

1 Russell M. Selmont (SBN 252522)  
rselmont@ecjlaw.com  
2 **ERVIN COHEN & JESSUP LLP**  
9401 Wilshire Boulevard, Ninth Floor  
3 Beverly Hills, California 90212-2974  
Telephone (310) 273-6333  
4 Facsimile (310) 859-2325

5 Attorneys for Defendants and Counter-Claimants  
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8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

10 MOSES CHOI; and SOUTHEAST  
11 REGIONAL CENTER, LLC,

12 Plaintiffs,

13 v.

14 8TH BRIDGE CAPITAL, INC; YOUNG  
HUN KIM; 8TH BRIDGE CAPITAL,  
15 LLC; MANHATTAN REAL ESTATE  
FUND GP, LLC; MANHATTAN REAL  
16 ESTATE FUND, LP; MANHATTAN  
REAL ESTATE FUND II, LP;  
17 MANHATTAN REAL ESTATE  
EQUITY FUND, LP; and PATRICK  
JONGWON CHANG,

18 Defendants.  
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Case No. 2:17-cv-8958-CAS (AFMx)  
*Hon. Christina A. Snyder – Crtrm 8D*

**DEFENDANT YOUNG HUN  
KIM’S FIRST AMENDED  
ANSWER TO FIRST AMENDED  
COMPLAINT, AFFIRMATIVE  
DEFENSES, AND  
COUNTERCLAIMS**

*Action Filed: December 13, 2017*

20 8TH BRIDGE CAPITAL, INC.; 8TH  
BRIDGE CAPITAL, LLC; YOUNG  
21 HUN KIM; and PATRICK JONGWON  
CHANG,

22 Counter-Claimants,

23 v.

24 MOSES CHOI; SOUTHEAST  
REGIONAL CENTER, LLC; SRC AJIN  
25 FUND I, LLC; SRC AJIN FUND II,  
LLC; SRC AJIN FUND III, LLC; SRC  
26 AJIN-WOOSHIN FUND IV, LLC and  
SRC AJIN-WOOSHIN FUND V, LLC,

27 Counter-Defendants.  
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1 Pursuant to Rule 8 of the Federal Rules of Civil Procedure, Defendant  
2 YOUNG HUN KIM (“Defendant”), hereby submits his First Amended Answer to  
3 the First Amended Complaint of Plaintiffs Moses Choi and Southeast Regional  
4 Center LLC (“Plaintiffs”), as follows:

5 **JURISDICTION AND VENUE**

6 1. Answering the allegations in Paragraph 1, Defendant lacks sufficient  
7 knowledge or information to form a belief concerning the truth of the factual  
8 allegations contained therein and on that basis denies such allegations.

9 2. Answering the allegations in Paragraph 2, Defendant lacks sufficient  
10 knowledge or information to form a belief concerning the truth of the factual  
11 allegations contained therein and on that basis denies such allegations.

12 3. Answering the allegations in Paragraph 3, Defendant lacks sufficient  
13 knowledge or information to form a belief concerning the truth of the factual  
14 allegations contained therein and on that basis denies such allegations.

15 **NATURE OF THE ACTION**

16 4. Answering the allegations in Paragraph 4, Defendant denies each and  
17 every allegation contained therein.

18 5. Answering the allegations in Paragraph 5, Defendant denies each and  
19 every allegation contained therein.

20 6. Answering the allegations in Paragraph 6, Defendant denies each and  
21 every allegation contained therein.

22 7. Answering the allegations in Paragraph 7, Defendant lacks sufficient  
23 knowledge or information to form a belief concerning the truth of the factual  
24 allegations contained therein and on that basis denies such allegations.

25 8. Answering the allegations in Paragraph 8, Defendant lacks sufficient  
26 knowledge or information to form a belief concerning the truth of the factual  
27 allegations contained therein and on that basis denies such allegations.

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**THE PARTIES / DIVERSITY**

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9. Answering the allegations in Paragraph 9, Defendant lacks sufficient knowledge or information to form a belief concerning the truth of the factual allegations contained therein and on that basis denies such allegations.

10. Answering the allegations in Paragraph 11, Defendant admits the allegations contained therein.

11. Answering the allegations in Paragraph 11, Defendant admits the allegations contained therein.

12. Answering the allegations in Paragraph 12, Defendant admits the allegations contained therein.

13. Answering the allegations in Paragraph 13, Defendant admits the allegations contained therein.

14. Answering the allegations in Paragraph 14, Defendant admits the allegations contained therein.

15. Answering the allegations in Paragraph 15, Defendant admits the allegations contained therein.

16. Answering the allegations in Paragraph 16, Defendant admits the allegations contained therein.

17. Answering the allegations in Paragraph 17, Defendant admits the allegations contained therein.

18. Answering the allegations in Paragraph 18, Defendant admits the allegations contained therein.

19. Answering the allegations in Paragraph 19, Defendant admits the allegations contained therein.

20. Answering the allegations in Paragraph 20, Defendant admits the allegations contained therein.

21. Answering the allegations in Paragraph 21, Defendant denies each and every allegation contained therein.

1 22. Answering the allegations in Paragraph 22, Defendant lacks sufficient  
2 knowledge or information to form a belief concerning the truth of the factual  
3 allegations contained therein and on that basis denies such allegations.

4 **ALTER EGO RELATIONSHIPS**

5 23. Answering the allegations in Paragraph 23, Defendant denies each and  
6 every allegation contained therein.

7 **COMMON ALLEGATIONS**

8 **A. THE EB-5 IMMIGRANT INVESTOR PROGRAM**

9 24. Answering the allegations in Paragraph 24, Defendant lacks sufficient  
10 knowledge or information to form a belief concerning the truth of the factual  
11 allegations contained therein and on that basis denies such allegations.

12 25. Answering the allegations in Paragraph 25, Defendant admits the  
13 allegations contained therein.

14 26. Answering the allegations in Paragraph 26, Defendant admits the  
15 allegations contained therein.

16 27. Answering the allegations in Paragraph 27, Defendant admits the  
17 allegations contained therein.

18 28. Answering the allegations in Paragraph 28, Defendant admits the  
19 allegations contained therein.

20 29. Answering the allegations in Paragraph 29, Defendant denies each and  
21 every allegation contained therein.

22 30. Answering the allegations in Paragraph 30, Defendant admits that  
23 some, but not all, regional centers rely upon their relationship with intermediary  
24 agents.

25 **B. PLAINTIFFS' EXPERIENCE IN THE EB-5 REGIONAL CENTER**  
26 **BUSINESS**

27 31. Answering the allegations in Paragraph 31, Defendant lacks sufficient  
28 knowledge or information to form a belief concerning the truth of the factual

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1 allegations contained therein and on that basis denies such allegations.

2 32. Answering the allegations in Paragraph 32, Defendant lacks sufficient  
3 knowledge or information to form a belief concerning the truth of the factual  
4 allegations contained therein and on that basis denies such allegations.

5 33. Answering the allegations in Paragraph 33, Defendant lacks sufficient  
6 knowledge or information to form a belief concerning the truth of the factual  
7 allegations contained therein and on that basis denies such allegations, except as to  
8 deny that Choi and SRC’s network of local immigration agents across China and  
9 South Korea were “valuable”.

10 34. Answering the allegations in Paragraph 34, Defendant lacks sufficient  
11 knowledge or information to form a belief concerning the truth of the factual  
12 allegations contained therein and on that basis denies such allegations, except as to  
13 deny that the “Advisor” was an “expert” or “valuable.”

14 **C. FORMATION OF A JOINT VENTURE RELATIONSHIP AMONG**  
15 **CHOI, SRC, KIM AND 8<sup>TH</sup> BRIDGE INC.**

16 35. Answering the allegations in Paragraph 35, Defendant denies each and  
17 every allegation contained therein.

18 36. Answering the allegations in Paragraph 36, Defendant admits that in  
19 August 2015, there was an exchange of a NDA with respect to an EB-5 project in  
20 Los Angeles, California and denies the rest of the allegations.

21 37. Answering the allegations in Paragraph 37, Defendant admits that Choi  
22 provided a list of immigration agents in China, and denies it was “proprietary” and  
23 the reason for the provision of the list.

24 38. Answering the allegations in Paragraph 38, Defendant denies each and  
25 every allegation contained therein.

26 39. Answering the allegations in Paragraph 39, Defendant denies each and  
27 every allegation contained therein.

28 40. Answering the allegations in Paragraph 40, Defendant denies each and

1 every allegation contained therein.

2 41. Answering the allegations in Paragraph 41, Defendant admits that Kim  
3 sent a draft “Collaboration Agreement” that day and denies the rest of the  
4 allegations.

5 **D. PLAINTIFFS’ CONTRIBUTIONS TO THE JOINT VENTURE**  
6 **RELATIONSHIP**

7 42. Answering the allegations in Paragraph 42, Defendant denies each and  
8 every allegation contained therein.

9 43. Answering the allegations in Paragraph 43, Defendant denies each and  
10 every allegation contained therein.

11 44. Answering the allegations in Paragraph 44, Defendant denies each and  
12 every allegation contained therein.

13 45. Answering the allegations in Paragraph 45, Defendant admits that Choi  
14 wired \$50,000 and denies the rest of the allegations.

15 46. Answering the allegations in Paragraph 46, Defendant denies each and  
16 every allegation contained therein.

17 47. Answering the allegations in Paragraph 47, Defendant denies each and  
18 every allegation contained therein.

19 48. Answering the allegations in Paragraph 48, Defendant admits that Choi  
20 paid for part of Kim’s flights and denies the rest of the allegations.

21 49. Answering the allegations in Paragraph 49, Defendant admit that the  
22 Ace Hotel loan documents were sent to SRC and denies the rest of the allegations.

23 50. Answering the allegations in Paragraph 50, Defendant denies each and  
24 every allegation contained therein.

25 51. Answering the allegations in Paragraph 51, Defendant admits that Kim  
26 wrote “. . . ‘we need to organize the company structure among entities and  
27 employees,’ suggesting places and locations for a “company retreat,” and asking  
28 Choi to help “organize our plans and goals for 2016 before the company retreat so

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1 [that] we can share our company values and directions to the others.”, but denies  
2 that the email was to finalize the written partnership agreement because no  
3 agreement or meeting of the minds had yet been reached and denies the rest of the  
4 allegations.

5 52. Answering the allegations in Paragraph 52, Defendant denies each and  
6 every allegation contained therein.

