

## NOTICE OF FILING

This document was lodged electronically in the FEDERAL COURT OF AUSTRALIA (FCA) on 25/07/2014 7:00:00 AM 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:	NSD2089/2013
File Title:	Julie Gray v Cash Converters International Limited ACN 069 141 546 & Ors
Registry:	NEW SOUTH WALES REGISTRY - FEDERAL COURT OF AUSTRALIA



A handwritten signature in blue ink, reading "Warwick Soden".

Dated: 25/07/2014 8:59:09 AM 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.



## Defence

No. NSD2089/2013

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

**Julie Gray**

Applicant

**Cash Converters International Limited (ACN 069 141 546)** and others

Respondents

Paragraph references are references to the Amended Statement of Claim (**ASC**) unless otherwise stated. Capitalised terms have the same meaning as set out in the ASC unless otherwise stated.

### A. THE GROUP MEMBERS

1. The respondents do not plead to paragraph 1 as no allegation is made against them.

### B. THE PARTIES

2. The respondents:

- (a) admit paragraph 2(a);
- (b) admit paragraph 2(b);
- (c) say that they do not know and cannot admit the allegations in paragraph 2(c).

Filed on behalf of (name & role of party)	Cash Converters International Limited (ACN 069 141 546) (First Respondent)
	Safrock Finance Corporation (Qld) Pty Ltd (ACN 098 566 520) (Second Respondent)
	Cash Converters Personal Finance Pty Ltd (ACN 110 275 762) (Third Respondent)
Prepared by (name of person/lawyer)	Norman Fryde
Law firm (if applicable)	Thomson Geer
Tel	+61 3 8080 3500
Fax	+61 3 8080 3599
Email	nfryde@tglaw.com.au
Address for service	Level 39, Rialto South Tower, 525 Collins Street, Melbourne VIC 3000
Ref	NSF:NBC:3525335
Legal/42850247_1	[Form approved 01/08/2011]

3. The respondents admit paragraph 3.

4. The respondents admit paragraph 4.

5. The respondents admit paragraph 5.

## C. CONTRAVENING CONDUCT BY SAFROCK FINANCE

### C1. First Gray Personal Loan

#### (a) Debiting and retention of nAdmin and Administration Fees

6. As to paragraph 6, the respondents:

(a) admit that the applicant and the second respondent entered into a credit contract pursuant to which the applicant was advanced the sum of \$600.00;

(b) say that the contract comprised the documents styled:

(i) CONTRACT – PART 1 – SCHEDULE dated 7 March 2011 (**Schedule**);

(ii) PART 2 – STANDARD TERMS AND CONDITIONS (**Standard Terms**);

(c) otherwise deny paragraph 6.

7. The respondents admit paragraph 7.

8. As to paragraph 8, the respondents:

(a) as to paragraph 8(a) say that:

(i) the Schedule provided that the offer will be taken to be accepted when the second respondent lends to the applicant the *amount of credit* (as defined in the Standard Terms);

(ii) the Standard Terms provided that the second respondent could debit all or any part of the *amount of credit* (as defined in the Standard Terms) on the *settlement date* (as defined in the Standard Terms);

(iii) the Schedule contained the date 7 March 2011:

(A) under the signature of the applicant;

(B) under the acceptance by the second respondent.

(b) admit paragraphs 8(b) to 8(f);

(c) as to paragraph 8(g) say that First Gray Personal Loan contained a term in respect of the deferred establishment fee in the following terms:

**Deferred Establishment Fee**

The loan term is 2 years (24 months).

If the Borrower pays out the loan before the full term, a deferred establishment fee will be charged. The deferred establishment fee will vary depending upon the date on which the loan is fully repaid.

If the loan is fully repaid within 7 months, the fee will be 60% of the principal amount but this will be reduced to 35% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 7 months but within 12 months, the fee will be 50% of the principal amount but this will be reduced to 30% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 12 months but within 18 months, the fee will be 40% of the principal amount but this will be reduced to 25% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 18 months there will be no deferred establishment fee.

9. The respondents admit paragraph 9.

10. The respondents deny paragraph 10 and further say that:

(a) the software used the term Administration Fee or nAdmin to identify the fees or charges applicable to personal loans entered into with customers including the applicant;

(b) the Administration Fee or nAdmin is the fee or charge which is also known as the deferred establishment fee;

(c) the deferred establishment fee was disclosed in the Schedule.

