s solicitors emailed both Chempro and Mr Bradfield. They noted that Chempro had not provided the undertaking and said:

“We infer therefore that Chempro, using Mr Bradfield as its proxy, does intend to continue taking steps to prepare and lodge [the Council] application without our client’s involvement or consent. We warned of injunctive proceedings against Chempro should this scenario unfold.

We are briefing counsel in respect of the injunction application. We will rely on our previous letter and this email in support of that application and indemnity costs.”¹⁹

[19] The ‘at war’ footing extended to Mr Bradfield:

“**Mr Bradfield**, noting that you have not joined in our client's concerns as to Chempro bringing the application, we infer that you are delegating your legal control of [the Council] Application in respect to [the Bundall Pharmacy] to Chempro. Accordingly, our client's injunctive relief will necessarily be brought against you personally. Our client reserves her rights against you in respect of the Partnership.

If either of Chempro or Mr Bradfield are represented by solicitors, please inform us as such. Otherwise, we will cause our client's injunction application to be served on each of Chempro and Mr Bradfield personally.”²⁰ [original emphasis]

[20] That threat to sue Mr Bradfield personally²¹ appears to have occurred without any attempt to discuss the matter with Mr Bradfield.

[21] On 14 September 2026, Ms Tran’s solicitors wrote to each of the five private profit share pharmacists (including Mr Bradfield) advising how they proposed to complete the application to the Council.

[22] On 22 September 2026, Ms Tran’s solicitors filed the application for an injunction. The application came on for hearing before Martin AJ on 1 October 2026. His Honour granted an interim injunction restraining the lodging of the application with the Council until 9 October 2026. The hearing was adjourned to that same day.

¹⁹ First Tran Affidavit, Exhibit “TT-10” at 89.

²⁰ Ibid.

²¹ In the end, the application was not brought against Mr Bradfield personally.

- [23] The application for an injunction came on for hearing on 9 October 2026. Ms Tran's counsel first applied to alter the application so that what was sought was a declaration rather than an injunction. That amendment was refused. Ultimately, that application for an injunction was resolved because Ms Tran accepted an undertaking by Bradfield Pharmacy and by Chempro.
- [24] However, the undertakings accepted are merely that:
- (a) Bradfield Pharmacy undertakes that no application would be lodged with the Council by Bradfield Pharmacy without first providing Tran Health with seven days' notice and a copy of the proposed application; and
 - (b) Chempro undertakes not to lodge with the Council any application for a licence without the consent of Tran Health.
- [25] Those undertakings appear to have 'kicked the dispute down the road' but the parties seemed to accept that whatever application was lodged with the Council, Tran Health was entitled to independently notify the Council of its views on who held a material interest.
- [26] The fact that the parties needed to resort to solicitors to resolve the relatively mundane step of lodging an application with the Council strongly suggests an inability to work together.

Specific Dispute 2: ICCC

- [27] Mr Bradfield's main concern is the receipt of various invoices received by the partnership from Innovative Custom Compounding Chemist (ICCC) for compounding services and postage. ICCC was a business run by Ms Tran's husband. Mr Bradfield says he raised the issue with Ms Tran:

32. On 11 July 2023 at 10:30am, I met Ms Tran at the Bundall Premises with Tung Nguyen, a Chempro director. During that meeting:-

- (a) I told Ms Tran about my concerns about invoices that had been presented to the Partnership by ICCC. The invoices related to both compounding of medicine and postage costs;
- (b) I told Ms Tran that the invoices were not specific enough, and did not provide sufficient detail for us to agree to pay them.²² I recall that Ms Tran had provided invoices for a significant amount, which referred to 'postage' only and did not include any specific breakdown of the products supplied. It is the usual practice for invoices to list all products by their SKU number. However, the products were outside products and did not have SKU numbers associated with them. As the invoices did not list any SKUs, it was not possible to track what was being bought and sold. This is not a practice that I have encountered in

²² Payments of bills were made through Chempro.

my experience in other pharmacies, and it goes against the standard retail model;

- (c) I also told Ms Tran that I was uncomfortable with the relationship with ICCC and that I felt that this presented a conflict of interest, given her personal relationship;
- (d) I recall explaining that I was not happy with the situation and would feel better with the [Bundall Pharmacy] not using ICCC, unless proper invoices were provided; and
- (e) I recall that Ms Tran took my point.

33. Following that meeting, I thought that the issue had been resolved.²³

[28] Ms Tran admits that the meeting occurred. She agrees that Mr Bradfield raised some concerns about the invoice contents which she acknowledged. In her affidavit Ms Tran says this:

17.13.2. **I deny that Mr Bradfield ever raised a concern about a conflict of interest as between myself and ICCC** and in fact said that:

17.13.2.1. Michael [her husband] is a good guy;

17.13.2.2. He had spoken to Michael a few times and I like him;

17.13.2.3. the 10% discount by ICCC is fair.