7 53. Answering the allegations in Paragraph 53, Defendant denies each and  
8 every allegation contained therein.

9 54. Answering the allegations in Paragraph 54, Defendant admits that the  
10 business cards of Choi and Chang were as described and denies the rest of the  
11 allegations.

12 55. Answering the allegations in Paragraph 55, Defendant denies each and  
13 every allegation contained therein.

14 56. Answering the allegations in Paragraph 56, Defendant denies each and  
15 every allegation contained therein.

16 57. Answering the allegations in Paragraph 57, Defendant denies each and  
17 every allegation contained therein.

18 58. Answering the allegations in Paragraph 58, Defendant denies each and  
19 every allegation contained therein.

20 59. Answering the allegations in Paragraph 59, Defendant denies each and  
21 every allegation contained therein.

22 60. Answering the allegations in Paragraph 60, Defendant admits that  
23 Chang went to work in Los Angeles and denies the rest of the allegations.

24 61. Answering the allegations in Paragraph 61, Defendant admits that Choi  
25 signed a lease and that Chang lived there for a portion of time and denies the rest of  
26 the allegations.

27 62. Answering the allegations in Paragraph 62, Defendant denies each and  
28 every allegation contained therein.

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**1 E. FORMATION OF MRE FUND GROUP FOR THE ACE HOTEL  
2 PROJECT**

3 63. Answering the allegations in Paragraph 63, Defendant admits the  
4 allegations contained therein.

5 64. Answering the allegations in Paragraph 64, Defendant admits that  
6 Operating Agreement was executed that date and denies the rest of the allegations.

7 65. Answering the allegations in Paragraph 65, Defendant admits that a  
8 Confidential Private Offering Memorandum was created and denies the rest of the  
9 allegations.

10 66. Answering the allegations in Paragraph 66, Defendant admits the  
11 allegations contained therein except as to deny there was any “success fees.”

12 67. Answering the allegations in Paragraph 67, Defendant admits the  
13 allegations contained therein.

14 68. Answering the allegations in Paragraph 68, Defendant denies each and  
15 every allegation contained therein.

16 69. Answering the allegations in Paragraph 69, Defendant admits the  
17 allegations contained therein.

18 70. Answering the allegations in Paragraph 70, Defendant denies each and  
19 every allegation contained therein.

**20 F. DEFENDANTS’ DISAVOWAL AND DENIAL, OR RESCISSION  
21 WITHOUT CAUSE, OF THE JOINT VENTURE**

22 71. Answering the allegations in Paragraph 71, Defendant denies each and  
23 every allegation contained therein.

24 72. Answering the allegations in Paragraph 72, Defendant denies each and  
25 every allegation contained therein.

26 73. Answering the allegations in Paragraph 73, Defendant admits the  
27 allegation that Kim requested Choi stop funding 8<sup>th</sup> Bridge, but Defendant denies  
28 each any every other allegation contained therein.

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1 74. Answering the allegations in Paragraph 74, Defendant admits that SRC  
2 made the request, but Defendant denies each and every other allegation contained  
3 therein.

4 75. Answering the allegations in Paragraph 75, Defendant admits that Kim  
5 requested Choi provide better communication, but Defendant denies each and every  
6 other allegation contained therein.

7 76. Answering the allegations in Paragraph 76, Defendant admits that Kim  
8 sent Choi \$200,000 and stated “that ‘As to our partnership terms, many . . .  
9 questions are still . . . unanswered’.”, but Defendant denies each and every other  
10 allegation contained therein.

11 77. Answering the allegations in Paragraph 77, Defendant denies each and  
12 every allegation contained therein.

13 78. Answering the allegations in Paragraph 78, Defendant admits that the  
14 quoted language was stated by Kim and denies the rest of the allegations.

15 79. Answering the allegations in Paragraph 79, Defendant admits that  
16 Chang became an employee of 8<sup>th</sup> Bridge in or around June 2017, but Defendant  
17 denies each and every other allegation contained therein.

18 **FIRST CLAIM FOR RELIEF**

19 **(Declaratory Judgment – Against Kim and 8<sup>th</sup> Bridge Inc.)**

20 80. Answering Paragraph 80, Defendant incorporates by reference its  
21 response to Paragraphs 1 to 79, inclusive, as though set forth in full.

22 81. Answering the allegations in Paragraph 81, Defendant lacks sufficient  
23 knowledge or information to form a belief concerning the truth of the factual  
24 allegations contained therein and on that basis denies such allegations.

25 82. Answering the allegations in Paragraph 82, Defendant lacks sufficient  
26 knowledge or information to form a belief concerning the truth of the factual  
27 allegations contained therein and on that basis denies such allegations.

28 83. Answering the allegations in Paragraph 83, Defendant lacks sufficient

1 knowledge or information to form a belief concerning the truth of the factual  
2 allegations contained therein and on that basis denies such allegations.

3 **SECOND CLAIM FOR RELIEF**

4 **(Breach of Joint Venture Partnership Agreement**  
5 **Against Kim and 8<sup>th</sup> Bridge Inc.)**

6 84. Answering Paragraph 84, Defendant incorporates by reference its  
7 response to Paragraphs 1 to 83, inclusive, as though set forth in full.

8 85. Answering the allegations in Paragraph 85, Defendant denies each and  
9 every allegation contained therein.

10 86. Answering the allegations in Paragraph 86, Defendant denies each and  
11 every allegation contained therein.

12 87. Answering the allegations in Paragraph 87, Defendant denies each and  
13 every allegation contained therein.

14 **THIRD CLAIM FOR RELIEF**

15 **(Enforcement of Rights Under the Revised Uniform Partnership Act**  
16 **Against Kim and 8<sup>th</sup> Bridge Inc.)**

17 88. Answering Paragraph 88, Defendant incorporates by reference its  
18 response to Paragraphs 1 to 87, inclusive, as though set forth in full.

19 89. Answering the allegations in Paragraph 89, Defendant lacks sufficient  
20 knowledge or information to form a belief concerning the truth of the factual  
21 allegations contained therein and on that basis denies such allegations.

22 90. Answering the allegations in Paragraph 90, Defendant denies each and  
23 every allegation contained therein.

24 **FOURTH CLAIM FOR RELIEF**

25 **(Breach of Fiduciary Duty – Against Kim, 8<sup>th</sup> Bridge Inc., and Chang)**

26 91. Answering Paragraph 91, Defendant incorporates by reference its  
27 response to Paragraphs 1 to 90, inclusive, as though set forth in full.

28 92. Answering the allegations in Paragraph 91, Defendant denies each and

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1 every allegation contained therein.

2 93. Answering the allegations in Paragraph 92, Defendant denies each and  
3 every allegation contained therein.

4 94. Answering the allegations in Paragraph 93, Defendant denies each and  
5 every allegation contained therein.

6 95. Answering the allegations in Paragraph 94, Defendant denies each and  
7 every allegation contained therein.

8 **FIFTH CLAIM FOR RELIEF**

9 **(Fraudulent Concealment – Against Kim, 8<sup>th</sup> Bridge Inc., and Chang)**

10 96. Answering Paragraph 96, Defendant incorporates by reference its  
11 response to Paragraphs 1 to 95, inclusive, as though set forth in full.

12 97. Answering the allegations in Paragraph 97, Defendant denies each and  
13 every allegation contained therein.

14 98. Answering the allegations in Paragraph 98, Defendant denies each and  
15 every allegation contained therein.

16 99. Answering the allegations in Paragraph 99, Defendant denies each and  
17 every allegation contained therein.

18 100. Answering the allegations in Paragraph 100, Defendant denies each and  
19 every allegation contained therein.

20 101. Answering the allegations in Paragraph 101, Defendant denies each and  
21 every allegation contained therein.

22 102. Answering the allegations in Paragraph 102, Defendant denies each and  
23 every allegation contained therein.

24 103. Answering the allegations in Paragraph 103, Defendant denies each and  
25 every allegation contained therein.

26 104. Answering the allegations in Paragraph 104, Defendant denies each and  
27 every allegation contained therein.

28 105. Answering the allegations in Paragraph 105, Defendant denies each and

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1 every allegation contained therein.

2 106. Answering the allegations in Paragraph 106, Defendant denies each and  
3 every allegation contained therein.

4 107. Answering the allegations in Paragraph 107, Defendant denies each and  
5 every allegation contained therein.

6 108. Answering the allegations in Paragraph 108, Defendant denies each and  
7 every allegation contained therein.

8 109. Answering the allegations in Paragraph 109, Defendant denies each and  
9 every allegation contained therein.

10 110. Answering the allegations in Paragraph 110, Defendant denies each and  
11 every allegation contained therein.

12 111. Answering the allegations in Paragraph 111, Defendant denies each and  
13 every allegation contained therein.

14 112. Answering the allegations in Paragraph 112, Defendant denies each and  
15 every allegation contained therein.

16 113. Answering the allegations in Paragraph 113, Defendant denies each and  
17 every allegation contained therein.

18 114. Answering the allegations in Paragraph 114, Defendant denies each and  
19 every allegation contained therein.

20 **SIXTH CLAIM FOR RELIEF**

21 **(Constructive Fraud – Against Kim, 8<sup>th</sup> Bridge LLC, MRE Fund GP,  
22 MRE Fund LP, MRE Fund II LP and MRE Equity Fund)**

23 115. Answering Paragraph 115, Defendant incorporates by reference its  
24 response to Paragraphs 1 to 114, inclusive, as though set forth in full.

25 116. Answering the allegations in Paragraph 116, Defendant denies each and  
26 every allegation contained therein.

27 117. Answering the allegations in Paragraph 117, Defendant denies each and  
28 every allegation contained therein.

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1 118. Answering the allegations in Paragraph 118, Defendant denies each and  
2 every allegation contained therein.

3 119. Answering the allegations in Paragraph 119, Defendant denies each and  
4 every allegation contained therein.

5 120. Answering the allegations in Paragraph 120, Defendant denies each and  
6 every allegation contained therein.

7 121. Answering the allegations in Paragraph 121, Defendant denies each and  
8 every allegation contained therein.

9 122. Answering the allegations in Paragraph 122, Defendant denies each and  
10 every allegation contained therein.

11 123. Answering the allegations in Paragraph 123, Defendant denies each and  
12 every allegation contained therein.

13 124. Answering the allegations in Paragraph 124, Defendant denies each and  
14 every allegation contained therein.

15 125. Answering the allegations in Paragraph 125, Defendant denies each and  
16 every allegation contained therein.