11. The respondents admit paragraph 11.

12. As to paragraph 12, the respondents admit that the second respondent debited periodic amounts of \$14.00 and \$7.00, and an amount of \$8.05, as the deferred establishment fee in accordance with the terms of the First Gray Personal Loan.

13. The respondents deny paragraph 13.

14. As to paragraph 14, the respondents:

- (a) say that between 8 March 2011 and 13 October 2011 the second respondent charged interest on the whole of the outstanding balances on the loan account under the First Gray Personal Loan rounded down from an annual percentage rate of 48%;

- (b) otherwise deny paragraph 14.

15. As to paragraph 15, the respondents:

- (a) repeat their response to paragraph 10;

- (b) otherwise deny paragraph 15.

16. As to paragraph 16, the respondents:

- (a) deny that the second respondent knew, or ought to have known that the applicant was not highly educated;

- (b) admit that the second respondent was aware at the time that it entered into the First Gray Personal Loan of the matters contained in the loan application form which included that the applicant was receiving the Centrelink – Disability Pension;

- (c) deny that the “nAdmin” fee and the “Administration Fee” were not readily discoverable and repeat paragraph 10 above;

- (d) do not know and cannot admit whether the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the First Gray Personal Loan but further say that it was the usual practice of the staff member dealing with the personal loan request to refer to the fact that an early repayment election would result in the charging of the deferred establishment fee;

- (e) deny that the second respondent knew, or ought to have known that the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the First Gray Personal Loan;

- (f) otherwise deny paragraph 16.

17. The respondents deny paragraph 17.

**(b) Breach of Maximum Annual Percentage Rate**

17A. As to paragraph 17A, the respondents admit that the applicant signed a document entitled Personal Loan Early Repayment Election which bears the date 8 March 2011.

17B. The respondents deny paragraph 17B.

17C. As to paragraph 17C, the respondents:

- (a) admit that from upon the applicant electing to repay the First Gray Personal Loan early by executing the Personal Loan Early Repayment Election the second respondent intended to draw direct debits of \$60.13 per fortnight from the applicant's account commencing on 17 March 2011 which debits would be sufficient to repay the loan within 7 months, including payment of the deferred establishment fee;
- (b) otherwise deny paragraph 17C.

18. As to paragraph 18, the respondents:

- (a) repeat their response to paragraph 17C;
- (b) deny that prior to the applicant electing to repay the First Gray Personal Loan early by executing the Personal Loan Early Repayment Election the second respondent intended that the applicant would repay the First Gray Personal Loan within 7 months;
- (c) do not know and cannot admit whether it was the applicant's intention prior to entering into the First Gray Personal Loan that the applicant would repay the First Gray Personal Loan within 7 months;
- (d) otherwise deny paragraph 18.

18A. As to paragraph 18A, the respondents:

- (a) repeat their responses to paragraphs 17C and 18;
- (b) say that the deferred establishment fee was not an ascertainable fee or charge which was to be included in calculating the maximum annual percentage rate under the First Gray Personal Loan pursuant to clause 7 of Schedule 3 of the NSW Act because:
  - (i) the deferred establishment fee was not ascertainable when the annual percentage rate was calculated;
  - (ii) the applicant had the opportunity to make an election as to the early repayment of the personal loan;
  - (iii) if the applicant elected to repay the personal loan after 18 months then no deferred establishment fee was payable;

- (iv) if, having made an election as to the early repayment of the personal loan, the applicant had determined to revoke or vary her election then she was permitted to do so and the necessary adjustments would have been made to the deferred establishment fee charged.

19. The respondents deny paragraph 19.

20. The respondents deny paragraph 20.

21. The respondents deny paragraph 21.

22. The respondents deny paragraph 22.

**(c) Further contravention of the ASIC Act**

23. As to paragraph 23, the respondents:

- (a) do not know and cannot admit whether the applicant was informed prior to entering into the First Gray Personal Loan that the applicant had the option of repaying the loan over 2 years by 104 repayments of \$8.98 rather than over 7 months by 15 repayments of \$60.13;
- (b) further say that the terms of the First Gray Personal Loan which the applicant executed expressly stated that the repayments were 104 weekly repayments of \$8.98.

