

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

Civil Forfeiture Action in Rem Against  
The Lands and Structures situated at #TH22 - 1281 Cordova Street West, Vancouver,  
British Columbia, and having a legal description of parcel identifier 026-130-581 Strata  
Lot 12 of the Public Harbour of Burrard Inlet New Westminster District Strata Plan  
BCS1073 together with an interest in the common property in proportion to the unit  
entitlement of the strata lot as shown on Form V (the "Real Property"), a 2017 Land  
Rover Range Rover with Vehicle Identification Number SALGW3FE5HA366813, a 2018  
Land Rover Range Rover with Vehicle Identification Number SALWZ2SE3JA192099  
(collectively, the "Vehicles") and any funds notionally held by the Bank of Montreal, in  
particular account numbers 4642127 and 3716674, by Kevin Patrick Hobbs (the "Bank  
Funds") and their fruits and proceeds

BETWEEN:

Director of Civil Forfeiture

PLAINTIFF

AND:

The Owners and all Other Interested in the Real Property, the Vehicles, and the Bank  
Funds, in Particular, Kevin Patrick Hobbs and Lisa Angela Cheng

DEFENDANTS

**RESPONSE TO CIVIL CLAIM**

**Filed by:** the defendants Kevin Hobbs and Lisa Cheng

**PART 1: FACTS**

**Division 1- Defendants' Response to Facts**

1. The facts alleged in paragraphs 1-10 and 21 of Part 1 of the notice of civil claim are admitted, for the most part. Some assertions are inaccurate, but are not material.

2. The facts alleged in paragraphs 11 through 15 of Part 1 of the notice of civil claim are in part admitted but mostly denied.
3. The facts alleged in paragraphs 17-20, 22-27 of Part 1 of the notice of civil claim are denied, and the defendant puts the plaintiff to the strict proof thereof.
4. Vanbex did not solicit funds from investors for the development or distribution of the FUEL token. Neither it nor either personal defendant represented to any person that 'the value of the FUEL token would increase'. It is correct that a FUEL token would be capable of being used in the smart contract system.
5. Purchases of FUEL tokens were pursuant to terms and conditions, and risk of acknowledgement documents prepared by counsel concerning these items. Purchasers obtained exactly what they bargained for. The offering was a success and the business prosperous. Neither defendant during 2017 acquired 'sudden' personal wealth.
6. The facts alleged in paragraph 16 of Part 1 are outside the defendants' knowledge. The facts alleged in paragraph 21 are ancient, irrelevant, prejudicial, and should be struck.

### **Division 2 – Defendants' Version of the Facts**

1. Neither Vanbex nor Etherparty is a 'shell company'. It is a consulting and development business working in the cryptocurrency field. It has developed innovative new systems using blockchain technology. The company has hosted events and attended and spoken at conferences in the local blockchain business community. Both personal defendants have been, are, and continue to be acknowledged as innovative leaders in this field.