17.13.3. Mr Bradfield said that compounding services should continue as it was good for [the Bundall Pharmacy] and its customers. He also said that he was very pleased with [the Bundall Pharmacy's] performance and had never seen so much cash in the bank account.

17.13.4. I recall that the meeting was concluded on the basis that ICCC's accrued invoices should be paid and compounding services continued, but to see if future invoices could be improved with more detail.²⁴ [emphasis added]

[29] A crucial detail in that version is Ms Tran's denial that Mr Bradfield raised the conflict with her. However, when Ms Tran was cross-examined by counsel for Bradfield Pharmacy, there was this exchange:

COUNSEL: And you mentioned earlier a meeting with Mr Bradfield at Bundall in about July 2023?---Yes.

And the purpose of that meeting was to discuss the ICCC invoices, wasn't it?---Yes.

²³ Affidavit of Mr Bradfield sworn 29 September 2026 (CFI-7) (**First Bradfield Affidavit**) at [32]-[33].

²⁴ Affidavit of Ms Tran affirmed 6 October 2026 (CFI-15) (**Second Tran Affidavit**) at [17.13.2]-[17.13.4].

Mr Bradfield told you that he thought that the invoices that were being provided weren't sufficiently detailed, didn't he?---Yes. Correct.

And he told you, didn't he, that **he was concerned especially about that lack of detail because of a perceived conflict of interest, given that your husband owned ICCC?**---Yes. Correct.

And he told you that he'd prefer you not to use ICCC unless proper invoices were provided, didn't he?---He didn't say that. He said that – um – he can't see what I was doing was – was wrong, and I explained to him during that time it was Canview. He said, "Please just get them to send us a detailed invoice, and then it will be paid."

So he said he - - -?---So he didn't tell me to stop. **He just asked if ICCC can email a more detailed invoice**, but he didn't tell me to stop.

Now, you say in your affidavit of the 6th of October that you raised the invoicing detail issue with Michael. That's your husband?---Yes.

But you can't recall if any changes were made?---I can't recall if any changes were made in – during that time, but he did send a detailed invoice – um – around December of 2025. Yes.

So two and a-half years later?---I assume so, yes.

And so your evidence is that Mr Bradfield raised with you his concern about the detail in the invoices, and that you, though, can't recall now if any changes were made to improve the invoices for some two and a-half years?---I'm not responsible for doing invoices at Michael's company. I'm responsible of looking after my pharmacy, which is Bundall Chempro Chemist.²⁵ [emphasis added]

- [30] That cross-examination exposed three problems with Ms Tran's version of what had happened. The *first* is that, in her affidavit, she denied that Mr Bradfield had raised the conflict of interest concern with her. However, in her oral evidence, she conceded that he *had* raised the conflict issue. It is an important detail about which Ms Tran gave inconsistent evidence.
- [31] The *second* problem is that if, as Ms Tran conceded, the conflict issue was raised, and this issue was resolved on the basis that more detailed invoices were to be provided, it is odd that she took no steps to ensure that more detailed invoices were provided – other than raising it with her husband. And she could not recall any changes having been made to improve the invoices until December 2025.
- [32] The *third* problem is that there is an air of unreality about Ms Tran's account of the meeting. That version has Mr Bradfield raising the conflict at a meeting, and being concerned about it, but agreeing to accept it because, amongst other things, her husband was 'a good guy' and the business was performing well. It is hard to imagine a sensible businessperson raising the conflict at a meeting and being so easily placated.

²⁵ T2-21 lines 1 to 35.

- [33] Ms Tran placed some emphasis on her claim that Mr Bradfield did not tell her to stop using ICCC. But he went to the meeting with a rational concern about the conflict. It is inconsistent with the fiduciary relationship of the partners for one partner to be contracting with a business owned by a relative.²⁶
- [34] I prefer Mr Bradfield's evidence on this issue. For the reasons explained, Mr Bradfield's recollection is more likely to be accurate. Mr Bradfield did say to Ms Tran that he was not happy with the situation and would feel better with the Bundall Pharmacy not using ICCC, unless proper invoices were provided. Despite that, Ms Tran caused the Bundall Pharmacy to continue to retain ICCC. That retention of ICCC involved significant sums of money. In December 2024, approximately \$230,000 was claimed to be owing by the partnership to ICCC.²⁷ In an email on 25 August 2026, Ms Tran notes that \$203,109 was owed by the partnership to ICCC. Interestingly, she expressed frustration with the level of debt owed to ICCC.²⁸
- [35] The fact that Ms Tran continued to trade with her husband's company, and to pursue its debts,²⁹ even after Mr Bradfield had raised concerns, was not consistent with the partners having mutual co-operation, trust and confidence in each other.