24. The respondents deny paragraph 24.

25. The respondents deny paragraph 25.

**(d) Unconscionable fee under the Code**

26. The respondents deny paragraph 26.

27. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 27.

27A. The respondents deny paragraph 27A.

27B. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 27B.

## C2. Second Gray Personal Loan

### (a) Debiting and retention of nAdmin Fee

28. As to paragraph 28, the respondents:

- (a) admit that the applicant and the second respondent entered into a credit contract pursuant to which the applicant was advanced the sum of \$600.00;
- (b) say that the contract comprised the documents styled:
  - (i) CONTRACT – PART 1 – SCHEDULE dated 6 January 2012 (**Schedule**);
  - (ii) PART 2 – STANDARD TERMS AND CONDITIONS (**Standard Terms**);
- (c) otherwise deny paragraph 28.

29. The respondents admit paragraph 29.

30. As to paragraph 30, the respondents:

- (a) as to paragraph 30(a) say that:
  - (i) the Schedule provided that the offer will be taken to be accepted when the second respondent lends to the applicant the *amount of credit* (as defined in the Standard Terms);
  - (ii) the Standard Terms provided that the second respondent could debit all or any part of the *amount of credit* (as defined in the Standard Terms) on the *settlement date* (as defined in the Standard Terms);
  - (iii) the Schedule contained the date 6 January 2012:
    - (A) under the signature of the applicant;
    - (B) under the acceptance by the second respondent.
- (b) admit paragraphs 30(b) to 30(f);
- (c) as to paragraph 30(g) say that Second Gray Personal Loan contained a term in respect of the deferred establishment fee in the following terms:



### **Deferred Establishment Fee**

The loan term is 2 years (24 months).

If the Borrower pays out the loan before the full term, a deferred establishment fee will be charged. The deferred establishment fee will vary depending upon the date on which the loan is fully repaid.

If the loan is fully repaid within 7 months, the fee will be 60% of the principal amount but this will be reduced to 35% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 7 months but within 12 months, the fee will be 50% of the principal amount but this will be reduced to 30% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 12 months but within 18 months, the fee will be 40% of the principal amount but this will be reduced to 25% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 18 months there will be no deferred establishment fee.

31. The respondents admit paragraph 31.
32. The respondents deny paragraph 32 and further say that:
  - (a) the software used the term nAdmin to identify the fees or charges applicable to personal loans entered into with customers including the applicant;
  - (b) the nAdmin is the fee or charge which is also known as the deferred establishment fee;
  - (c) the deferred establishment fee was disclosed in the Schedule.
33. The respondents admit paragraph 33.
34. As to paragraph 34, the respondents admit that the second respondent debited periodic amounts of \$14.00, and an amount of \$28.00, as the deferred establishment fee in accordance with the terms of the Second Gray Personal Loan.
35. The respondents deny paragraph 35.
36. As to paragraph 36, the respondents:
  - (a) say that between 9 January 2012 and 24 July 2012 the second respondent charged interest on the whole of the outstanding balances on the loan account under the Second Gray Personal Loan rounded down from an annual percentage rate of 48%;
  - (b) otherwise deny paragraph 36.
37. As to paragraph 37, the respondents:

- (a) repeat their response to paragraph 32;
- (b) otherwise deny paragraph 37.

38. As to paragraph 38, the respondents:

- (a) deny that the second respondent knew, or ought to have known that the applicant was not highly educated;
- (b) admit that the second respondent was aware at the time that it entered into the Second Gray Personal Loan of the matters contained in the loan application form which included that the applicant was receiving the Centrelink – Disability Pension;
- (c) deny that the “nAdmin” fee was not readily discoverable and repeat paragraph 32 above;
- (d) do not know and cannot admit whether the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the Second Gray Personal Loan but further say that it was the usual practice of the staff member dealing with the personal loan request to refer to the fact that an early repayment election would result in the charging of the deferred establishment fee;
- (e) deny that the second respondent knew, or ought to have known that the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the Second Gray Personal Loan;
- (f) otherwise deny paragraph 38.

39. The respondents deny paragraph 39.

**(b) Breach of Maximum Annual Percentage Rate**

39A. As to paragraph 39A, the respondents admit that the applicant signed a document entitled Personal Loan Early Repayment Election which bears the date 7 January 2012.

39B. The respondents deny paragraph 39B.