17 126. Answering the allegations in Paragraph 126, Defendant denies each and  
18 every allegation contained therein.

19 **SEVENTH CLAIM FOR RELIEF**

20 **(Conversion**

21 **Against Kim, 8<sup>th</sup> Bridge Inc., 8<sup>th</sup> Bridge LLC and MRE Fund GP)**

22 127. Answering Paragraph 127, Defendant incorporates by reference its  
23 response to Paragraphs 1 to 126, inclusive, as though set forth in full.

24 128. Answering the allegations in Paragraph 128, Defendant denies each and  
25 every allegation contained therein.

26 129. Answering the allegations in Paragraph 129, Defendant denies each and  
27 every allegation contained therein.

28 130. Answering the allegations in Paragraph 130, Defendant denies each and

1 every allegation contained therein.

2 131. Answering the allegations in Paragraph 131, Defendant denies each and  
3 every allegation contained therein.

4 132. Answering the allegations in Paragraph 132, Defendant denies each and  
5 every allegation contained therein.

6 **EIGHTH CLAIM FOR RELIEF**

7 **(Violation of the Defend Trade Secrets Act –**

8 **Against Kim, 8<sup>th</sup> Bridge Inc., 8<sup>th</sup> Bridge LLC and Chang)**

9 133. Answering Paragraph 133, Defendant incorporates by reference its  
10 response to Paragraphs 1 to 132, inclusive, as though set forth in full.

11 134. Answering the allegations in Paragraph 134, Defendant denies each and  
12 every allegation contained therein.

13 135. Answering the allegations in Paragraph 135, Defendant denies each and  
14 every allegation contained therein.

15 136. Answering the allegations in Paragraph 136, Defendant denies each and  
16 every allegation contained therein.

17 137. Answering the allegations in Paragraph 137, Defendant denies each and  
18 every allegation contained therein.

19 138. Answering the allegations in Paragraph 138, Defendant denies each and  
20 every allegation contained therein.

21 139. Answering the allegations in Paragraph 139, Defendant denies each and  
22 every allegation contained therein.

23 140. Answering the allegations in Paragraph 140, Defendant denies each and  
24 every allegation contained therein.

25 141. Answering the allegations in Paragraph 141, Defendant denies each and  
26 every allegation contained therein.

27 142. Answering the allegations in Paragraph 142, Defendant denies each and  
28 every allegation contained therein.

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1 143. Answering the allegations in Paragraph 143, Defendant denies each and  
2 every allegation contained therein.

3 144. Answering the allegations in Paragraph 144, Defendant denies each and  
4 every allegation contained therein.

5 145. Answering the allegations in Paragraph 145, Defendant denies each and  
6 every allegation contained therein.

7 146. Answering the allegations in Paragraph 146, Defendant denies each and  
8 every allegation contained therein.

9 147. Answering the allegations in Paragraph 147, Defendant denies each and  
10 every allegation contained therein.

11 148. Answering the allegations in Paragraph 148, Defendant denies each and  
12 every allegation contained therein.

13 **NINTH CLAIM FOR RELIEF**

14 **(Violation of the California Uniform Trade Secrets Act –**  
15 **Against Kim, 8<sup>th</sup> Bridge Inc., 8<sup>th</sup> Bridge LLC and Chang)**

16 149. Answering Paragraph 149, Defendant incorporates by reference its  
17 response to Paragraphs 1 to 148, inclusive, as though set forth in full.

18 150. Answering the allegations in Paragraph 150, Defendant denies each and  
19 every allegation contained therein.

20 151. Answering the allegations in Paragraph 151, Defendant denies each and  
21 every allegation contained therein.

22 152. Answering the allegations in Paragraph 152, Defendant denies each and  
23 every allegation contained therein.

24 153. Answering the allegations in Paragraph 153, Defendant denies each and  
25 every allegation contained therein.

26 154. Answering the allegations in Paragraph 154, Defendant denies each and  
27 every allegation contained therein.

28 155. Answering the allegations in Paragraph 155, Defendant denies each and

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1 every allegation contained therein.

2 156. Answering the allegations in Paragraph 156, Defendant denies each and  
3 every allegation contained therein.

4 157. Answering the allegations in Paragraph 157, Defendant denies each and  
5 every allegation contained therein.

6 158. Answering the allegations in Paragraph 158, Defendant denies each and  
7 every allegation contained therein.

8 159. Answering the allegations in Paragraph 159, Defendant denies each and  
9 every allegation contained therein.

10 160. Answering the allegations in Paragraph 160, Defendant denies each and  
11 every allegation contained therein.

12 161. Answering the allegations in Paragraph 161, Defendant denies each and  
13 every allegation contained therein.

14 **TENTH CLAIM FOR RELIEF**

15 **(Judicial Dissolution – Against Kim and 8<sup>th</sup> Bridge Inc.)**

16 162. Answering Paragraph 162, Defendant incorporates by reference its  
17 response to Paragraphs 1 to 161, inclusive, as though set forth in full.

18 163. Answering the allegations in Paragraph 163, Defendant denies each and  
19 every allegation contained therein.

20 164. Answering the allegations in Paragraph 164, Defendant denies each and  
21 every allegation contained therein.

22 165. Answering the allegations in Paragraph 165, Defendant denies each and  
23 every allegation contained therein.

24 166. Answering the allegations in Paragraph 166, Defendant denies each and  
25 every allegation contained therein.

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**ELEVENTH CLAIM FOR RELIEF**

**(Breach of Contract to Form Joint Venture –  
Against Kim and 8<sup>th</sup> Bridge Inc.)**

167. Answering Paragraph 167, Defendant incorporates by reference its response to Paragraphs 1 to 166, inclusive, as though set forth in full.

168. Answering the allegations in Paragraph 168, Defendant denies each and every allegation contained therein.

169. Answering the allegations in Paragraph 169, Defendant denies each and every allegation contained therein.

170. Answering the allegations in Paragraph 170, Defendant denies each and every allegation contained therein.

171. Answering the allegations in Paragraph 171, Defendant denies each and every allegation contained therein.

172. Answering the allegations in Paragraph 172, Defendant denies each and every allegation contained therein.

**TWELFTH CLAIM FOR RELIEF**

**(Breach of Fiduciary Duty – Against Kim, 8<sup>th</sup> Bridge Inc. and Chang)**

173. Answering Paragraph 173, Defendant incorporates by reference its response to Paragraphs 1 to 172, inclusive, as though set forth in full.

174. Answering the allegations in Paragraph 174, Defendant denies each and every allegation contained therein.

175. Answering the allegations in Paragraph 175, Defendant denies each and every allegation contained therein.

176. Answering the allegations in Paragraph 176, Defendant denies each and every allegation contained therein.

177. Answering the allegations in Paragraph 177, Defendant denies each and every allegation contained therein.

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**THIRTEENTH CLAIM FOR RELIEF**

**(Promissory Estoppel – Against Kim and 8<sup>th</sup> Bridge Inc.)**

178. Answering Paragraph 178, Defendant incorporates by reference its response to Paragraphs 1 to 177, inclusive, as though set forth in full.

179. Answering the allegations in Paragraph 179, Defendant denies each and every allegation contained therein.

180. Answering the allegations in Paragraph 180, Defendant denies each and every allegation contained therein.

181. Answering the allegations in Paragraph 181, Defendant denies each and every allegation contained therein.

182. Answering the allegations in Paragraph 182, Defendant denies each and every allegation contained therein.

**FOURTEENTH CLAIM FOR RELIEF**

**(Violation of CA Bus. & Prof §17200**

**Against Kim, 8<sup>th</sup> Bridge Inc., 8<sup>th</sup> Bridge LLC and Chang)**

183. Answering Paragraph 183, Defendant incorporates by reference its response to Paragraphs 1 to 182, inclusive, as though set forth in full.

184. Answering the allegations in Paragraph 184, Defendant denies each and every allegation contained therein.

185. Answering the allegations in Paragraph 185, Defendant denies each and every allegation contained therein.

186. Answering the allegations in Paragraph 186, Defendant denies each and every allegation contained therein.

187. Answering the allegations in Paragraph 187, Defendant denies each and every allegation contained therein.

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**FIFTEENTH CLAIM FOR RELIEF**

**(Accounting – Against Kim, 8<sup>th</sup> Bridge Inc., 8<sup>th</sup> Bridge LLC, MRE Fund GP, MRE Fund LP, MRE Fund II LP, and MRE Equity Fund)**

188. Answering Paragraph 188, Defendant incorporates by reference its response to Paragraphs 1 to 187, inclusive, as though set forth in full.

189. Answering the allegations in Paragraph 189, Defendant denies each and every allegation contained therein.

**SIXTEENTH CLAIM FOR RELIEF**

**(Quantum Meruit – Against Kim and 8<sup>th</sup> Bridge Inc.)**

190. Answering Paragraph 190, Defendant incorporates by reference its response to Paragraphs 1 to 189, inclusive, as though set forth in full.

191. Answering the allegations in Paragraph 191, Defendant denies each and every allegation contained therein.

192. Answering the allegations in Paragraph 192, Defendant denies each and every allegation contained therein.

**ANSWER TO PRAYER FOR RELIEF**

Answering paragraphs 1-11 of the prayer for relief, Defendant denies that Plaintiffs are entitled to the relief sought in these paragraphs, and denies that Plaintiffs are entitled to any relief whatsoever.

**AFFIRMATIVE DEFENSES**

Defendant YOUNG HUN KIM pleads the following separate and distinct affirmative defenses without conceding that it bears the burden of proof as to any of these issues. Defendant reserves the right to assert additional affirmative defenses that discovery indicates are proper.

**FIRST AFFIRMATIVE DEFENSE**

**(Statute of Limitations)**

1. Plaintiff’s 2<sup>nd</sup> and 11<sup>th</sup> causes of action in the First Amended Complaint are barred by such statutes of limitation as may be applicable. The Complaint was

1 filed in December 2017. On information and belief, Plaintiff knew, or should have  
2 known, that the oral contracts allegedly breached had been breached more than two  
3 years prior so pursuant to C.C.P. 339.

4 **SECOND AFFIRMATIVE DEFENSE**

5 **(Waiver/Estoppel)**

6 2. The purported claims of Plaintiff against Defendants are barred under  
7 the doctrines of waiver and estoppel.

