NOTICE OF FILING AND HEARING

Filing and Hearing Details

Document Lodged**:**	Interlocutory process (Rule 2.2): Federal Court (Corporations) Rules 2000 form 3
Court of Filing:	FEDERAL COURT OF AUSTRALIA (FCA)
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File Number:	VID536/2024
File Title:	AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION v KEYSTONE ASSET MANAGEMENT LIMITED (RECEIVERS AND MANAGERS APPOINTED) (IN LIQUIDATION) (ACN 612 443 008)
Registry:	VICTORIA REGISTRY - FEDERAL COURT OF AUSTRALIA
Reason for Listing:	To Be Advised
Time and date for hearing:	To Be Advised
Place:	To Be Advised

Registrar

Important Information

This Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

The date of the filing of the document is determined pursuant to the Court’s Rules.

Form 3
(rules 2.2, 15A.4, 15A.8 and 15A.9)

Interlocutory Process

Federal Court of Australia
District Registry: Victoria
Division: General

No. VID536 of 2024

IN THE MATTER OF KEYSTONE ASSET MANAGEMENT LTD (ACN 612 443 008) (RECEIVERS AND MANAGERS APPOINTED) (IN LIQUIDATION)

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION
Plaintiff

KEYSTONE ASSET MANAGEMENT LTD (ACN 612 443 008) (RECEIVERS AND MANAGERS APPOINTED) (IN LIQUIDATION)
First Defendant

PAUL ANTHONY CHIODO
Second Defendant

A. DETAILS OF APPLICATION

1. This application is made pursuant to sections 1101B(1) and (5), 1317E(1) and (4)(b) and 1324(1) and (4) of the *Corporations Act 2001* (Cth) (**Corporations Act**), sections 12GBA and 12GD(1) and (3) of the *Australian Securities and Investments Commission Act 2001* (Cth) (**ASIC Act**), and sections 21, 23 and 43 of the *Federal Court of Australia Act 1976* (Cth) (**Federal Court Act**).

2. On the facts stated in the affidavit of Michelle Di Stefano affirmed on 30 July 2026, the applicant (**ASIC**) applies for the following relief:

    (a) interim injunctive relief;

    (b) declarations of contraventions of sections 911A(1) and (5B), 911B(1) and (4) and 1041H(1) of the Corporations Act and sections 12DA(1) and 12DB(1)(a) and (e) of the ASIC Act;

Filed on behalf of	Australian Securities and Investments Commission (Plaintiff)
Prepared by (name of person/lawyer)	Rebecca Caroline Jaffe
Law firm (if applicable)	HWLE Lawyers
Tel	03 8644 3530
Email	rjaffe@hwle.com.au
Address for service (include state and postcode)	HWLE Lawyers Level 8, 447 Collins Street Melbourne Victoria 3000

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(c) final injunctive relief; and

(d) costs,

against one or more of the following persons (collectively, the **Respondents**):

(e) Mr Paul Anthony **Choido** (being the second defendant);

(f) Mr Louie **Kortesis**;

(g) Royce Capital Investments Pty Ltd (ACN 680 257 701) (**Royce Capital**); and

(h) Royce (Aust) Real Estate Pty Ltd (ACN 682 267 983) (**RARE**).

3. In this document, the following definitions apply:

Australian Investors refers to the five individuals who, using money accessed via their Australian self-managed superannuation funds, deposited an aggregate sum of $1,536,000 into the Royce Capital Account (**Investor Funds**), which money was deposited over the period 5 to 18 August 2025 after each investor had signed a Subscription Agreement offering to acquire interests in the Royce Private Fund.

Fiji Hotel Development means the development, or proposed development, of a hotel located at Namuka Bay, Fiji which is referred to in the Royce Fund Brochure and Royce Hybrid Option Brochure.