39C. As to paragraph 39C, the respondents:

- (a) admit that from upon the applicant electing to repay the Second Gray Personal Loan early by executing the Personal Loan Early Repayment Election the second respondent intended to draw direct debits of \$60.13 per fortnight from the applicant's

account commencing on 19 January 2012 which debits would be sufficient to repay the loan within 7 months, including payment of the deferred establishment fee;

- (b) otherwise deny paragraph 39C.

40. As to paragraph 40, the respondents:

- (a) repeat their response to paragraph 39C;
- (b) deny that prior to the applicant electing to repay the Second Gray Personal Loan early by executing the Personal Loan Early Repayment Election the second respondent intended that the applicant would repay the Second Gray Personal Loan within 7 months;
- (c) do not know and cannot admit whether it was the applicant's intention prior to entering into the Second Gray Personal Loan that the applicant would repay the Second Gray Personal Loan within 7 months;
- (d) otherwise deny paragraph 40.

40A. As to paragraph 40A, the respondents:

- (a) repeat their responses to paragraphs 39C and 40;
- (b) say that the deferred establishment fee was not an ascertainable fee or charge which was to be included in calculating the maximum annual percentage rate under the Second Gray Personal Loan pursuant to clause 7 of Schedule 3 of the NSW Act because:
  - (i) the deferred establishment fee was not ascertainable when the annual percentage rate was calculated;
  - (ii) the applicant had the opportunity to make an election as to the early repayment of the personal loan;
  - (iii) if the applicant elected to repay the personal loan after 18 months then no deferred establishment fee was payable;
  - (iv) if, having made an election as to the early repayment of the personal loan, the applicant had determined to revoke or vary her election then she was permitted to do so and the necessary adjustments would have been made to the deferred establishment fee charged.

41. The respondents deny paragraph 41.

42. The respondents deny paragraph 42.

43. The respondents deny paragraph 43.

44. The respondents deny paragraph 44.

**(c) Further contravention of the ASIC Act**

45. As to paragraph 45, the respondents:

- (a) do not know and cannot admit whether the applicant was informed prior to entering into the Second Gray Personal Loan that the applicant had the option of repaying the loan over 2 years by 52 repayments of \$18.02 rather than over 7 months by 15 repayments of \$60.13;
- (b) further say that the terms of the Second Gray Personal Loan which the applicant executed expressly stated that the repayments were 52 fortnightly repayments of \$18.02.

46. The respondents deny paragraph 46.

47. The respondents deny paragraph 47.

**(d) Unconscionable fee under the Code**

48. The respondents deny paragraph 48.

49. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 49.

49A. The respondents deny paragraph 49A.

49B. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 49B.

**D. CONTRAVENING CONDUCT BY CC PERSONAL FINANCE**

**(a) Debiting and retention of nAdmin and Administration Fees**

50. As to paragraph 50, the respondents:

- (a) admit that the applicant and the third respondent entered into a credit contract pursuant to which the applicant was advanced the sum of \$600.00;

(b) say that the contract comprised the documents styled:

(i) CONTRACT – PART 1 – SCHEDULE dated 23 July 2012 (**Schedule**);

(ii) PART 2 SCHEDULE – STANDARD TERMS AND CONDITIONS (**Standard Terms**);

(c) otherwise deny paragraph 50.

51. The respondents admit paragraph 51.

52. As to paragraph 52, the respondents:

(a) as to paragraph 52(a) say that:

(i) the Schedule provided that the offer will be taken to be accepted when the third respondent lends to the applicant the *amount of credit* (as defined in the Standard Terms);

(ii) the Standard Terms provided that the third respondent could debit all or any part of the *amount of credit* (as defined in the Standard Terms) on the *settlement date* (as defined in the Standard Terms);

(iii) the Schedule contained the date 23 July 2012:

(A) under the signature of the applicant;

(B) under the acceptance by the third respondent.

(b) admit paragraphs 52(b) to 52(f);

(c) as to paragraph 52(g) say that Third Gray Personal Loan contained a term in respect of the deferred establishment fee in the following terms:

**Deferred Establishment Fee**

The loan term is 2 years (24 months).

If the Borrower pays out the loan before the full term, a deferred establishment fee will be charged. The deferred establishment fee will vary depending upon the date on which the loan is fully repaid.