8 **THIRD AFFIRMATIVE DEFENSE**

9 **(Accord and Satisfaction)**

10 3. Defendant is informed and believes and, based thereon, alleges that  
11 Defendant duly paid, satisfied and discharged all duties and obligations it owed to  
12 Plaintiff arising out of any and all agreements, representations or contracts made by  
13 or on behalf of Defendant prior to the commencement of the action.

14 **FOURTH AFFIRMATIVE DEFENSE**

15 **(Laches)**

16 4. Plaintiff’s First Amended Complaint, and each cause of action alleged  
17 therein, is barred in whole or in part by the doctrine of laches.

18 **FIFTH AFFIRMATIVE DEFENSE**

19 **(Failure to Perform)**

20 5. Any recovery on Plaintiff’s First Amended Complaint, or any  
21 purported cause of action alleged herein, is barred by his failure to satisfactorily  
22 perform his job responsibilities and otherwise conduct himself in accordance with  
23 the standards and policies of Defendant.

24 **SIXTH AFFIRMATIVE DEFENSE**

25 **(Fraud)**

26 6. The First Amended Complaint, and each cause of action set forth  
27 therein, is barred by Plaintiffs’ or their predecessors’ or agents’ or a third party’s  
28 fraud. Specifically, to the extent that any partnership or joint venture agreement was

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1 entered into (which Defendants deny), any such agreement on Defendants’ part was  
2 induced by Plaintiff’s or its agents’ or a third party’s fraud. From April 2015  
3 through October 2015, Moses Choi, on behalf of himself and SRC, repeatedly made  
4 fraudulent statements to Defendant Young Kim in person, by telephone and by  
5 email including (1) Choi and SRC were established and well-versed in the Chinese  
6 market; (2) Choi and SRC had a robust network of foreign agents that were  
7 experienced and successful in procuring investors for EB-5 projects; and (3) Morrie  
8 Berez, Choi’s partner, was a well-regarded EB-5 specialist and previously served as  
9 a Director/Chief Immigration Official at the USCIS. Choi and SRC knew these  
10 statements were false when made. Kim and the other Defendants, to the contrary,  
11 did not know the falsity of these statements and, if any joint venture or partnership  
12 was formed, the only reason why was in reliance of these fraudulent statements.

13 **SEVENTH AFFIRMATIVE DEFENSE**

14 **(Offset)**

15 7. If the Court should find that Plaintiff is entitled to recovery against  
16 Defendant, then such recovery, if any, should be offset and reduced by any sums  
17 previously paid to Plaintiff by Defendant, or by third parties who engaged Plaintiff  
18 directly or otherwise paid Plaintiff for Plaintiff’s services. In addition, Defendant is  
19 informed and believe, and based thereupon alleges, that Defendant has valid and  
20 enforceable claims for money against Plaintiff each of which is due, owing, and  
21 payable to Defendant by Plaintiff, and which Defendant is entitled to set off against  
22 Plaintiff’s claimed damages, if any should be found to exist.

23 **EIGHTH AFFIRMATIVE DEFENSE**

24 **(Unclean Hands)**

25 8. The First Amended Complaint, and each claim set forth therein, is  
26 barred by the doctrine of unclean hands.

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**PRAYER FOR RELIEF**

WHEREFORE, Defendant YOUNG HUN KIM, prays for judgment against Plaintiffs, as follows:

1. That judgement be awarded in favor of Defendant and against Plaintiffs, and that the Complaint be dismissed with prejudice;

2. That Plaintiffs take nothing by their Complaint;

3. That Defendant be awarded reasonably attorneys’ fees as may be determined by this Court; and

4. For such other and further relief as the Court shall deem just and proper.

**DEFENDANT YOUNG HUN KIM’S COUNTERCLAIM**

Defendants and Counterclaimants Young Hun Kim (“Kim”), 8th Bridge Capital, Inc. (“8BC”), 8<sup>th</sup> Bridge Capital, LLC and Patrick Jongwon Chang (“Chang”) for their counterclaims against Plaintiff and Counter-Defendants Moses Choi (“Choi”), Southeast Regional Center, LLC (“SRC”), SRC Ajin Fund I, LLC, SRC Ajin Fund II, LLC, SRC Ajin Fund III, LLC, SRC Ajin-Wooshin Fund IV, LLC and SRC Ajin-Wooshin Fund V, LLC (all five SRC Ajin-Wooshin Funds are hereby referred to as “SRCAW”) allege as follows:

**A. NATURE OF THE ACTION (SUMMARY)**

1. Choi is a habitual fraudster who has developed a reputation for targeting and duping successful businessmen to ingratiate himself into their companies and lives, all for the purpose of subsequently claiming unfounded ownership of their companies, unearned responsibility for their achievements and undeserved entitlement to their profits.

2. Kim and 8BC are recent victims of Choi’s dishonesty and delusion. Several years ago, Kim and 8BC had very preliminary discussions with Choi and SRC about partnering so they could explore what Kim and 8BC were dishonestly

1 led to believe by Choi was the potential for advantageous synergy in the EB-5  
2 business world for all parties involved. However, the representations made by Choi  
3 that caused Kim to believe that such a collaborative relationship would be fruitful  
4 turned out to be all lies.

5 3. Fortunately for Kim and 8BC, they at least recognized some of Choi's  
6 less egregious personality flaws early on and avoided entering into any partnership  
7 agreement with Choi and SRC. Kim prepared a very loose term sheet that failed to  
8 include such critical terms as ownership interest, division of profits or capital  
9 contribution and sent it to Choi. Despite Kim's repeated pleas to Choi to provide  
10 feedback, negotiate, or even simply address the draft term sheet to see if a meeting  
11 of the minds could be reached, Choi simply refused to engage. A few months later,  
12 because of Choi's chronic unreliableness, inability to communicate and poor work  
13 ethic, Kim informed Choi that he was no longer interested in joining forces.

14 4. Based on Choi's earlier misrepresentations about the strength of his  
15 network and ability to identify willing EB-5 investors, Kim did agree that Choi  
16 could serve as a master distributor, responsible for sourcing investors for Kim's Ace  
17 Hotel project in a select geographic region. Ultimately, Choi failed rather  
18 miserably, as most of his contacts turned out to be phony and unreliable. Despite  
19 claiming that he would be able to provide at least 30 investors for the project, after  
20 almost a year, Choi was only able to recruit 4 of them. Worse, Choi was not able to  
21 seal the deal with any of these investors on his own or through legitimate business  
22 practices. Kim and his 8BC team had to fly to China to nurture these relationships  
23 on at least five different occasions and Choi, acting on his own accord, paid  
24 irregular extra fees and gifts to the agencies who helped recruit the investors,  
25 decreasing their value to 8BC. Kim and 8BC on their own were able to source the  
26 other 37 investors required to raise sufficient capital.

27 5. Master distributor's fees are generally fixed within a set range, both  
28 within the EB-5 industry and within any specific deal. Kim and 8BC offered to pay

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1 Choi and SRC a generous amount commensurate, and in fact in excess, of what a  
2 master distributor would ordinarily be entitled. However, Choi, without any legal  
3 justification or factual support, instead has claimed that he is entitled to a percentage  
4 of Kim and 8BC’s profits on the Ace Hotel project, notwithstanding the fact that  
5 Kim had obtained the rights to the deal before meeting Choi, had structured the deal  
6 without Choi, had sourced 90% of the investors without Choi, and has been actively  
7 managing the development without Choi. Furthermore, after Kim failed to  
8 acquiesce to Choi’s unwarranted request, Choi began sabotaging and disrupting  
9 Kim’s and 8BC’s longstanding relationships with their business associates, which  
10 has caused 8BC to lose revenue from repudiated contracts and negatively impacted  
11 8BC’s subsequent EB-5 projects.

12 6. This Counterclaim seeks a judicial determination as to the proper scope  
13 of the business relationship between the parties (*i.e.*, that no partnership agreement  
14 was ever formed contractually, implicitly or otherwise) as well damages for Choi’s  
15 tortious interference with Kim and 8BC’s contracts and prospective economic  
16 advantage.

17 **B. PARTIES AND JURISDICTION**

18 7. Kim is an individual residing in the State of California within this  
19 judicial district.

20 8. 8BC is a California corporation formed in 2009 with its principal place  
21 of business within this judicial district.

22 9. 8<sup>th</sup> Bridge Capital, LLC is a California limited liability corporation with  
23 its principal place of business within this judicial district.

24 10. Chang is an individual residing in the State of California within this  
25 judicial district.

26 11. On information and belief, Choi is an individual with his residence in  
27 the State of Georgia and is the sole member of SRC.

28 12. On information and belief, SRC is a Georgia limited liability company

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1 with its principal place of business in the State of Georgia. On information and  
2 belief, Choi is the CEO and manager of SRC.

3 13. On information and belief, SRC Ajin Fund I, LLC is an Alabama  
4 limited liability company founded in 2010 with a principal place of business in  
5 Duluth, Georgia. On information and belief, SRC is its sole manager and it is  
6 wholly controlled by SRC and Choi.

7 14. On information and belief, SRC Ajin Fund II, LLC is an Alabama  
8 limited liability company with a principal place of business in Duluth, Georgia. On  
9 information and belief, SRC is its sole manager and it is wholly controlled by SRC  
10 and Choi.

11 15. On information and belief, SRC Ajin Fund III, LLC is a Georgia  
12 limited liability company with a principal place of business in Duluth, Georgia. On  
13 information and belief, SRC is its sole manager and it is wholly controlled by SRC  
14 and Choi.

15 16. On information and belief, SRC Ajin-Wooshin Fund IV, LLC is a  
16 Georgia limited liability company founded in 2014 with a principal place of  
17 business in Duluth, Georgia. On information and belief, SRC is its sole manager  
18 and it is wholly controlled by SRC and Choi.

19 17. On information and belief, SRC Ajin-Wooshin Fund V, LLC is an  
20 Alabama limited liability company founded in 2015 with a principal place of  
21 business in Duluth, Georgia. On information and belief, SRC is its sole manager  
22 and it is wholly controlled by SRC and Choi.