Specific Dispute 3: Petal Palace

- [36] Ms Tran also operates a florist business called "*Petal Palace*" from the Bundall Pharmacy premises. From December 2019, Ms Tran sub-leased 37m² of the shop area and a segment of the backroom on the premises.
- [37] In his affidavit, Mr Bradfield said he has not noticed any rental payments being received from Petal Palace since June 2025. As to the rent for the financial year ended 30 June 2026, Ms Tran says this:

18.5. As to the annual rent owed by [Petal Palace] for the financial year ending 30 June 2026, I acknowledge that this is due and payable. I say that I have been attempting to negotiate with [Chempro] to offset the [Petal Palace] 2026 accrued rent against monies owed to me from [Bundall Pharmacy] reimbursements described above. I now acknowledge that these issues are separate from [Petal Palace] and it is appropriate the accrued rent is paid in full. I have made that payment [to Bundall Pharmacy] today prior to affirming this affidavit, adopting the same process as previously directed by Marissa above.³⁰

- [38] The fact that rent was outstanding and owed to the Bundall Pharmacy by the sole director of one of its partners was not, as Ms Tran describes it, "*a trivial matter in the context of a long-standing partnership*".³¹ Ms Tran's non-payment of the rent, and her tactic of attempting to offset that outstanding rent against other money alleged to

²⁶ As is discussed below, there are two versions of the partnership agreement. Neither are signed. The unaltered version in Mr Bradfield's material excludes dealings with relatives (clause 13.2(4)). Ms Tran's version has that clause struck out.

²⁷ Second Tran Affidavit at [17.15].

²⁸ First Bradfield Affidavit, Exhibit "KPB-1" at 488.

²⁹ Or at least express frustration with the level of debt.

³⁰ Second Tran Affidavit at [18.5].

³¹ Second Tran Affidavit at [19].

have been owed to her, meant that there was a degree of intermingling of the rights and obligations owed by her personally and those of the partnership. Ms Tran was right to ultimately decide that the outstanding rental debt owed by her personally should be paid in full, and that her reimbursement issues are separate from Petal Palace.

[39] Mr Bradfield was entitled to be concerned about the non-payment of rent. It pitted Ms Tran personally against the partnership. And the outstanding rent was only paid after the issue was raised in the course of this proceeding.

[40] In Ms Tran's third affidavit filed on the second day of the hearing, Ms Tran deposed that:

- (a) the rent was now paid up to 31 October 2026;
- (b) she was (now) happy to undertake to pay the rent monthly in advance from 1 November 2026; and
- (c) if Mr Bradfield would prefer that Petal Palace cease trading and surrenders the retail space back to Bundall Pharmacy, then she was also happy with that outcome.³²

[41] It will be noticed that the payment of the outstanding rent represents a change in stance by Ms Tran, as does her willingness to commit to paying the rent monthly in advance. As will be explained, those are not the only changes in stance.

Specific Dispute 4: Delayed and Irregular Banking

[42] Mr Bradfield complained that, despite standard practice, the cash banking for Bundall Pharmacy has been delayed and irregular. That cause him to be concerned:

- 65. When the cash banking is not done on a weekly basis, it becomes more difficult to track the takings over a period of time. It also causes me concern as to why the cash banking is not being done on time, and as to whether it is being done in full.³³

[43] Ms Tran rejected Mr Bradfield's concerns:

- 21. As to Mr Bradfield's concerns as to cash banking, this is not a valid concern as to my management of [Bundall Pharmacy]. The nearest branch location for [Bundall Pharmacy] cash deposits is about 25 minutes' drive away. I therefore must allocate a minimum of one hour of staff coverage to facilitate the cash banking. If the store gets busy, or staff are away, this impacts their ability to travel to/from the bank when scheduled. While the [Bundall Pharmacy] staff are instructed to undertake cash banking at least weekly, this has been a long-standing issue for [Bundall Pharmacy] because of the lack of proximity to a bank branch. This first time Mr Bradfield has raised this as a

³² Affidavit of Ms Tran affirmed 11 October 2026 (**Third Tran Affidavit**) at [8.3]

³³ First Bradfield Affidavit at [65].

concern is in his affidavit. He has never suggested it is a problem previously.³⁴

[44] However, in Ms Tran’s third affidavit she altered her stance:

8.2. Regarding weekly banking, I have already held a [Bundall Pharmacy] staff meeting advising them that banking on Fridays must be prioritised and that they are to contact me beforehand if banking cannot be done on a Friday afternoon so that I can attend to it personally.³⁵

[45] It is sufficient to say that Mr Bradfield’s concern about the banking was a legitimate concern. That concern now seems to have been addressed, although not without an initial outright rejection of Mr Bradfield’s concerns. And, because Ms Tran put this evidence on so late in the proceeding, and after Mr Bradfield had given evidence, Mr Bradfield had no opportunity to respond.