Fiji SPV means Luxurious Resort (Fiji) Pte Limited, a company registered in Fiji, which company had as its officeholder (among others) the second defendant, Mr Chiodo. Mr Chiodo is the ultimate beneficial owner of 50% of Fiji SPV's issued shares (through Luxuria Pacific L.L.C-FZ, which is in turn wholly owned by Luxuria).

Keystone means the first defendant, Keystone Asset Management Limited (in liq) (ACN 612 443 008), which company had as its directors (among others) the second defendant, Mr Chiodo (27 April 2020 to 27 May 2024) and Mr Kortesis (29 December 2023 to 14 November 2024) and was the trustee of the "Advantage Diversified Property Fund" (**ADPF**).

Luxuria means Luxuria International Group LLC-FZ, which company is registered in the United Arab Emirates and has Mr Chiodo as its sole director and shareholder. Luxuria is named as the "Investment Manager" of the Royce Private Fund (in the Subscription Agreement) and as the "Fund Manager" of "Royce Global Real Estate Fund" (in the Royce Fund Brochure).

Royce Capital Account means Royce Capital's Australian bank account into which the Investor Funds were deposited between 5 and 18 August 2025 by the Australian Investors.

A **Royce Fund** means any one or more of the following entities:

- the entity registered on or about 23 January 2024 in the Cayman Islands (registration number ST-125826), using the name “Shield Global Investments LP” which was later renamed “Royce Global Investments LP”;
- the entity registered on or about 26 February 2024 in the Cayman Islands (registration number 126227), using the name “Shield Global RE LP” and which was later renamed “Royce Global Real Estate LP” (**Royce RE Fund**);
- the entity registered on or about 15 November 2024 in Delaware, the United State of America (using the file number 10008334), using the name “Royce Private Investments Fund LP” (**Royce Private Fund**); and
- the entity registered on or about 8 September 2025 in the Cayman Islands (registration number 2211440), using the name “Royce Global Real Estate LP”.

Royce Fund Brochure means the two-page document on “Royce Capital” letterhead and headed “Royce Global Real Estate Fund | April 2025”, which document was provided to at least two of the five Australian Investors prior to their signing a Subscription Agreement and depositing funds into the Royce Capital Account, which document also referred to the fund as the “Advantaged [sic] Diversified Property Fund” and “Advantage”.

Royce Hybrid Option Brochure means the two-page document on “Royce Capital” letterhead and headed “Royce Global Real Estate Fund – Hybrid Option | April 2025”, which document was provided to at least two of the five Australian Investors prior to their signing a Subscription Agreement and depositing funds into the Royce Capital Account, which document also referred to the fund as the “Advantaged [sic] Diversified Property Fund” and “Advantage”.

Royce Private Fund means “Royce Private Investments Fund LP”, which was referred to in communications with the Australian Investors in a manner which suggest a connection or association with the **Royce RE Fund**.

Royce GP Ltd means Royce Global Investments GP Ltd, which company is registered in the Cayman Islands, and where Mr Chiodo has been the company’s sole shareholder and Mr Kortesis is the company’s sole director. Royce GP Ltd is named in the Subscription Agreement as the general partner of the Royce Private Fund.

Subscription Agreement means the document headed “Subscription Agreement as a Limited Partner in Royce Private Investments Fund LP”, together with the one-page document titled “Royce Private Investments Fund LP – Instructions to Subscription Agreement” pursuant to which each Australian Investor offered to acquire an interest in the Royce Private Fund.

B. ORDERS SOUGHT

Joinder of parties

4. An order pursuant to r 9.05 of the Federal Court Rules 2011 (Cth) that Mr Kortesis, Royce Capital and RARE be joined as the Third, Fourth and Fifth Defendants respectively to this Proceeding.