If the loan is fully repaid within 7 months, the fee will be 60% of the principal amount but this will be reduced to 35% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 7 months but within 12 months, the fee will be 50% of the principal amount but this will be reduced to 30% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 12 months but within 18 months, the fee will be 40% of the principal amount but this will be reduced to 25% if paid by direct debit to encourage good fiscal management.

If the loan is repaid after 18 months there will be no deferred establishment fee.

53. The respondents admit paragraph 53.
54. The respondents deny paragraph 54 and further say that:
  - (a) the software used the term nAdmin to identify the fees or charges applicable to personal loans entered into with customers including the applicant;
  - (b) the nAdmin is the fee or charge which is also known as the deferred establishment fee;
  - (c) the deferred establishment fee was disclosed in the Schedule.
55. The respondents admit paragraph 55.
56. As to paragraph 56, the respondents admit that the third respondent debited periodic amounts of \$14.00 as the deferred establishment fee in accordance with the terms of the Third Gray Personal Loan.
57. The respondents deny paragraph 57.
58. As to paragraph 58, the respondents:
  - (a) say that between 24 July 2012 and 22 November 2012 the third respondent charged interest on the whole of the outstanding balances on the loan account under the Third Gray Personal Loan rounded down from an annual percentage rate of 48%;
  - (b) otherwise deny paragraph 58.
59. As to paragraph 59, the respondents:
  - (a) repeat their response to paragraph 54;
  - (b) otherwise deny paragraph 59.
60. As to paragraph 60, the respondents:

- (a) deny that the third respondent knew, or ought to have known that the applicant was not highly educated;
- (b) admit that the third respondent was aware at the time that it entered into the Third Gray Personal Loan of the matters contained in the loan application form which included that the applicant was receiving the Centrelink – Disability Pension;
- (c) deny that the "nAdmin" fee was not readily discoverable and repeat paragraph 54 above;
- (d) do not know and cannot admit whether the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the Third Gray Personal Loan but further say that it was the usual practice of the staff member dealing with the personal loan request to refer to the fact that an early repayment election would result in the charging of the deferred establishment fee;
- (e) deny that the third respondent knew, or ought to have known that the applicant was not financially sophisticated and would require an oral explanation to fully understand her rights and obligations under the Third Gray Personal Loan;
- (f) otherwise deny paragraph 60.

61. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 61.

**(b) Breach of Maximum Annual Percentage Rate**

61A. As to paragraph 61A, the respondents admit that the applicant signed a document entitled Personal Loan Early Repayment Election which bears the date 24 July 2012.

61B. The respondents deny paragraph 61B.

61C. As to paragraph 61C, the respondents:

- (a) admit that from upon the applicant electing to repay the Third Gray Personal Loan early by executing the Personal Loan Early Repayment Election the third respondent intended to draw direct debits of \$60.13 per fortnight from the applicant's account commencing on 2 August 2012 which debits would be sufficient to repay the loan within 7 months, including payment of the deferred establishment fee;
- (b) otherwise deny paragraph 61C.

62. As to paragraph 62, the respondents:

- (a) repeat their response to paragraph 61C;
- (b) deny that prior to the applicant electing to repay the Third Gray Personal Loan early by executing the Personal Loan Early Repayment Election the third respondent intended that the applicant would repay the Third Gray Personal Loan within 7 months;
- (c) do not know and cannot admit whether it was the applicant's intention prior to entering into the Third Gray Personal Loan that the applicant would repay the Third Gray Personal Loan within 7 months;
- (d) otherwise deny paragraph 62.

62A. As to paragraph 62A, the respondents:

- (a) repeat their responses to paragraph 61C and 62;
- (b) say that the deferred establishment fee was not an ascertainable fee or charge which was to be included in calculating the maximum annual percentage rate under the Third Gray Personal Loan pursuant to clause 7 of Schedule 3 of the NSW Act because:
  - (i) the deferred establishment fee was not ascertainable when the annual percentage rate was calculated;
  - (ii) the applicant had the opportunity to make an election as to the early repayment of the personal loan;
  - (iii) if the applicant elected to repay the personal loan after 18 months then no deferred establishment fee was payable;
  - (iv) if, having made an election as to the early repayment of the personal loan, the applicant had determined to revoke or vary her election then she was permitted to do so and the necessary adjustments would have been made to the deferred establishment fee charged.

