



Federal Court of Australia

District Registry: South Australia

Division: General

No: SAD300/2017

**AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION**  
Plaintiff

**GALLOP INTERNATIONAL GROUP PTY LTD (IN LIQUIDATION)** and others  
named in the schedule  
Defendant

**ORDER**

**JUDGE:** JUSTICE CHARLESWORTH

**DATE OF ORDER:** 26 September 2019

**WHERE MADE:** Adelaide (in Chambers)

**PENAL NOTICE**

**TO: GALLOP INTERNATIONAL GROUP PTY LTD (IN LIQUIDATION)**  
**GALLOP ASSET MANAGEMENT PTY LTD (ACN 136 696 743)**  
**MING-CHIEN WANG**  
**STUMAC PTY LTD ACN 611 910 822**

**IF YOU (BEING THE PERSON BOUND BY THIS ORDER):**

- (A) REFUSE OR NEGLECT TO DO ANY ACT WITHIN THE TIME SPECIFIED IN THIS ORDER FOR THE DOING OF THE ACT; OR**
- (B) DISOBEY THE ORDER BY DOING AN ACT WHICH THE ORDER REQUIRES YOU NOT TO DO,**

**YOU WILL BE LIABLE TO IMPRISONMENT, SEQUESTRATION OF PROPERTY OR OTHER PUNISHMENT.**

**ANY OTHER PERSON WHO KNOWS OF THIS ORDER AND DOES ANYTHING WHICH HELPS OR PERMITS YOU TO BREACH THE TERMS OF THIS ORDER MAY BE SIMILARLY PUNISHED.**



**THE COURT NOTES THAT:**

In these orders the following terms and phrases bear the meanings defined in the *Australian Securities and Investments Commission Act 2001* (Cth) and the *Corporations Act 2001* (Cth): financial service, financial service business, Australian Financial Service Licence, financial product.

**THE COURT DECLARES THAT:**

Pursuant to s 21 and s 23 of the *Federal Court of Australia Act 1976* (Cth):

1. Between 24 May 2017 and 9 November 2017, the first defendant contravened s 911A of the *Corporations Act 2001* (Cth) by carrying on a financial services business in this jurisdiction without holding an Australian Financial Services Licence covering the financial services provided. The first defendant caused the business to be promoted on two websites accessible to the public in this jurisdiction, which conduct was intended to induce people in this jurisdiction to use the financial services provided by it, or was otherwise likely to have that effect.
2. Between 24 May 2017 and 9 November 2017, the first defendant contravened s 12DB(1)(e) of the *Australian Securities and Investments Commission Act 2001* (Cth) by causing statements to be published on two websites accessible to the public in this jurisdiction to the effect that the first defendant was authorised under Australian law to provide financial services in Australia when it was not so authorised, and so represented that the financial services had approvals or benefits they did not have.
3. Between 24 May 2017 and 9 November 2017, the first defendant contravened s 12DB(1)(e) of the *Australian Securities and Investments Commission Act 2001* (Cth) by causing statements to be published on two websites accessible to the public in this jurisdiction to the effect that investors' funds would be kept secure by being deposited in a designated trust account in accordance with Australian regulatory requirements and not mixed with the assets of the first defendant, which statements falsely represented that the financial services provided by the first defendant had benefits they did not have.
4. Between 24 May 2017 and 9 November 2017 the first defendant contravened s 1041H of the *Corporations Act 2001* (Cth) and s 12DA of the *Australian Securities and Investments Commission Act 2001* (Cth) by engaging in the following conduct after the



cancellation of its Australian Financial Services Licence, which conduct was misleading or deceptive or liable to mislead or deceive:

- (a) promoting its financial products and services on two websites accessible in this jurisdiction;
  - (b) representing, by the websites, that it was licenced to provide the financial products and services;
  - (c) receiving funds which were paid by investors on the understanding that they were investing in the financial products and/or financial services offered by the first defendant; and
  - (d) failing to inform investors and the wider public that its Australian Financial Services Licence had been cancelled.
5. The third defendant was directly or indirectly knowingly concerned in each of the first defendant's contraventions referred to in paragraphs 1 to 4.


**THE COURT ORDERS THAT:**

1. The plaintiff's application for declarations against the second defendant in terms of paragraph 1 of the Amended Originating Application dated 11 May 2018 is dismissed.
2. The plaintiff's application for a declaration against the third defendant in terms of paragraph 2 of the Amended Originating Application dated 11 May 2018 is dismissed insofar as the application is founded upon alleged contraventions of the second defendant.
3. The third defendant be permanently restrained, whether by himself, his servants, agents or employees, from, in this jurisdiction:
  - (a) carrying on a financial services business;
  - (b) carrying on a business related to, concerning or directed to financial products or financial services;
  - (c) dealing in financial products;
  - (d) in any way holding himself out as authorised to do, or being in any way involved in, the matters referred to in sub-paras (a) to (c);
  - (e) holding office in, or being employed by, or acting in the capacity of a contractor or consultant for any entity engaged in any of the activities referred to in sub-paras (a) to (c).



4. The third defendant is disqualified from managing a corporation for a period of 10 years from the date of this order.
5. The third defendant is to pay to the Commonwealth a pecuniary penalty in respect of his involvement in the first defendant's contraventions of s 12DB(1)(e) of the *Australian Securities and Investments Commission Act 2001* (Cth) in the amount of AUD\$3 million.
6. The second defendant and the fourth defendant each be wound up pursuant to s 461(1)(k) and s 464 of the *Corporations Act 2001* (Cth).
7. Mr Martin David Lewis be appointed liquidator of the second and fourth defendants with all relevant statutory powers given to liquidators under the *Corporations Act 2001* (Cth).
8. The requirements of r 5.11(3) of the *Federal Court (Corporations) Rules 2000* (Cth) be dispensed with.
9. The plaintiff's costs of the winding up applications in relation to the second and fourth defendants are to be paid from the assets of administration of the second and fourth defendants respectively.
10. Subject to the order in paragraph 9, the first and third defendants are jointly and severally liable to pay the plaintiff's costs of and incidental to the proceedings in an amount to be fixed by the Registrar.
11. Upon the entry of these orders, all orders made on the plaintiff's applications for interlocutory relief shall, by this order, be discharged, on the 25th October 2019.

Date that entry is stamped: 26 September 2019

  
Registrar



**Schedule**

No: SAD300/2017

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

Second Defendant      GALLOP ASSET MANAGEMENT PTY LTD (ACN 136 696  
743)

Third Defendant      MING-CHIEN WANG

Fourth Defendant      STUMAC PTY LTD ACN 611 910 822