Specific Dispute 5: Medicinal Cannabis

[46] Mr Bradfield had a concern regarding the supply of medicinal cannabis:

71. I recall during my meeting with Ms Tran on 11 July 2023 [...] that we discussed Montu. Whereas usually a pharmacy dispenses medicine in accordance with scripts provided by a patient, Montu is a ‘carrier company’ that would actively source patients and send products and scripts to the pharmacy for collection. I was concerned that this process was not compliant with the pharmacy legislation. I explained to Ms Tran that I was uncomfortable with the pharmacy dispensing cannabis through Montu, and that I held concerns that the process may not have been compliant with the relevant legislation, because Montu was effectively using the pharmacy as a “middleman” by sending patients directly to us, I understood that this was different to other wholesalers who provide cannabis, and I was concerned that it was not appropriate. I told Ms Tran that I was not supportive of proceeding with the pharmacy dispensing for Montu. I recall that Ms Tran was receptive to what was said during the meeting, but given the below, I think that she continued to use Montu despite my concerns.³⁶

[47] Having expressed his concern, it appears that Ms Tran continued to use Montu because on 5 September 2023, an email from Ms Tran to Chempro spoke of dispensing 200-300 items a day for Montu.³⁷

[48] Mr Bradfield’s concerns were echoed by a representative of Chempro who strongly recommended against participating in the dispense/rebate structure with Montu.³⁸

³⁴ Second Tran Affidavit at [21].

³⁵ Third Tran Affidavit at [8.2].

³⁶ First Bradfield Affidavit at [71].

³⁷ First Bradfield Affidavit, Exhibit “KPB-1” at 520.

³⁸ First Bradfield Affidavit, Exhibit “KPB-1” at 519.

[49] In her affidavit filed on 6 October 2026, Ms Tran said this:

23. As to Mr Bradfield's assertions regarding medical cannabis (Montu) [...] I say that:
 - 23.1. Mr Bradfield is mistaken - there was no discussion as to Montu at the meeting between him, Mr Nguyen and myself on 11 July 2023;
 - 23.2. I agree that Mr Doan [of Chempro] sent an email to me on 6 September 2023 expressing concern as to the Montu programme after I sought assistance from [Chempro] on the correct reporting of Montu scripts in Minfos. Prior to this, I was not aware of any issues with Montu and believed that several other Chempro stores were part of the Montu programme;
 - 23.3. I called Mr Bradfield after receiving Mr Doan's 6 September 2023 email to apologise for any problems. Mr Bradfield said words to the effect that he didn't see what was wrong with it and said he will leave it to me to look into it.
 - 23.4. I proceeded to contact Montu to express Mr Doan's concerns and they advised me that they would attempt resolve it by amending their programme. [Bundall Pharmacy] did continue to dispense Montu scripts for one to two months after 6 September 2023 as the store was holding stock in anticipation of future supplies and it would be detrimental to [Bundall Pharmacy] if not sold. Once those stocks were depleted, Montu still had not amended its script programme and so I discontinued [Bundall Pharmacy's] participation in Montu from that time to eliminate any risk to [Bundall Pharmacy] in the event that Mr Doan's concerns/advice were valid.
 - 23.5. I say that I treated Mr Doan's concerns in respect to Montu seriously and actioned them with Mr Bradfield quickly. I proceeded to extract [Bundall Pharmacy] from Montu in a manner and timeframe that did not harm its profits or reputation. I note that I am not aware of any public findings that Montu was in fact an illegal programme.³⁹

[50] In his second affidavit of 8 October 2026, Mr Bradfield says that he is now not certain whether he initially raised his concerns in relation to Montu with Ms Tran at the meeting on 11 July 2023, or by a separate telephone call with Ms Tran a few days after that meeting. However, he says he is certain that he told Ms Tran, in or around July 2023, that I was concerned about the processes used by Montu and that they may not be 'legal'.⁴⁰

³⁹ Second Tran Affidavit at [23].

⁴⁰ Affidavit of Mr Bradfield sworn 8 October 2026 (**Second Bradfield Affidavit**) at [6(a)-(b)].

[51] In her affidavit of 11 October 2026, Ms Tran says this:

8.4. As to Montu:⁴¹

8.4.1. At paragraph 6(a) of his second affidavit, Mr Bradfield now says he is not certain whether he raised his concerns regarding Montu with me at a meeting on 11 July 2023 (as he initially swore he did), or by a phone call a few days later.