23 18. On December 22, 2017, Choi and SRC filed an Amended Complaint in  
24 this Court against, *inter alia*, Kim, 8BC and Chang. The allegations set forth in this  
25 Counterclaim generally arise out of the same occurrences that comprise the subject  
26 matter of the Amended Complaint. Furthermore, as, on information and belief,  
27 SRCAW is controlled by Choi and SRC, since personal jurisdiction is proper against  
28 them, it is also proper against SRCAW. Moreover, a significant amount of the

1 events that gave rise to Counterclaimants' damages took place within this forum.  
 2 Specifically, Choi made misrepresentations about SRC and SRCAW to Kim while  
 3 he was in California and made fraudulent statements to Kim by phone and by email  
 4 while he knew Kim was in California. These misrepresentations were intended to  
 5 get Kim and 8BC to agree to form a partnership or joint venture whereby, in part,  
 6 Kim would have control over and benefit from the success of, Choi and SRC's EB-5  
 7 Ajin Project. On information and belief, SCRAW is the investment vehicle created  
 8 by Choi and SRC to operate under the EB-5 program for the financing and  
 9 development of the Ajin project. Thus, SRCAW, through Choi and SRC,  
 10 intentionally availed itself of this forum and the events giving rise to the claims  
 11 herein occurred within this forum.

12 **C. ALTER EGO ALLEGATIONS**

13 19. On information and belief, there has existed a unity of interest and  
 14 ownership between Choi and SRC, such that any individuality and separateness  
 15 between or among them has ceased, and such that each is the alter ego of the other  
 16 in that:

17 a. Choi has at relevant times completely controlled, led, dominated,  
 18 managed and operated SRC and SRCAW, and has intermingled his assets with  
 19 SRC's and SRCAW's assets, to suit his and SRC's and SRCAW's convenience.  
 20 SRC has at relevant times completely controlled, led, dominated, managed and  
 21 operated SRCAW, and has intermingled its assets with SRCAW's assets, to suit  
 22 their convenience.

23 b. Choi has at relevant times used the assets of SRC and SRCAW for his  
 24 own use, and has caused or will cause its assets to be transferred to him without  
 25 adequate consideration. SRC has at relevant times used the assets of SRCAW for its  
 26 own use, and has caused or will cause its assets to be transferred to it without  
 27 adequate consideration.

28 c. SRC and SRCAW are, and at relevant times were, mere shells and

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1 shams without sufficient capital or assets, or their capitalization is and was trifling,  
2 compared with the business to be done and the risks of loss attendant thereto.

3 d. SRC and SRCAW are, and at relevant times were, mere shells,  
4 instrumentalities, and conduits through which Choi carried on his business,  
5 exercising complete control and dominance of SRC and SRCAW to such an extent  
6 that any individuality or separateness between and among them does not, and at all  
7 relevant times did not, exist.

8 e. SRC and SRCAW are and at relevant time were intended and used by  
9 Choi as devices to avoid the imposition of liability and for the purpose of  
10 substituting a financially insolvent company in his place.

11 f. Adherence to the fiction of the separate existences of Choi and SRC  
12 and SRCAW as distinct persons and legal entities would permit an abuse of the  
13 corporate privilege and would sanction fraud and promote injustice, in that SRC and  
14 SRCAW has distributed or will distribute a substantial portion of its assets to Choi  
15 without adequate consideration, all for the purpose of avoiding and preventing  
16 attachment and execution by creditors of Choi or SRC or SRCAW, including  
17 Counterclaimants, thereby rendering Choi and SRC and SRCAW insolvent and  
18 unable to meet their obligations.

19 **D. COMMON ALLEGATIONS RELEVANT TO ALL**  
20 **COUNTERCLAIMS**

21 20. Under the EB-5 Immigrant Investor Program, created by Congress in  
22 1992, entrepreneurs (and their spouses and unmarried children under 21) are eligible  
23 to apply for a green card if they invest in commercial enterprises associated with  
24 regional centers approved by USCIS based on proposals for promoting economic  
25 growth.

26 21. Kim has had a successful career on the cutting edge of EB-5 business  
27 transactions since 2009 (back when there were only approximately 70 Regional  
28 Centers compared to the approximately 1000 in existence, or soon to be in

1 existence, today). From 2009 to 2013 alone, he led numerous EB-5 offerings and  
2 raised over \$330,000,000 in EB-5 capital. Kim led an EB-5 team of ten people  
3 working under his direction and Kim worked in concert with some of the biggest  
4 EB-5 agencies in China, Korea and Vietnam. Furthermore, Kim's experience  
5 spanned all aspects of the EB-5 business, including structuring the deals, sourcing  
6 the investors, managing the projects, setting up new regional centers and advising  
7 financial companies, developers and existing regional centers on how to optimally  
8 utilize EB-5 financing.

9 22. In 2013, Kim launched 8BC to diversify assets throughout the United  
10 States and take advantage of Kim's remarkable success and routinely sought-after  
11 expertise. Largely because of Kim's accomplishments in previous deals and the  
12 impressive business relationships he had forged in the process, 8BC was hired by  
13 numerous US developers and foreign agencies, as well as existing regional centers,  
14 to consult and provide key guidance on the EB-5 aspects of business transactions.  
15 Specifically, 8BC and Kim were retained by reputable developers and financial  
16 groups to set up new regional centers, advise on how best to raise EB-5 capital and  
17 advise how to optimally structure deals with respect to managing regional centers,  
18 USCIS rules and regulations and US security compliance issues. 8BC received  
19 substantial income annually from the provision of its consulting services in which it  
20 provided its EB-5 expertise and advice.

21 23. Kim recognized early on that EB-5 marketing conditions and policies  
22 changed yearly and it was essential that he stay abreast of this ever expanding  
23 stream of information. In order to maintain the most up-to-date EB-5 market  
24 conditions, Kim traveled extensively overseas to the countries where the investors  
25 seeking the green cards were located. From 2010 onward, Kim traveled to over 10  
26 different provinces and cities in China, Hong Kong, Taiwan, South Korea,  
27 Singapore, Vietnam and Dubai frequently (between 5-7 significant multi-week trips  
28 each year). During this process, Kim built relationships with a number of marketing

1 foreign agencies in each country that were geared at helping locate foreign nationals  
2 that would be interested in participating in EB-5 projects in the United States.

3 24. One particularly important business relationship that Kim developed  
4 was with Tran “Tony” Van Tinh (“Tinh”) and his company IMM Group PTE LTD  
5 (“IMM”). Kim first met Tinh in Vietnam in 2012 while he was managing a  
6 successful EB-5 project as a Vice-President, and at that time, Tinh helped the  
7 company Kim was working with source approximately ten investors for that EB-5  
8 deal. The relationship eventually expanded beyond mere agent and principal and  
9 grew into a deep rooted partnership touching on all aspects of 8BC’s and 8<sup>th</sup> Bridge  
10 Capital, LLC’s and IMM’s businesses. For example, 8<sup>th</sup> Bridge Capital, LLC was  
11 hired to perform diligence on all IMM’s EB-5 deals and worked with IMM toward  
12 creating a Vietnamese company to handle inbound and outbound investment  
13 opportunities. Kim and 8BC were so deeply integrated with Tinh and IMM that  
14 Tinh introduced Kim to IMM’s board members and invited Kim to the year-end  
15 party in Malaysia. Kim donated to Tinh’s charities and the two talked frequently  
16 about the unified future of the two companies and how best to formulate a strategy  
17 for them to work together on numerous EB-5 deals, as well as other debt and private  
18 equity deals.

19 25. In or about May 2015, Kim, through an existing contact and business  
20 associate with whom he was working on a separate deal, learned of a new project  
21 involving the development of an Ace Hotel in Manhattan. Kim taught the developer  
22 about the potential advantages of an EB-5 capital raise and effectively created an  
23 EB-5 project out of the deal. Kim immediately began working steadfastly on  
24 exploring, securing, structuring and developing this deal. In particular, Kim and  
25 8BC created the offering documents, the marketing materials and pro forma, the  
26 educational materials, and negotiated and drafted the term sheet. They also  
27 assembled an EB-5 team (including underwriters, business plan writers, economists,  
28 regional centers, escrow agents and attorneys), negotiated critical issues like

1 security, flow of funds, disbursement, safety financing mechanisms and closing  
 2 conditions with the developer, and spent significant times on calls and in-person  
 3 meetings with the developer in New York. The term sheet for the project was  
 4 ultimately signed on July 12, 2015 and all the heavy lifting in structuring and  
 5 creating the deal was handled by Kim and 8BC between May 2015 and October  
 6 2015.

7 26. Kim first met Choi in person in late April, 2015, at an EB-5 conference  
 8 in Washington D.C. Prior to that, the entire extent of their interaction was that Choi  
 9 had sought advice for one of his investment projects, named Ajin, from a company  
 10 for whom Kim was providing consultation services. Kim had rejected the project  
 11 because it was not suitable for the market. Still, at the Washington D.C. conference,  
 12 Choi approached Kim and praised his for his achievements.

13 27. At a subsequent conference in China, Choi approached Kim and again  
 14 provided high praise for Kim's numerous past accomplishments in EB-5 business  
 15 and expressed an interest in potentially helping each other professionally. Choi flew  
 16 to Los Angeles multiple times to meet with Kim, giving gifts and inviting Kim to  
 17 stay at his apartment next time he was in Beijing instead of staying at a hotel. Choi  
 18 even told Kim to consider him an "older brother." Each time they met, Choi  
 19 became more aggressive and adamant that he and Kim, and their respective  
 20 companies 8BC and SRC, should consider working together in some fashion.

21 28. Choi made clear that part of the reason he wanted to work with Kim so  
 22 desperately was that Choi's primary EB-5 project, Joon, LLC, dba Ajin USA  
 23 ("Ajin"), was a manufacturing rather than a real estate deal. According to Choi,  
 24 who at the time was based in China, while he had a solid network of business  
 25 contacts and agents who could source Chinese investors for prospective EB-5 deals,  
 26 Chinese investors were interested almost exclusively in real estate investment  
 27 opportunities in major U.S. cities like Los Angeles and New York. Choi was  
 28 impressed with Kim's high profile real estate deals, including the Ace Hotel and a

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1 high rise condo development in Los Angeles, and thought his resources would be of  
2 benefit to Kim and 8BC. Furthermore, Choi hoped that he would be able to  
3 leverage Kim’s contacts in Korea, Vietnam and other countries where investors  
4 were more interested in manufacturing opportunities to help source his Ajin deal.

5 29. From April 2015 through October 2015, the entirety of the discussions  
6 about Kim and Choi working together related solely to a billion dollar real estate  
7 project in Los Angeles that 8BC had already secured one of three exclusivities for as  
8 a result of years of Kim’s and 8BC’s relationship building. What was exclusively  
9 contemplated was that Choi and SRC would serve as Kim’s and 8BC’s subagent and  
10 help market that project to foreign nationals. In fact, the NDA that Choi attached to  
11 the Complaint in this matter did not relate at all to the Ace Project but instead  
12 related to the downtown Los Angeles project and solely for the exchange of  
13 documents related thereto.