Relief sought

5. On the facts stated in the supporting affidavit, ASIC seeks the following relief:

Interim Injunctive Relief

6. An interim order pursuant to sections 1101B(5) and/or 1324(4) of the Corporations Act, section 12GD(3) of the ASIC Act, and/or section 23 of the Federal Court Act that, until further order:

   (a) Royce Capital and RARE, by themselves and their servants, agents, employees; and

   (b) each of Mr Chiodo and Mr Kortesis, by himself, his servants, agents, employees and any company that he is concerned in operating or managing, or in which he has a controlling interest or of which he is an officer,

   be restrained from:

   (c) soliciting, receiving, taking, or accepting funds from any person in Australia in connection with any Royce Fund and/or any financial product;

   (d) advertising, promoting or marketing to persons in Australia any Royce Fund and/or any financial product; and

   (e) causing or arranging for any other person, including any associate or associated entity or any third party service-provider, to engage in the conduct in (c) to (d) above on behalf of any respondent, either directly or indirectly,

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by reason of their respective conduct in relation to the contraventions identified in paragraphs 7 to 12 below.

Declarations

Contraventions of s 911A and/or 911B of the Corporations Act

7. A declaration that, from [no later than / on or around] May 2025 until at least 27 May 2026, in circumstances where Royce Capital did not hold an Australian Financial Services licence (**AFSL**) and was not acting as a representative of, or on behalf of, any other entity that held an AFSL, Royce Capital contravened:

   (a) section 911A(1) and (5B) of the Corporations Act by carrying on a financial services business in this jurisdiction;

   (b) further or alternatively, section 911B(1) and (4) of the Corporations Act by providing financial services in this jurisdiction,

   by dealing in financial products (namely, interests in the Royce Private Fund or any other Royce Fund) within the meaning of s 766C(2) of the Corporations Act by:

   (c) executing a Subscription Agreement on behalf of Royce GP Ltd or Luxuria with each of the Australian Investors, thereby accepting (or purporting to accept) each investor’s application to acquire an interest in the Royce Private Fund;

   (d) arranging for and accepting the deposit of Investor Funds into the Royce Capital Account for the purpose (or purported purpose) of each Australian Investor acquiring an interest in the Royce Private Fund;

   (e) issuing or arranging for the issuing of “transaction statements” to each Australian Investor, which statements confirmed (or purported to confirm) the acquisition of interests in the Royce Private Fund;

   (f) arranging or facilitating the “partial redemption” on investment for one Australian Investor in connection with their interest (or purported interest) in the Royce Private Fund, by causing the payment of monies from the Royce Capital Account to that investor and thereafter issuing or arranging for the issuing of a “transaction statement” confirming (or purporting to confirm) such partial redemption; and/or

   (g) arranging for (or purporting to arrange for) Royce GP Ltd to process the requests made by each Australian Investor to fully redeem (and thereby dispose of) their interests (or purported interests) in the Royce Private Fund, including issuing correspondence to the Australian Investors indicating that redemptions were being “processed”.

8. A declaration that Mr Chiodo contravened section 911A(1) and (5B) and/or 911B(1) and (4) of the Corporations Act on the basis that he was involved in Royce Capital's contravention of the provision(s).

9. A declaration that Mr Kortesis contravened section 911A(1) and (5B) and/or 911B(1) and (4) of the Corporations Act on the basis that he was involved in Royce Capital's contravention of the provision(s).

Contraventions of section 1041H of the Corporations Act and sections 12DA and/or 12DB of the ASIC Act by reason of statements contained in the Royce Fund Brochure and the Royce Hybrid Option Brochure

13% return representations

10. A declaration that, from on or around April 2025 until at least about August 2025, in the course of trade or commerce, Royce Capital and/or RARE:

(a) engaged in conduct in relation to a financial service that was misleading or deceptive, or was likely to mislead or deceive, in contravention of section 1041H(1) of the Corporations Act and/or section 12DA(1) of the ASIC Act; and/or

(b) made false or misleading representations in connection with the supply or possible supply of financial services, or in promotion of the supply of financial services, in contravention of section 12DB(1)(a) and (e) of the ASIC Act,

by:

(c) representing to potential investors in Australia who received the Royce Fund Brochure that money invested with Royce Capital in the relevant fund would achieve a guaranteed rate of return of 13% per annum (**Guaranteed 13% Return Representation**);

(d) representing to potential investors in Australia who received the Royce Hybrid Option Brochure that money invested with Royce Capital in the relevant fund would achieve a fixed rate of return of 13% per annum (**Fixed 13% Return Representation**),

when, at the time that the Royce Fund Brochure and the Royce Hybrid Option Brochure were issued, Royce Capital and/or RARE did not have reasonable grounds for making those representations.