63. The respondents deny paragraph 63.

64. The respondents deny paragraph 64.

65. The respondents deny paragraph 65.

66. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 66.



**(c) Further contravention of the ASIC Act**

67. As to paragraph 67, the respondents:

- (a) do not know and cannot admit whether the applicant was informed prior to entering into the Third Gray Personal Loan that the applicant had the option of repaying the loan over 2 years by 52 repayments of \$18.02 rather than over 7 months by 15 repayments of \$60.13;
- (b) further say that the terms of the Third Gray Personal Loan which the applicant executed expressly stated that the repayments were 52 fortnightly repayments of \$18.02.

68. The respondents deny paragraph 68.

69. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 69.

**(d) Unconscionable fee under the Code**

70. The respondents deny paragraph 70.

71. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 71.

71A. The respondents deny paragraph 71A.

71B. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 71B.

**E. INVOLVEMENT OF CC INTERNATIONAL IN THE SAFROCK FINANCE AND CC PERSONAL FINANCE CONTRAVENTIONS**

72. The respondents admit paragraph 72.

73. As to paragraph 73, the respondents:

- (a) admit paragraph 73(a);
- (b) deny paragraph 73(b).

73A. The respondents admit paragraph 73A.

73B. The respondents admit paragraph 73B.

74. As to paragraph 74, the respondents:

- (a) admit that the first respondent holds 100% shares in the second respondent and the third respondent.
- (b) admit the common directors and officers pleaded in paragraphs 72 and 73;
- (c) admit the use by the second respondent and third respondent of the MON-E System pleaded in paragraphs 73A and 73B;
- (d) otherwise deny paragraph 74.

75. The respondents admit paragraph 75.

76. As to paragraph 76:

- (a) the first respondent denies that it provided any unsecured loan products as alleged in paragraph 76;
- (b) by reason of paragraph 76(a) the first respondent denies a system or practice as alleged in paragraph 76(a) – (e);
- (c) the respondents say that to the extent that there was any system or practice of the second respondent or third respondent the system or practice was to:
  - (i) offer the personal loan product for 24 months;
  - (ii) permit the borrower at his or her election to reduce the loan term;
  - (iii) where such an election was made to charge the deferred establishment fee in accordance with its terms;
- (d) the respondents otherwise deny paragraph 76.

77. As to paragraph 77, the respondents:

- (a) repeat their response to paragraph 76 above;
- (b) otherwise deny paragraph 77.

77A. The respondents deny paragraph 77A.

77B. The respondents deny paragraph 77B.

77C. The respondents deny paragraph 77C.

78. The respondents deny paragraph 78.

79. The respondents deny paragraph 79.

80. The respondents deny that the applicant is entitled to the relief pleaded in paragraph 80.

**F. CLAIMS OF GROUP MEMBERS**

81. The respondents deny paragraph 81.

82. The respondents deny paragraph 82 and further say that any claim made by a group member under s 78 of the Code is statute barred pursuant to s 80 of the Code if it is brought more than 2 years after the relevant change takes effect or fee or charge is charged under the credit contract or the credit contract is rescinded or discharged or otherwise comes to an end.

83. The respondents deny paragraph 83.

84. The respondents repeat paragraph 82 and deny paragraph 84.

**G. INVOLVEMENT OF CC INTERNATIONAL IN THE SAFROCK FINANCE AND CC PERSONAL FINANCE GROUP MEMBER CONTRAVENTIONS**

85. The respondents repeat paragraph 82 and deny paragraph 85.

86. The respondents deny paragraph 86.

Date: 24 July 2014



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Signed by Norman Samuel Fryde  
Lawyer for the Respondents

This pleading was prepared by Andrew Coleman and David Sulan of counsel.

### **Certificate of lawyer**

I certify to the Court that, in relation to the defence filed on behalf of the Respondents, 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: 24 July 2014



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Signed by Norman Samuel Fryde  
Lawyer for the Respondents

**Schedule**

No. NSD2089/2013

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

**Respondents**

Second Respondent:	<b>Safrock Finance Corporation (Qld) Pty Ltd (ACN 098 566 520)</b>
Third Respondent:	<b>Cash Converters Personal Finance Pty Ltd (ACN 110 275 762)</b>

Date: 24 July 2014