8.4.2. I have considered his evidence and reviewed my records, and I maintain that the first time Mr Bradfield and I ever spoke about Montu was on 6 September 2023 when I called him following receipt of Mr Doan's email. No concern had been expressed to me by Mr Bradfield before that date. I say this because [Bundall Pharmacy] did not even start dispensing Montu scripts until 20 July 2023. Exhibit TT-3 is a Minfos report from [Bundall Pharmacy] showing the first Montu dispensed script (denoted by an "M") was completed on 20 July 2023.

8.4.3. In any case, Mr Bradfield has not said in his affidavits or in oral evidence that he directed me to cease Montu. I withdrew [Bundall Pharmacy] from Montu because of Chempro's attitude to Montu (as asserted by Mr Doan in his 6 September 2023 email). I reiterate that I am not aware that Montu has been found to be a prohibited dispensing model.⁴²

[52] The cross-examination of Mr Bradfield and Ms Tran did not particularly assist with resolving the controversy as to whether Mr Bradfield did raise his concerns about Montu in July 2023. Whilst Mr Bradfield was an impressive witness, I am not satisfied that a serious concern was raised by Mr Bradfield in July 2023. He did not raise the concern in an email or otherwise in writing and he is candid in conceding that he is not sure whether the concern was raised in the meeting or in a subsequent telephone conversation.

[53] Having made that finding, there is something odd in Ms Tran's evidence (it is really a submission) that Mr Bradfield has *not* said in his affidavits, or in his oral evidence, that Mr Bradfield directed her to cease using Montu. Ms Tran made a similar point in relation to 'Specific Dispute 3' regarding ICC. There, Ms Tran pointed out that Mr Bradfield did not tell her to stop using ICC. The idea seems to be that Ms Tran is entitled to proceed with her management unless and until Mr Bradfield says 'stop'. This, and some of the other evidence, is not consistent with the partners respecting each other's views and having mutual trust and confidence. This aspect is discussed below.

A Partners Meeting?

[54] On 26 August 2026 at 5:40pm, Mr Bradfield sent an email to Ms Tran. He said:

⁴¹ In the transcript 'Montu' is 'Monteu': T1-90.

⁴² Third Tran Affidavit at [8.4].

“Hey Kelly,

I understand your concerns, I would still like to call a partners meeting on the 14th of September. Please let me know a time that would suit, and I can arrange a venue in the area to meet.”⁴³

- [55] Mr Bradfield was seeking a partners meeting in order to discuss Ms Tran’s concerns as well as, presumably, those of Mr Bradfield. Ms Tran did not respond. In her oral evidence, Ms Tran said that she had previously told Mr Bradfield that she could not wait that long and she said, ‘let’s talk this week’.⁴⁴
- [56] Ms Tran’s willingness to talk seemed to evaporate because, a week or so later, Ms Tran’s solicitors wrote threatening proceedings against Chempro and Mr Bradfield personally.⁴⁵ Thereafter the parties corresponded through solicitors’ letters and then affidavits.
- [57] There was little sign of the partners being willing to work together until the second day of the hearing. Ms Tran’s stance altered in her oral evidence on 12 October 2026. In her evidence, Ms Tran suggested that she was willing to meet Mr Bradfield on say a fortnightly basis via video link or telephone.⁴⁶

Mutual co-operation trust and confidence

- [58] Counsel for Tran Health contended that the disputes between the partners in the Bundall Pharmacy were typical of the types of tensions that may exist in a partnership arrangement from time to time.⁴⁷ I do not accept that submission. For the reasons that follow, it is difficult to give the tensions here that character.
- [59] The affidavits by the parties displayed some animosity towards each other. In her affidavit of 21 September 2026, Ms Tran summarised some conduct of Mr Bradfield as examples of “*Mr Bradfield acting contrary to the best interests of the [Bundall Pharmacy] partnership and merely as the proxy of [Chempro] and/or Mr Probert*”.⁴⁸ The examples do illustrate that Mr Bradfield may have held different views to those of Ms Tran. But I am not persuaded that Ms Tran was accurate to describe Mr Bradfield as acting contrary to the best interests of Bundall Pharmacy. And, the conduct identified hardly justifies Ms Tran’s rather insulting (and unsubstantiated) description of Mr Bradfield as Chempro’s proxy.⁴⁹
- [60] In her affidavit of 6 October 2026, Ms Tran started with these paragraphs:

2. I say at the outset that I have no personal issues or animosity towards Mr Bradfield. He is a nice person. While he and I have had little interaction as business partners by virtue of Mr Probert/Chempro actually controlling [Bundall Pharmacy] to a

⁴³ First Bradfield Affidavit, Exhibit “KPB-1” at 494.

⁴⁴ T2-32 at lines 42 to 45.

⁴⁵ See discussion of the email from Ms Tran’s solicitors of 3 September 2026 at [18]-[19] above: First Tran Affidavit, Exhibit “TT-10” at 89.

