

NOTICE OF FILING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 14/06/2019 5:12:45 PM AEST and has been accepted for filing under the Court's Rules. Details of filing follow and important additional information about these are set out below.

Details of Filing

Document Lodged: Defence - Form 33 - Rule 16.32
File Number: NSD529/2016
File Title: Jaewon Choi & Anor v Hodgson Faraday Pty Ltd Limited ACN 130 606 987
& Ors
Registry: NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



A handwritten signature in blue ink that reads 'Warwick Soden'.

Dated: 14/06/2019 5:12:48 PM AEST

Registrar

Important Information

As required by the Court's Rules, 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 and time of lodgment also shown above are the date and time that the document was received by the Court. Under the Court's Rules the date of filing of the document is the day it was lodged (if that is a business day for the Registry which accepts it and the document was received by 4.30 pm local time at that Registry) or otherwise the next working day for that Registry.



First Respondent's Defence to the Second Amended Statement of Claim

No. NSD529 of 2016

Federal Court of Australia
District Registry: New South Wales
Division: General

Jaewon Choi and another in the schedule

Applicants

Hodgson Faraday Pty Limited ACN 130 606 987 and another named in the schedule

Respondents

In response to the Second Amended Statement of Claim filed on 22 February 2018, the First Respondent pleads as follows:

1. In this defence generally, the First Respondent does not plead to matters that contain no allegation against it but by so pleading does not admit the truth of any of those matters.
2. The First Respondent does not plead to paragraph 1.
3. The First Respondent denies that the First Respondent had marketed and sold in the Relevant Period any of the T, M or K products to any of the Applicants, repeats its answers below to the allegations about loss and damage and contraventions, and does not admit the balance of paragraph 2.
4. The First Respondent does not plead to paragraph 3.

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| Filed on behalf of (name & role of party) | Hodgson Faraday Pty Limited, First Respondent |
| Prepared by (name of person/lawyer) | Vincent Zhi-Qing Zhu |
| Law firm (if applicable) | Ayeung Hencent & Day Lawyers |
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5. The First Respondent does not admit paragraph 4(c) beyond admitting that it held AFSL No 326375 for the Relevant Period, says that the First Respondent was not trading or conducting any business during the Relevant Period, and admits the balance of paragraph 4.
6. The First Respondent does not plead to paragraph 5.
7. The First Respondent admits paragraph 6(a) and does not admit the balance of paragraph 6.
8. The First Respondent denies the allegation against the First Respondent in paragraph 6A and does not plead to the balance of paragraph 6A.
9. The First Respondent does not plead to paragraph 7.
10. The First Respondent denies the allegation against the First Respondent in paragraph 10 and does not plead to the balance of paragraph 10.
11. The First Respondent denies the allegation against the First Respondent in paragraph 11 and does not plead to the balance of paragraph 11.
12. The First Respondent denies that the Agents were acting on its behalf as alleged in paragraph 12 and does admit to the balance of paragraph 12.
13. The First Respondent, in answer to paragraphs 13, 14, 15, 16 and 19 so far as they contain allegations against it, denies that the material described in those paragraphs and any reference to the First Respondent in those paragraphs was created, published, communicated or circulated with its authority, knowledge or consent and otherwise does not admit the paragraphs.
14. The First Respondent denies the allegation against the First Respondent in paragraph 17 and does not plead to the balance of paragraph 17.

15. The First Respondent does not plead to paragraph 18.
16. The First Respondent denies the allegations against the First Respondent in paragraphs 20 to 25 and does not plead to the balance of paragraphs 20 to 25.
17. The First Respondent denies paragraph 26 to the extent that it seeks to allege the conduct was engaged in during trade and commerce involving the First Respondent and otherwise does not plead to the paragraph.
18. In answer to paragraphs 27 and 29, the First Respondent denies that in respect of the T, M and/or K Products in relation to the applicants and each Group Member (investors) the MT4 trading platform and the EA System were created, published, communicated, circulated or used or not used with its authority, knowledge or consent, denies that it received or knew of any moneys from investors within the scope of sub-paragraph (c) in paragraph 27, because of the foregoing did not advise any investors of any one or more of the matters in paragraphs 27 and 28, and otherwise does not admit the paragraphs.
19. The First Respondent denies the allegation against the First Respondent in paragraph 28, does not admit paragraph 28(b)-(d), and does not plead to the balance of paragraph 28.
20. In answer to paragraph 30, the First Respondent repeats its answers to paragraphs 27-29, denies the paragraph so far as it contains allegations against the First Respondent and otherwise does not admit the balance of paragraph 30.
21. The First Respondent denies paragraph 31 in so far as it contains an allegation against the First Respondent and otherwise does not admit paragraph 31.
22. The First Respondent denies the allegations against the First Respondent in paragraph 32 and does not plead to the balance of paragraph 32.