14 30. While Kim and Choi were discussing Choi’s intended role as subagent  
15 on the Los Angeles deal, Choi kept pressing Kim for a bigger, more encompassing  
16 deal, more akin to a partnership. For his part, Kim continued to entertain Choi’s  
17 proposals based almost entirely on three representations by Choi, each of which  
18 Kim subsequently learned was untrue. The first lie was that Choi was experienced  
19 in the Chinese market. The truth was that Choi had been living in China for less  
20 than two years at the time that representation was made and Choi had obtained  
21 minimal success in China attracting investors. The second was that Choi had a  
22 robust collection of foreign agents, based primarily in China, who had significant  
23 relationships with investors that were interested in EB-5 investments. On July 26,  
24 2015, in an email, Choi went so far as to claim that he had 59 agents in China and  
25 the list he attached of those agents “is our only asset and most valuable one.” The  
26 truth was that Choi’s “network” was unsophisticated, inexperienced, and simply  
27 incapable of attracting sufficient investors suitable for the types of deals Kim and  
28 8BC were putting together and in fact, Choi’s entire network had not even been able

1 to source five investors for Choi's deals. The third was that Choi had a partner,  
2 Morrie Berez, who was a well-regarded EB-5 specialist and previously served as a  
3 Director/Chief Immigration Official at the USCIS. The truth was that Berez never  
4 obtained that title. Worse, Berez was nowhere near the asset Choi claimed him to  
5 be. Berez had basically retired in 2009 so his knowledge base was supremely  
6 outdated. Moreover, Berez repeatedly said that SRC's projects were the only ones  
7 he would ever consider endorsing, which reflects his bias and lack of applicable  
8 knowledge in the marketplace. Kim would subsequently learn that Choi had a  
9 pattern of misrepresenting Berez as an asset, including stating untruthfully on  
10 multiple occasions that Berez was the Director of Immigration under President  
11 Obama.

12 31. Based on Choi's misrepresentations, on October 6, 2015 Kim sent Choi  
13 an initial draft of "Indicative Terms for Collaboration Agreement between Moses  
14 Choi and Young Kim" ("Draft Term Sheet"). This basic term sheet set out a  
15 possible prospective business relationship whereby 8BC and SRC would be folded  
16 into a new company that would be owned and managed by Kim and Choi. The  
17 contemplated new company's initial projects including collaboration on the Ace  
18 Hotel, the Ajin project (which SRCAW was the investment vehicle for with SRC  
19 serving as manager), and two other projects that were being spearheaded by Kim.  
20 However, this Draft Term Sheet left many critical terms blank, as Kim expected he  
21 and Choi would negotiate these essential points before any agreement could be  
22 reached. The key points the Draft Term Sheet was silent as to include (1) The  
23 membership interest in the new company for each of Kim and Choi; (2) The  
24 distribution of profits, if any; (3) Choi's required Initial Capital Contribution to the  
25 new company; (4) the monthly payments owed to Choi; and (5) the organization of  
26 the company structure.

27 32. To be clear, the Draft Term Sheet as sent by Kim to Choi, was not a  
28 contract offer that Choi could simply decide to accept or reject because so many key

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1 terms were not included. Furthermore, the Draft Term Sheet never gave any  
2 indication that, until those key terms were mutually agreed upon, Kim intended to  
3 share any of 8BC’s business dealings, including the Ace Hotel project, with Choi,  
4 nor did he expect to acquire any interest in Choi’s EB-5 deals (such as the Ajin  
5 project) or investment vehicles, including SCRAW. Rather, the purpose of the Draft  
6 Term Sheet was to see if they could find a way for Kim and Choi to collaborate on  
7 their respective EB-5 deals in a mutually beneficial manner but the specific  
8 ownership interests and financial arrangements still needed to be negotiated and  
9 fleshed out before any intent to contract could materialize.

10 33. Over the next several months, Kim repeatedly tried to get Choi to  
11 discuss the Draft Term Sheet to see if there could be a meeting of the minds such  
12 that a firm contract could be agreed to and memorialized but Choi refused to do so.  
13 For example, on December 2, 2015, Kim sent Choi an email stating in part “besides  
14 the profit sharing, which you hate the most to be discussed, we need to organize the  
15 company structure among entities and employees.” It was abundantly clear during  
16 this entire time period that not only had no collaboration or partnership agreement  
17 been reached between the parties but that Choi was aware that Kim did not intend to  
18 be bound as if a partnership or joint venture agreement had been mutually agreed to.

19 34. The fact that no partnership or other concrete specified agreement had  
20 been formulated or otherwise reached is further underscored by the fact that in 2016  
21 Kim refused Choi’s request that he be added to 8BC’s bank account.

22 35. Despite the fact that there was no partnership agreement, Kim and 8BC  
23 did help out Choi and SRC. Choi and SRC had no experience in setting up a  
24 regional center (the one Choi currently owns was not set up by him) and expressed  
25 to Kim in owning one in Los Angeles. Kim and 8BC successfully prepared the  
26 entire application for such a regional center between March and December 2016 and  
27 the application was approved by USCIS in October 2017. Choi and SRC never  
28 made any payment to Kim and 8BC for this service. Kim also introduced Choi to

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1 his foreign contacts to help Choi market his Ajin project.

2       36. In March 2016, Kim informed Choi by email that he no longer was  
3 interested in starting a new company with Choi. Kim specifically stated “I’ve given  
4 a lot of thoughts about our partnership and I’d rather stop now before it’s too late.”  
5 This decision was based primarily on the fact that Choi was frequently  
6 unresponsive—failing to return phone calls or emails—and seemingly incapable of  
7 dedicating the time or energy needed to make the business work. The idea that  
8 communication was important to Choi can hardly have come as a surprise to Choi  
9 because it was specifically delineated in the Draft Term Sheet. Kim was also turned  
10 off that Choi was incapable of committing to plans, including blowing off meetings  
11 because he had consumed too much alcohol the prior evening, was incredibly  
12 disorganized, and was prone to violent outbursts. In fact, Choi twice assaulted Kim,  
13 one time even throwing a glass at Kim’s head, just barely missing.

14       37. Kim knew that Choi would be disappointed that they would not  
15 become partners so, based on Choi’s misrepresentations about the strength of his  
16 foreign agents, Kim decided to do Choi a favor. In that same March 2016 email,  
17 Kim also stated that the Ace Hotel project had launched and, based on Choi’s  
18 representations that his network of agents would be able to source at least 30  
19 investors, if not more, Kim offered to allow Choi to serve as a master distributor in  
20 China and Korea for the deal and to engage with his network of agents. This  
21 arrangement was similar to the original role Kim had considered Choi for with  
22 respect to the downtown Los Angeles real estate project between April and October  
23 2015.

24       38. In EB-5 transactions, master distributors are primarily responsible for  
25 using their network of agents to locate interested investors. Generally speaking, for  
26 each investor sourced, the master distributor and his agents are given a finder’s fee  
27 upfront to share and the master distributor is entitled to 1-2% of the amount paid by  
28 each investor annually for five years.

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1           39. Even after being informed that the company merger contemplated in  
2 the Draft Term Sheet was off the table and that the only option available to Choi  
3 was master distributor for China and Korea, Choi continued to express his interest in  
4 working in that capacity on the Ace Hotel project. As detailed above, Kim was ok  
5 with arrangement because of Choi’s representations about how easy it would be for  
6 him to get at least 30 investors, if not source all 40.

7           40. It eventually became clear to Kim that Choi had grossly misrepresented  
8 the quality of his network and his ability to source investors for the Ace Hotel or any  
9 other EB-5 transactions. Ultimately, Choi and his network were only able to help in  
10 sourcing 4 investors (and each of these required substantial efforts from Kim and  
11 8BC to lock in), and Kim, through his own contacts, including Tinh, was  
12 responsible (without any help from Choi and SRC) for obtaining the commitment of  
13 the other 36 investors.

14           41. 8BC paid Choi’s agents the full agreed upon upfront payment for the  
15 four investors. Thus, at most, the only outstanding money owed to Choi would be  
16 the small percentage annual payout for the four investors he brought to the deal.

17           42. During the time Choi was trying to source the Ace Hotel deal, he was  
18 also trying to source investors for his Ajin deal. Choi went so far as to ask Kim to  
19 lower the administrative fee for Ace Hotel project from \$55,000 to \$50,000 so that  
20 when he pitched both EB-5 opportunities, his low admin fee would not make Ajin  
21 unattractive by comparison (and Kim obliged). Even though Choi never actually  
22 performed as he claimed he would with respect to the Ace Project, Kim assisted  
23 Choi with his Ajin project. Specifically, Kim introduced Choi to his foreign  
24 network of agents, including Tinh. Tinh, however, said he preferred not to work on  
25 the Ajin deal because he already had too many projects and didn’t want to dilute any  
26 of the other deals he was working on by pitching investors too many opportunities at  
27 once. Even after Choi promised Kim to stop pressuring Tinh to take the Ajin deal,  
28 he persisted, going behind Kim’s back in the process.

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1           43.     Chang began working for Choi in September 2014. In September  
2 2015, Chang informed Choi that he was interested in going to graduate school (at  
3 that time, law school). By that time, Chang had become instrumental to Choi and  
4 Choi did not want to lose him as an employee. Consequently, Choi told Chang that  
5 if he continued to work for SRC for at least one more year, if he ever decided he still  
6 wanted to go to graduate school at some point after that, Choi would pay for it.  
7 Based on that assurance, Chang continued to work for SRC.

8           44.     At the time Choi and SRC first learned about the Ace Hotel deal, it  
9 became very clear to them that there was a lot they didn't know about EB-5  
10 transactions. Choi and SRC had no experience structuring deals nor did they  
11 understand deal process. Furthermore, Choi himself admitted that Berez's skillset  
12 and knowledge were outdated and he served mostly as a marketing tool. In  
13 November 2015, Choi suggested that Chang go work in Los Angeles with Kim and  
14 8BC to effectively apprentice under Kim and learn these skills so Chang would  
15 hopefully forego law school and implement what he learned serving in a similar  
16 capacity for SRC.

17           45.     Chang, at Choi's request, moved to Los Angeles to work with Kim and  
18 8BC in May 2016. While in Los Angeles Chang worked primarily on a mixture of  
19 Choi's company's deals, including but not limited to SRC, 8BC's deals and  
20 whatever tech issues arose in Choi's Atlanta offices.