⁴⁶ T2-33 at lines 24 to 31.

⁴⁷ T2-56 at lines 33 to 36.

⁴⁸ First Tran Affidavit at [11]. Mr Probert is the sole director of Chempro.

⁴⁹ This is rather consistent with her counsel’s subsequent description of Mr Bradfield as not understanding what he was doing: T2-56 at lines 5 to 11.

significant extent, we have always got along well socially. He has always expressed his gratitude to me for my efforts and contributions in growing [Bundall Pharmacy] since I assumed the day-to-day management in 2018.

3. I was very surprised therefore to read the contents of his affidavit where he alleges misconduct by me and that he cannot trust me. I do not believe this to be true and **I do not believe Mr Bradfield is being truthful in his assertions.**⁵⁰ [emphasis added]

[61] Ms Tran continued:

6. It was never my intention or desire to cause any harm to the Respondents or the Chempro group. I proceed on the basis I must be honest and transparent in the [Council] licence application, and am conscious I must do so **however disingenuous and self-serving Mr Bradfield's allegations are against me.**⁵¹ [emphasis added]

[62] In paragraph 12 of the same affidavit, Ms Tran says this:

12. As to Mr Bradfield's assertion that the silent partners in [Bundall Pharmacy] do not hold a material interest in [Bundall Pharmacy], I say **this is patently disingenuous.** I say that **Mr Bradfield is engaging in a cover-up to avoid disclosure and scrutiny** of the entire Chempro silent partnership scheme by the [Council].⁵² [emphasis added]

[63] Those paragraphs were in affidavits prepared for Ms Tran whilst she retained both solicitors and counsel. And, as counsel for Bradfield Pharmacy pointed out, in her oral evidence, Ms Tran said those paragraphs expressed how she felt, or in some cases she said she declined to answer questions concerning her remarks.

[64] Those strident views of Ms Tran concerning Mr Bradfield were diluted in her affidavit of 11 October 2026:

3. Despite my initial disappointment as to the processes which were being implemented in response to my seeking to protect the interests of [Tran Health], having observed Mr Bradfield give evidence and now being aware of his lack of understanding as to the likely consequences of appointing a receiver, I do not hold any ongoing resentment towards Mr Bradfield.
4. I proceed on the basis that Mr Bradfield, when giving his instructions, did not understand that appointing a receiver before [Bundall Pharmacy] obtained a pharmacy licence from the [Council] was likely to force [Bundall Pharmacy] to cease trading. I have also reflected on the issues Mr Bradfield raised

⁵⁰ Second Tran Affidavit at [2]-[3].

⁵¹ Second Tran Affidavit at [6].

⁵² Second Tran Affidavit at [12].

in his evidence and have considered what may be necessary to address them.

5. As has been accepted by Mr Bradfield, [Bundall Pharmacy] has been conducted on a successful and profitable basis for the duration of the partnership. It has not only proved profitable but has, in my experience, generated substantial goodwill with many repeat customers. I can see no reason why it cannot continue notwithstanding the issues to which Mr Bradfield has referred. I remain happy and willing to continue to operate [Bundall Pharmacy] in partnership with Mr Bradfield on the same successful basis as previously.⁵³

[65] Thus, Ms Tran's view that Mr Bradfield was untruthful and disingenuous appears to have been replaced by a view that he is ignorant or misguided. It is hard to sensibly reconcile this change in viewpoint. In my view, Ms Tran's alteration in her stance was driven by the exigencies of the litigation in that, in the course of the proceedings, Ms Tran accepted that her strident views about Mr Bradfield did not assist her resistance to the application to dissolve the partnership and for the appointment of a receiver.

[66] The critical question, to use the language of Dodds-Streeton JA in *Accurate Financial Consultants Pty Ltd v Koko Black Pty Ltd*,⁵⁴ is whether the two partners have a working relationship and whether that relationship is predicated on mutual co-operation, trust and confidence, or whether that relationship has broken down. The renaissance in Ms Tran's view of Mr Bradfield, from regarding him as was untruthful and disingenuous, to a view that he is ignorant or misguided, is not much of an improvement.

[67] In any event, whether the two partners have a working relationship involves an assessment of the potential for mutual co-operation, trust and confidence from the standpoint of both partners. Even accepting that Ms Tran's attitude has altered, Mr Bradfield's view, I accept, is that he has lost confidence in Ms Tran.

[68] There is another related issue. Ms Tran has been rather dismissive of Mr Bradfield's concerns about the operation of the Bundall Pharmacy. For example, in her affidavit filed on 6 October 2026, Ms Tran rather underplayed Mr Bradfield's concerns:

24. In summary, I say in response to Mr Bradfield's purported complete loss of trust in me as managing partner, that this assertion is far-fetched and totally disproportionate to the historical and minor concerns he has raised. I would note that most of his concerns were premised on incorrect information.⁵⁵

[69] Counsel for Tran Health made similar submissions, presumably on instructions. He submitted that Mr Bradfield's concerns were nowhere near as serious as what he had made out.⁵⁶

⁵³ Third Tran Affidavit at [3]-[5].