Investment representation

11. A declaration that, from on or around April 2025 until at least about August 2025, in the course of trade or commerce, Royce Capital and/or RARE:

(a) engaged in conduct in this jurisdiction in relation to a financial service that was misleading or deceptive, or was likely to mislead or deceive, in contravention of section 1041H(1) of the Corporations Act and/or section 12DA(1) of the ASIC Act; and/or

(b) made false or misleading representations in connection with the supply or possible supply of financial services, or in promotion of the supply of financial services, in contravention of section 12DB(1)(a) and (e) of the ASIC Act,

by representing to potential investors in Australia who received the Royce Fund Brochure or the Royce Hybrid Option Brochure that funds invested with Royce Capital:

(c) were “predominantly exposed to a diversified portfolio of property development loans, convertible notes and preferred equity” in which the fund was invested; and

(d) would be used to invest in “prudent loan and equity opportunities” identified by Royce Capital with a view to “preserving investors capital” / “capital security” and “delivering attractive risk-adjusted returns” / “provide above-average returns”,

(the **Investment Representation**),

when in fact:

(e) at the time the brochures were issued, no such investments via any property development loans, convertible notes, or preferred equity existed;

(f) Royce Capital paid most of the Investor Funds into a bank account in the name of a company controlled by Mr Chiodo, which funds were then used to pay legal fees for Mr Chiodo’s solicitors in this Proceeding, other debts or costs relating to Keystone’s voluntary administration, and travel and other expenses of Mr Chiodo; and

(g) the Investor Funds were otherwise largely expended in funding Royce Capital’s working capital and paying tax liabilities, or were transferred

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overseas (including to recipients in the Cayman Islands and the United Arab Emirates);

such that: -

(h) at the time that the Royce Fund Brochure and the Royce Hybrid Option Brochure were issued, the Investment Representation was false or misleading, or likely to mislead; and/or

(i) insofar as the representation related to future matters, Royce Capital, and/or RARE did not have reasonable grounds for making those representations.

Fiji Hotel Development Representation

12. A declaration that, from on or around April 2025 until at least about August 2025, in the course of trade or commerce, Royce Capital and/or RARE:

(a) engaged in conduct in this jurisdiction in relation to a financial service that was misleading or deceptive, or was likely to mislead or deceive, in contravention of section 1041H(1) of the Corporations Act and/or section 12DA(1) of the ASIC Act; and/or

(b) made false or misleading representations in connection with the supply or possible supply of financial services, or in promotion of the supply of financial services, in contravention of section 12DB(1)(a) and (e) of the ASIC Act,

by representing to potential investors in Australia who received the Royce Fund Brochure or the Royce Hybrid Option Brochure that:

(c) the relevant fund (referred to as the "Royce Global Real Estate Fund" and the "Advanatged [sic] Diversified Property Fund") was invested in a "secured high Luxury hotel opportunity located in Namuka Bay, Fiji" (that is, the Fiji Hotel Development);

(d) "[t]he Advantaged Diversified Property Fund … select[s] developers with a stellar track record, expertise and reputation in building a diverse portfolio";

(e) the Royce Fund was "predominantly exposed to a diversified portfolio of property development loans, convertible notes and preferred equity" and "invests in a portfolio of property equity or financing assets including Junior Debt, Senior Debt, Convertible notes and Preferred Equity"; and