23. The First Respondent denies Ha was acting on behalf of the First Respondent and does not admit the balance of paragraph 33.
24. The First Respondent does not admit paragraph 34.
25. The First Respondent denies Ha was acting on behalf of the First Respondent, denies that the First Respondent received any of the First Investment Sum and does not plead to the balance of paragraph 35.
26. The First Respondent denies the allegation against the First Respondent in paragraph 36(a) and 36(c), denies that any recording (which is not admitted) on the First Webpage as described in paragraph 36(d) was made with the authority, knowledge or consent of the First Respondent and does not plead to the balance of paragraph 36.
27. The First Respondent denies Ha was acting on behalf of the First Respondent and does not plead to the balance of paragraph 37.
28. The First Respondent does not plead to paragraphs 38 and 39.
29. The First Respondent denies the allegation against the First Respondent in paragraph 40 and does not plead to the balance of paragraph 40.
30. The First Respondent denies the allegation against the First Respondent in paragraph 41(a) to 41(c), denies that any recording (which is not admitted) on the Second Webpage as described in paragraph 41(d) was made with the authority, knowledge or consent of the First Respondent and does not plead to the balance of paragraph 41.
31. In answer to paragraph 42, the First Respondent repeats its earlier responses in respect of the T, M and K Products, admits that it did not issue or provide a PDS as described because it did not create, publish, communicate, circulate, use or not use, authorise, know about or

consent to any matter in respect of the T, M and K Products, and otherwise does not admit paragraph 42.

32. The First Respondent does not admit paragraph 43 and repeats its responses in respect of the alleged Representations.

33. The First Respondent denies the allegations against the First Respondent in paragraphs 44 to 57, repeats its answers to the paragraphs referred to in those allegations and also says that such answers were the reason for any non-disclosure, and does not plead to the balance of paragraph 44 to 57.

34. In answer to paragraphs 58 to 60, the First Respondent denies the alleged reliance upon anything alleged to have been done by it or allegedly on its behalf, repeats its answers to the alleged representations on which alleged reliance is said to have occurred, and otherwise does not admit the paragraphs.

35. In answer to paragraph 61, the First Respondent denies the alleged reliance upon anything alleged to have been done by it or allegedly on its behalf, repeats its answers to the alleged contravening conduct on which alleged reliance is said to have occurred, and otherwise does not admit the paragraph.

36. In answer to paragraphs 64 and 65, the First Respondent admits that no amount has been repaid by it, says that it is under no obligation or liability to make any such repayment, repeats its answers to the allegations on which the alleged liability or obligation to repay is said to have arisen, and does not plead to the balance of paragraphs 64 and 65.

37. The First Respondent repeats its answers to the allegations by which the alleged loss or damage is said to have been suffered, does not admit such alleged loss or damage, and does not plead to the balance of paragraph 66.

38. In answer to paragraphs 66A to 69, the First Respondent repeats its denials and other answers to the allegations concerning representations and other conduct said to be by or on behalf of the First Respondent and to alleged reliance upon such alleged representations and other conduct and to alleged loss and damage allegedly caused by such alleged representations and other conduct, denies that any mention of the First Respondent at the Manila Conference as described in paragraphs 66W and 66X was made, published, communicated, circulated or used with its authority, knowledge or consent, denies any allegation against it that is said to arise by reason of the allegations against Wang, and otherwise does not plead to the paragraphs.

39. The First Respondent denies the Applicants are entitled to any relief against the First Respondent.

Date: 14 June 2019



Signed by Vincent Zhi-Qing Zhu
Lawyer for the First Respondent

This pleading was prepared by Vincent Zhi-Qing Zhu, lawyer for the First Respondent.

Certificate of lawyer

I Vincent Zhi-Qing Zhu certify to the Court that, in relation to the defence filed on behalf of the First Respondent, the factual and legal material available to me at present provides a proper basis for:

- (a) each allegation in the pleading; and
- (b) each denial in the pleading; and
- (c) each non admission in the pleading.

Date: 14 June 2019



Signed by Vincent Zhi-Qing Zhu
Lawyer for the First Respondent

Schedule

No. NSD529 of 2016

Federal Court of Australia
District Registry: New South Wales
Division: General

Applicants

First Applicant Jaewon Choi
Second Applicant Kwangho Kim

Respondents

First Respondent Hodgson Faraday Pty Limited ACN 130 606 987
Second Respondent TMK Index Limited ACN 123 936 336