⁵⁴ (2008) 66 ACSR 325 at [119] (discussed above).

⁵⁵ Second Tran Affidavit at [24].

⁵⁶ T2-55 to T2-56.

Some Conclusions to this Point

[70] Some conclusions can be stated to this point:

- (a) The parties' resort to lawyers to resolve the relatively mundane step of lodging an application with the Council strongly suggests an inability to work together.
- (b) Ms Tran's decision to continue to trade with her husband's company, and to pursue its debts, even after Mr Bradfield had raised concerns, was not consistent with the partners having mutual co-operation, trust and confidence in each other.
- (c) Mr Bradfield was entitled to be concerned about the non-payment of rent by Ms Tran's personal business. It pitted Ms Tran personally against the partnership. And the outstanding rent was only paid after the issue was raised in the course of this proceeding.
- (d) Mr Bradfield's concern about the banking at Bundall Pharmacy was a legitimate concern. That concern was initially rejected outright but seems to have been addressed 'on the door of the court'.
- (e) I am not satisfied that a serious concern was raised by Mr Bradfield regarding Montu in July 2023.
- (f) The parties were unable to even arrange a partners' meeting, although now, only in the shadow of these proceedings, Ms Tran says that she was willing to meet Mr Bradfield on, say, a fortnightly basis via video link or telephone.
- (g) The parties' conduct of the proceeding gives little cause for confidence that the parties can sensibly work together. Mr Bradfield has some legitimate reasons to be concerned that his views will be respected. Ms Tran has a view of Mr Bradfield that has transcended from outright distrust and animosity to a view that he is either ignorant or misguided.

[71] With the exception of (e) above, these circumstances establish the breakdown of any sensible working relationship between these partners. A partnership relationship must be predicated on mutual co-operation, trust and confidence. No *mutual* co-operation, trust or confidence exists here. For those reasons the partnership should be dissolved, and a receiver should be appointed to wind up the partnership.

The Partnership Agreement

[72] There is a further reason for dissolution of the partnership.

[73] The parties agree that the Bundall Pharmacy has operated as a partnership. But they do not agree on the terms of that partnership. Ms Tran put into evidence an unsigned version of the partnership agreement.⁵⁷ Mr Bradfield also put into evidence his own version of the partnership agreement – also unsigned.⁵⁸ The two versions do not match. Ms Tran's version has a number of clauses crossed out. Mr Bradfield says that he has reviewed Ms Tran's version, and he does not recall ever seeing, agreeing to or signing a version of the partnership agreement with clauses crossed out.⁵⁹

⁵⁷ First Tran Affidavit, Exhibit "TT-1".

⁵⁸ First Bradfield Affidavit, Exhibit "KPB-1" at 4.

⁵⁹ First Bradfield Affidavit at [15].

[74] The clauses that have been crossed out in Ms Tran's version are important. The clauses crossed out include clauses dealing with the following topics:

- (a) Clause 4 – retirement from the partnership (including offers to sell to the remaining partners);
- (b) Clause 13.2(4) – a partner's ability to employ or enter into a contract with a relative in relation to the partnership business;
- (c) Clause 13.2(5) – a partner's capacity to claim or write off against the partnership the partner's motor vehicle;
- (d) Clause 14 – the duties of the working partner;
- (e) Clause 20 – this clause deals with the purchase of a retiring partner's interest in the partnership – most of the clause has been deleted;⁶⁰
- (f) Clause 21.1 – this clause specifies the conduct that entitles the other partner to terminate; clause 21.1(9) specified that where a partner engaged in any business dealings which impacted the partnership business without consent then that conduct entitled the other partner to terminate. That subclause has been deleted;
- (g) Clause 21.2 – this clause, before its deletion, specified that a termination of the partnership will not prejudice any claim that may be made by the outgoing partner;
- (h) Clause 23.2(3) – this clause, now deleted, permitted service of notices by facsimile transmission;
- (i) Clauses 25.1 to 25.5 – these clauses dealing with restraints of trade has been extensively reduced;
- (j) Clause 26 – this clause dealing with drag along and tag along rights has been completely deleted;
- (k) Clause 29 – this clause restricted assignment or transfer of rights. The clause has been deleted; and
- (l) Clause 30 – this clause permitted severability in case of an illegality (etc); the clause has been deleted.