21           46.     In April 2017, Choi began demanding of Chang that he return to  
22 Georgia to work fulltime at SRC. Chang stated that he preferred to stay in  
23 California and work for 8BC. In May 2017, Choi offered Chang money and his  
24 own staff to effectively do what Kim did at 8BC for SRC but Chang refused. Choi  
25 became increasingly angry, refused to accept Chang's letter of resignation,  
26 threatened to tie Chang up in legal action with 8BC and, renegeing on his earlier  
27 promise, now stated he would only pay for Chang's graduate school if he came back  
28 to work for SRC.

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1 47. On April 17, 2017, Kim sent Choi an email stating that he was unable  
2 to continue working with Choi any longer because of Choi’s inability to provide any  
3 clear resolution on “concrete plans or terms on papers” and the “challenges in  
4 communication” from Choi’s inexplicable inability to timely respond to calls or  
5 emails.

6 48. In May and June 2017, Kim attempted to formally resolve all debts and  
7 outstanding issues with Choi. Having already paid Choi back \$200,000 in March  
8 for money Choi insisted Kim use for travel expenses (money Kim could easily have  
9 paid himself), Kim stated his intention to repay Choi the final \$84,000 Choi had  
10 loaned to 8BC. Kim also agreed to reimburse Choi for the expenses Choi used on  
11 8BC but Kim informed Choi that Kim required a detailed breakdown of those  
12 expenses because it became clear that Choi wanted Kim to reimburse Choi for  
13 expenses and trips that Choi took solely to further SRC and his Ajin deal that  
14 provided no benefit at all to Kim or 8BC. Kim also generously agreed to pay Choi  
15 \$200,000 for his role as master distributor (significantly more than Choi should have  
16 made under the terms of the deal) and attempted to work out a resolution with  
17 respect to Chang and also how to split the cost of the LA office lease that Choi had  
18 initially requested for himself and then provided to Chang.

19 49. Choi, for the first time in June 2017, expressed the illogical and  
20 factually unsupportable opinion that he, Kim, 8BC, and SRC were partners and that  
21 he was entitled to half of 8BC’s total profits on the Ace Hotel project even though  
22 (1) Kim had pitched, structured and signed the deal before his business involvement  
23 with Choi; (2) Choi and SRC had no experience in structuring these deals; (3) Choi  
24 and SRC’s admitted their only value-add was in finding investors to raise EB-5  
25 capital; (4) Choi and his network were only able to find 4 out of the 41 investors  
26 required for the deal; (5) Choi and SRC have no experience in managing EB-5  
27 developments after the capital is raised; (6) Kim and 8BC are currently expending  
28 significant time and energy managing the Ace Project now that the capital has been

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1 raised, which is providing Kim’s and 8BC’s primary revenue stream from the  
2 project; (7) Choi and SRC’s contributions to the Ace Hotel were virtually  
3 nonexistent aside from the 4 investors; and (8) Choi has never offered Kim or 8BC  
4 any portion of his profits or proceeds from SRC, including Ajin.

5 50. On information and belief, this is not the first time that Choi has tried  
6 to improperly claim an undeserved and never agreed to interest in someone else’s  
7 EB-5 business. On information and belief, Choi also tried to usurp the business  
8 assets and accomplishments of an EB-5 business owned by Young Koh, which has  
9 led to a lawsuit against Choi currently pending in Gwinnett County in the State of  
10 Georgia. On further information and belief, Choi previously improperly and self-  
11 servingly attempted to impute never agreed to terms and ignore clearly agreed to  
12 terms with a previous co-owner of SRC. In short, on information and belief, Choi  
13 has an established pattern of practice of unilaterally attempting to create and modify  
14 business relationships that were not agreed to by the other party.

15 51. On information and belief, in or around mid-late 2017, Choi reached  
16 out to Tinh and deliberately told him misinformation about Kim and 8BC to  
17 diminish their reputation and poison the business relationship. On information and  
18 belief, the statements made by Choi about Kim and 8BC were defamatory, untrue,  
19 and made with the intent to injure Kim and 8BC’s personal and professional  
20 reputations. On further information and belief, Choi told Tinh, who now had room  
21 to take on a new EB-5 project now that the Ace Hotel deal had closed, that Choi  
22 would only allow Tinh to market Ajin if Tinh ceased doing business with Kim and  
23 8BC. Tinh subsequently terminated his communications with Kim and 8BC,  
24 including with respect to IMM’s diligence (despite an existing contract) and refused  
25 to help Kim and 8BC with their new EB-5 investment opportunity, which they had  
26 already spent significant time working together toward a 2018 launch. On  
27 information and belief, Tinh is now working on sourcing investors for Choi’s Ajin  
28 project, of which SRCAW is the investment vehicle managed by SRC.

**FIRST COUNTER-CLAIM FOR RELIEF**

**(Intentional Interference with Contract –  
by 8<sup>th</sup> Bridge Capital, LLC against Choi)**

52. The allegations set forth above in Paragraphs 1-51 are incorporated herein as though set forth fully in this paragraph.

53. On or about July 14, 2017, IMM and 8<sup>th</sup> Bridge Capital, LLC entered into a “US Investment Management Service Agreement for IMM Group PTE LTD” (“IMM Service Agreement”). Pursuant to that agreement, IMM agreed to appoint 8<sup>th</sup> Bridge Capital, LLC as its exclusive consultant to provide due diligence and project oversight for all of IMM’s EB-5 projects. As consideration, 8<sup>th</sup> Bridge Capital, LLC was entitled to receive a service of 1.5% per annum of the total EB-5 investment funds disbursed to the projects reviewed by 8<sup>th</sup> Bridge Capital, LLC.

54. On information and belief, Choi knew about Kim and 8<sup>th</sup> Bridge Capital LLC’s business relationship with Tinh and IMM, including the existence of the IMM Service Agreement.

55. On information and belief, in or about mid-late 2017, Choi, upset that Kim rebuffed his unwarranted demand for a portion of 8BC’s profits from the Ace Hotel deal and wanting to use Tinh and IMM to find investors for his Ajin project, began telling Tinh falsehoods about his business relationship with Kim. On information and belief, Choi tried to paint Kim out to be a disreputable and dishonest businessman although nothing could be further from the truth. On information and belief, Choi encouraged Tinh to cease doing business with Kim and that Tinh should instead partner with Choi on his deals, including Ajin. On information and belief, Choi told Tinh that Tinh would only be allowed to market the Ajin deal if Tinh cut off business ties with Kim and his companies. On information and belief, Choi was deliberately intending to create a wedge between Kim and Tinh because Choi saw firsthand how far superior Tinh was to Choi’s agents in locating potential EB-5 investors. Furthermore, Choi had previously gone

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1 behind Kim’s back on multiple occasions to try to convince Tinh to sell the Ajin  
2 deal even after Choi told Kim he would not.

3 56. On or about December 20, 2017, Tinh terminated communications  
4 with Kim and thereby repudiated the IMM Service Agreement with 8<sup>th</sup> Bridge  
5 Capital, LLC. On or about January 25, 2018, Kim met with Tinh’s partner, Chor  
6 Ghee, who claimed that Choi had met with Tinh multiple times since Choi filed the  
7 lawsuit and Ghee believed that Tinh terminated the contract because Choi pressured  
8 and encouraged Tinh to do so. Thus, on information and belief, Choi intended to  
9 disrupt the contract between IMM and 8<sup>th</sup> Bridge Capital, LLC and furthermore, had  
10 Choi not tried to get Tinh to stop working with Kim and 8BC and not made untrue  
11 statements about their business relationship, IMM and Tinh would still be  
12 continuing to honor the IMM Service Agreement.

13 57. Choi’s conduct in disrupting the IMM Service Agreement caused 8<sup>th</sup>  
14 Bridge Capital, LLC damages in an amount to be proven at trial but believed to be  
15 in excess of \$1,300,000.

16 58. Choi’s conduct as set forth in Paragraph 55 was made with intentional  
17 malice, fraud, and willful and reckless disregard for 8<sup>th</sup> Bridge Capital, LLC’s  
18 welfare and rights. Consequently, 8<sup>th</sup> Bridge Capital, LLC is entitled to an award of  
19 punitive damages against Choi to deter him in the future from engaging in such  
20 conduct again.

21 **SECOND COUNTER-CLAIM FOR RELIEF**

22 **(Intentional Interference With Prospective Economic Advantage --**  
23 **By 8<sup>th</sup> Bridge Capital, LLC and Kim Against Choi)**

24 59. The allegations set forth above in Paragraphs 1-58 are incorporated  
25 herein as though set forth fully in this paragraph.

26 60. As detailed in Paragraph 24, Kim and 8BC (and 8<sup>th</sup> Bridge Capital,  
27 LLC) had a longstanding business relationship with Tinh dating back to 2013. Kim  
28 and Tinh had worked together on multiple EB-5 offerings, and Tinh was responsible

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1 for attracting the highest number of investors to 8BC’s most recent project with the  
2 Ace Hotel.

3 61. In or around September 2017, Kim/8<sup>th</sup> Bridge Capital, LLC and  
4 Tinh/IMM began collaborating on a new EB-5 project that Tinh had agreed to help  
5 source investors for as he had done frequently and with great success in the past.  
6 Numerous emails were exchanged to equip Tinh with sales points, project  
7 highlights, marketing strategy, seminar dates, guest speakers, sales team training,  
8 and translations. Kim even flew to Vietnam three separate times to discuss the  
9 project with Tinh. Tinh committed that he would be able to raise between \$10M-  
10 \$15M in EB-5 capital from investors for this new deal.

11 62. On information and belief, Choi knew about Tinh’s and IMM’s  
12 preexisting relationship with Kim, 8BC and 8<sup>th</sup> Bridge Capital, LLC and knew how  
13 instrumental they had been to Kim’s various projects, including most recently the  
14 Ace deal. On information and belief, Choi also knew that Kim and 8<sup>th</sup> Bridge  
15 Capital, LLC had partnered with Tinh and were relying on Tinh for help raise EB-5  
16 capital for a new deal set to launch in 2018.