(f) funds invested with Royce Capital were used to invest in "prudent loan and equity opportunities" identified by Royce Capital with a view to "preserving investors capital" / "capital security" and "delivering attractive risk-adjusted returns" / "provide above-average returns",

without disclosing that:

(g) the trustee for the Advantage Diversified Property Fund (namely, Keystone) was insolvent and had been placed in liquidation;

(h) a loan agreement in relation to the Fiji Hotel Development had already been entered into between Keystone and Fiji SPV, which loan had not been repaid and pursuant to which Keystone had been granted a registered first mortgage over the land to be developed at Namuka Bay, Fiji and a first ranking security interest over all assets of the Fiji SPV;

(i) reports filed with the Court by Keystone's receivers and managers had raised serious concerns about the financial position of the ADPF, including that its assets (including the underlying value of the loan related to the Fiji Hotel Development) had been significantly overstated; and

(j) ASIC had commenced proceedings against Keystone;

thereby impliedly representing the ostensible investment by the fund in the Fiji Hotel Development was a prudent or sound investment (the **Fiji Hotel Representation**) which representation was false or misleading, or likely to mislead or deceive.

Final injunctive relief

13. An order pursuant to section 1101B(1), 1324(1)(a) and (e) of the Corporations Act, section 12GD(1)(a) and (e) of the ASIC Act and/or section 23 of the Federal Court Act that:

(a) Royce Capital and RARE, by themselves and their servants, agents, employees and associated entities; and

(b) each of Mr Chiodo and Mr Kortesis, by himself, his servants, agents, employees and any company that he is concerned in operating or managing, or in which he has a controlling interest or of which he is an officer,

be permanently restrained from:

(c) soliciting, receiving, taking, or accepting funds from any person in Australia in connection with any Royce Fund and/or any financial product;

(d) advertising, promoting or marketing to persons in Australia any Royce Fund and/or any financial product;

(e) causing or arranging for any other person, including any associate or associated entity, to engage in the conduct in (c) to (d) above on behalf of any of the respondents,

by reason of their respective conduct in relation to the contraventions identified in paragraphs 7 to 12 above.

Other orders

14. An order that the respondents pay ASIC’s costs of and incidental to the proceeding.

15. Such further or other orders as the Court considers appropriate.

Date: 30 July 2026

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Rebecca Caroline Jaffe
HWLE Lawyers
Lawyer for the Applicant

This application will be heard by the Federal Court of Australia at 305 William Street Melbourne Victoria 3000 at *am/*pm on 2026.

B. NOTICE TO RESPONDENTS

TO:

PAUL ANTHONY CHIODO of 17C/29 Queens Road, Melbourne VIC 3004

LOUIE KORTESIS of 42 Keats Street, Sandringham VIC 3191

ROYCE CAPITAL INVESTMENTS PTY LTD (ACN 680 257 701) of Level 4, 412 St Kilda Road, Melbourne VIC 3004

ROYCE (AUST) REAL ESTATE PTY LTD (ACN 682 267 983) of Level 4, 412 St Kilda Road, Melbourne VIC 3004

If you or your legal practitioner do not appear before the Court at the time shown above, the application may be dealt with, and an order made, in your absence.

Before appearing before the Court, you must, except if you have already done so or you are the plaintiff in this proceeding, file a notice of appearance, in the prescribed form, in the Registry and serve a copy of it on the plaintiff in the originating process.

> *Note* Unless the Court otherwise orders, a respondent that is a corporation must be represented at a hearing by a legal practitioner. It may be represented at a hearing by a director of the corporation only if the Court grants leave.

C. FILING

This interlocutory process is filed by HWLE Lawyers for the applicant.

D. SERVICE

The applicant's address for service is:

HWLE Lawyers
Level 8, 447 Collins Street, Melbourne Victoria 3000
Email: rjaffe@hwle.com.au

It is intended to serve a copy of this interlocutory process on each respondent.