[75] Even the Annexure A which specified the rules for working partners has been altered in a substantive way.⁶¹

[76] Counsel for Bradfield Pharmacy identified the differences and submitted that the parties are unable, at this point, to even agree on the terms of their partnership agreement. She also submitted that the absence of agreement on the terms of the partnership means that there is no other available means by which this breakdown in trust and confidence could be resolved. For example, neither party is able to give notice to terminate under the partnership agreement.

⁶⁰ Clauses 20.1 (in part) and 20.10 remain, but clauses 20.2 to 20.9 have been deleted.

⁶¹ Although Annexure A would not apply given Ms Tran's deletion of clause 14 – duties of the working partner.

- [77] Those are powerful submissions. There is no contractual framework for resolving disputes. This is a strong factor in favour of the dissolution of the partnership. Not making an order for dissolution would mean that Mr Bradfield (that is, Bradfield Pharmacy) would be locked into a partnership where the parties have had a number of disputes, Mr Bradfield has lost trust in his company's partner, and even the terms of their partnership are not agreed.
- [78] The evidence of Ms Tran, which I accept, is that the Bundall Pharmacy is a profitable business.⁶² That throws some light on Mr Bradfield's desire for his company to exit the partnership. In all the circumstances,⁶³ I accept that Mr Bradfield's concerns about the working relationship are genuine and (as discussed) properly based.⁶⁴

Will dissolution/receivership destroy the business?

- [79] Counsel for Tran Health contended that if a dissolution order were made and receivers were appointed, the Bundall Pharmacy business would be effectively destroyed or, at the least, curtailed significantly.⁶⁵ Counsel put to Mr Bradfield that he did not appreciate that the receivership could end in the destruction of the pharmacy.⁶⁶
- [80] The *Pharmacy Business Ownership Act 2024* (Qld) establishes a new system of registration for pharmacies in Queensland. A person must not carry on a pharmacy business unless the business is a licenced pharmacy business,⁶⁷ and the business is conducted from licenced premises.⁶⁸
- [81] Only an 'eligible person' may apply to the Council for a pharmacy licence.⁶⁹ An eligible person is:
- (a) a practising pharmacist;
 - (b) a corporation whose directors and shareholders are all practising pharmacists;
 - (c) a corporation:
 - (i) whose directors and shareholders are a combination of practising pharmacists and close adult relatives of practising pharmacists; and
 - (ii) in which the majority of shares, and all voting shares, are held by practising pharmacists;
 - (d) a friendly society that, on 29 April 2005, carried on a pharmacy business in Queensland or another State;
 - (e) a friendly society that is an amalgamation of 2 or more friendly societies mentioned in paragraph (d);
 - (f) Mater Misericordiae Ltd ACN 096 708 922.⁷⁰

⁶² Mr Bradfield seemed to accept this.

⁶³ As discussed above.

⁶⁴ The Montu issue is an exception.

⁶⁵ T1-24 at lines 33 to 38.

⁶⁶ T1-91 at lines 1 to 5.

⁶⁷ *Pharmacy Business Ownership Act 2024* (Qld) (**the Act**), s 19.

⁶⁸ Section 20 of the Act.

⁶⁹ Section 23 of the Act.

⁷⁰ Section 10 of the Act.

- [82] Of course, the receiver of a pharmacy business is not within those categories of eligible persons. However, if an order is made dissolving the partnership and appointing receivers to the partnership, such an order does not have any effect on the eligibility of Mr Bradfield and Ms Tran to apply for a licence for their respective companies pursuant to the new Act.
- [83] Importantly, the authority of these partners continues unabated. They are entitled to continue to act, so far as is necessary to wind up the affairs of the partnership and to complete transactions begun but not concluded at the time of dissolution.⁷¹ Given that Bundall Pharmacy has practiced as a licenced pharmacy for some years, and all that is proposed is that the Bundall Pharmacy continue to be licenced (albeit under the new Act), there is no doubt that the existing partners would be authorised to apply for a licence under the new Act. That authority is necessary in order to preserve the pharmacy business as a going concern.
- [84] Nor is there any reason why the receivers could not co-ordinate that process. As counsel for Bradfield Pharmacy submitted, it would be a part of the receiver's function to maintain the business of the going concern and to take whatever steps are necessary.
- [85] It follows that I reject the submission that an order for dissolution and the appointment of receivers would destroy the business. There is every reason to think that the existing partners are entitled to apply for the necessary licence and to co-operate with the receiver to wind up the affairs of the business as a going concern. Potentially, the receiver may well be able to negotiate the sale of the pharmacy business, including to one or other of the existing partners.

Conclusions

- [86] It follows that orders should be made dissolving the partnership and appointing receivers. I will hear the parties on costs.

⁷¹ See section 41 of the *Partnership Act 1891* (Qld). Note that the conduct of a winding up is normally assumed by the surviving solvent members of the partnership.