17 63. On information and belief, Choi wanted Tinh to focus his efforts  
18 marketing his Ajin project rather than any of Kim’s or 8BC’s or 8<sup>th</sup> Bridge  
19 Capital, LLC’s EB-5 projects. On further information and belief, Choi was upset  
20 that Kim refused to give in to his unwarranted demands that he be paid a portion of  
21 the profits from the Ace Hotel project. Thus, on information and belief, Choi  
22 intentionally told Tinh misinformation about his and Kim’s business relationship in  
23 a deliberate effort to demean Kim’s reputation, paint him as an unscrupulous  
24 business partner and poison the relationship. On further information and belief, the  
25 statements made by Choi effectively amounted to defamatory statements relating to  
26 Kim’s trustworthiness and business ethics that were false and made with the intent  
27 to disrupt the business relationship between Tinh and Kim and their companies.

28 64. On information and belief, the statements made by Choi were

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1 deliberately misleading, full of half-truths and lies, and did in fact convince Tinh to  
2 cease doing business with Kim, including refusing to market the new EB-5 deal that  
3 the Tinh and Kim had spent significant time preparing to launch together in 2018.  
4 On further information and belief, Choi also told Tinh that if Tinh wanted to market  
5 the Ajin project, he had to cease doing business with Kim and 8BC and this also  
6 convinced Tinh to stop working with Kim, 8BC, and 8<sup>th</sup> Bridge Capital, LLC.

7 65. Choi’s conduct in intentionally interfering with Kim and 8BC’s and 8<sup>th</sup>  
8 Bridge Capital, LLC’s business relationship with Tinh and IMM, particularly with  
9 respect to the new project that Tinh had agreed to market and help raise EB-5 capital  
10 for, which in turn would have provided significant management and other fees to  
11 Kim and 8<sup>th</sup> Bridge Capital, LLC upon the closing of that EB-5 transaction damaged  
12 Kim and 8<sup>th</sup> Bridge Capital, LLC in an amount to be proved at trial but believed to  
13 be at least \$4,500,000.

14 66. Choi’s conduct as set forth in Paragraphs 63 and 64 was made with  
15 intentional malice, fraud, and willful and reckless disregard for Kim’s and 8<sup>th</sup> Bridge  
16 Capital LLC’s welfare and rights. Consequently, Kim and 8<sup>th</sup> Bridge Capital, LLC  
17 are entitled to an award of punitive damages against Choi to deter him in the future  
18 from engaging in such conduct again.

19 **THIRD COUNTER-CLAIM FOR RELIEF**

20 **(Declaratory Relief**

21 **By Kim and 8BC against All Counter-Defendants)**

22 67. The allegations set forth above in Paragraphs 1-66 are incorporated  
23 herein as though set forth fully in this paragraph.

24 68. An actual and justiciable controversy, within the meaning of 28 U.S.C.  
25 Section 2201, exists between Kim and 8BC on the one hand and Choi and SRC on  
26 the other hand concerning the existence of whether a partnership or joint venture  
27 agreement had ever been created between and among them.

28 69. Kim and 8BC contend that there was never any meeting of the minds

1 sufficient to find the existence of any contract (partnership agreement or joint  
 2 venture), whether implied or oral, between them and Choi and SRC. Kim prepared  
 3 a Draft Term Sheet for a possible partnership but numerous essential terms were  
 4 never discussed or agreed to, including (1) The membership interest in the new  
 5 company for each of Kim and Choi; (2) The distribution of profits, if any; (3) Choi's  
 6 required Initial Capital Contribution to the new company; (4) the monthly payments  
 7 owed to Choi; and (5) the organization of the company structure. Furthermore, in  
 8 March 2016, Kim explicitly told Choi that he was no longer interested in a joint  
 9 venture whereby 8BC and SRC were rolled into a single company. With respect to  
 10 the Ace Hotel deal, in March 2016, Kim offered Choi the opportunity to serve as  
 11 master distributor for China and Korea and that is the only agreement that Kim  
 12 believed, or that could logically or legally have been found, to be in effect from that  
 13 period forward. Thus, Kim and 8BC contend that Choi and SRC are not entitled to  
 14 any portion of the profits they made on the Ace Hotel project and Choi is only  
 15 entitled to what was owed to him in his role as master distributor.

16 70. On information and belief, Choi and SRC deny such allegations and  
 17 contend that a partnership or joint venture agreement was formed.

18 71. Kim and 8BC are entitled to a declaratory judgment that no agreement  
 19 (partnership, joint venture or otherwise) was ever created and Choi and SRC have  
 20 no entitlement to any portion of the profits Kim or 8BC received from the Ace Hotel  
 21 deal nor do Choi or SRC have the right to inspect 8BC's records, participate in the  
 22 control of the company, or take any action that would be permissible if they were in  
 23 fact partners.

24 72. In the alternative, if the Court were somehow to find that a partnership  
 25 or joint venture agreement did exist (and Kim and 8BC strongly deny that any such  
 26 agreement does exist), Kim and 8BC are entitled to a declaratory judgment that if  
 27 such agreement entitles Choi and SRC to a portion of Kim's and 8BC's profits from  
 28 the Ace Hotel, control of 8BC and access to 8BC's books and records, such

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1 agreement must necessarily also entitle Kim and 8BC to an equal portion of Choi’s  
2 and SRC’s profits from its projects, including Ajin, which is managed by SRC and  
3 for which SRCAW was created as the investment vehicle. Thus, Kim should be  
4 entitled to an accounting, access to the books and records, and collection of profits,  
5 of and from those entities

6 **FOURTH COUNTER-CLAIM FOR RELIEF**

7 **(Rescission Based on Fraud**

8 **By Kim and 8BC against Choi and SRC)**

9 73. The allegations set forth above in Paragraphs 1-72 are incorporated  
10 herein as though set forth fully in this paragraph.

11 74. As set forth throughout this Counterclaim, Kim and 8BC believe that  
12 no partnership or joint venture agreement was ever reached between them, on the  
13 one hand, and Choi and SRC, on the other. However, to the extent this Court finds  
14 that such an agreement was reached, Kim and 8BC hereby request that be rescinded  
15 and deemed void because of Choi’s fraud.

16 75. As set forth in Paragraph 30, the only reason Kim even entertained  
17 Choi’s overtures to collaborate together and the only reason Kim prepared the Draft  
18 Term Sheet was because Choi misrepresented (1) his knowledge of, and experience  
19 in, the Chinese market; (2) the sophistication and experience of his foreign agents in  
20 sourcing investors for EB-5 transactions; and (3) the qualifications and expertise of  
21 his advisor, Morrie Berez. Had Kim known the truth of the misrepresentations, he  
22 never would have even entertained the notion of collaborating or working with  
23 Choi. These misrepresentations were made between April-October, 2015, by Choi,  
24 to Kim, in person primarily in Los Angeles and also in China, and through email  
25 and phone calls directed to Kim while Kim was in Los Angeles.

26 76. Thus, to the extent that this Court determines there an agreement was  
27 somehow reached between Kim and 8BC, and Choi and SRC, Kim and 8BC hereby  
28 assert their right to rescind that agreement and have it voided due to the fraud in its

1 inception and request an order from this Court adjudicating same.

2 **FIFTH COUNTER-CLAIM FOR RELIEF**

3 **(Breach of Oral Contract**

4 **By Chang against Choi)**

5 77. The allegations set forth above in Paragraphs 1-76 are incorporated  
6 herein as though set forth fully in this paragraph.

7 78. In November 2015, Chang was considering leaving SRC to go law  
8 school (he had begun preparing applications) and Choi orally promised that if Chang  
9 worked for SRC for one more year, if at that time Chang still wished to go to a  
10 graduate school (law or business), Choi would pay for it.

11 79. Based on Choi’s representations, Chang agreed to stay on at SRC, even  
12 moving across the country in 2016 at Choi’s request to apprentice with Kim and  
13 8BC. Chang worked for SRC until April 2017. Thus, Chang fulfilled his end of the  
14 bargain. Furthermore, Chang continued to express his interest in attending graduate  
15 school, including in an email to Choi in September 2016.

16 80. In April 2017, Choi demanded that Chang return to work for SRC in  
17 Georgia. Chang informed Choi that he preferred to stay in Los Angeles and still  
18 wanted to attend graduate school. Choi told Chang that unless Chang came back to  
19 Georgia and continued to work for SRC for another indefinite period of time, Choi  
20 would not pay for Chang’s graduate school. Thus, Choi anticipatorily repudiated  
21 the oral agreement between Chang and himself that Chang relied on and performed  
22 fully under (and which any alleged nonperformance was excused).

23 81. As a result of Choi’s anticipatory breach of the oral contract, Chang has  
24 been damaged in an amount to be proven at trial but believed to be in excess of  
25 \$200,000.

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**SIXTH COUNTER-CLAIM FOR RELIEF**  
**(Promissory Estoppel by Chang against Choi)**

82. The allegations set forth above in Paragraphs 1-81 are incorporated herein as though set forth fully in this paragraph.

83. While Chang was employed by SRC, he informed Choi that he was considering leaving the company to go to graduate school. Choi did not want Chang to leave and instead promised that he would pay for Chang’s graduate school if Chang agreed to continuing working for SRC.

84. Chang relied on Choi’s promise, continued to work for SRC and agreed to forbear applying to school and leaving SRC’s employ.

85. Had Choi not promised Chang this effective retention bonus, Chang would not have continued to work for Choi and SRC. Therefore, allowing Choi to avoid fulfilling his promise of paying for Chang’s graduate school having already reaped the benefits of Chang’s previously extended employ would result in great injustice to Chang, the likes of which can only be avoided by requiring Choi to make good on his promise.

**PRAYER FOR RELIEF**

WHEREFORE, Defendant and Counterclaimant YOUNG HUN KIM, prays for judgment against Plaintiffs and Counter-Defendants, and each of them, as follows:

1. That judgement be awarded in favor of Counterclaimants and against Counter-Defendants on all claims for relief alleged herein;
2. For an order enforcing Counterclaimants’ rights as alleged;
3. That Defendants and Counterclaimants be awarded monetary and punitive damages in an amount to be proven at trial but no less than \$6,000,000;
4. For prejudgment interest;
5. That Defendants and Counterclaimants be awarded costs of suit, including attorney’s fees to the extent allowed by law; and



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**CERTIFICATE OF SERVICE**

**CENTRAL DISTRICT OF CALIFORNIA**

*Moses Choi, et al. v. 8<sup>th</sup> Bridge Capital, Inc, et al.*

*Case No.: 2:17-cv-8958-CAS-AFM*

The undersigned certifies that on March 30, 2018, the following documents and all related attachments (“Documents”) were filed with the Court using the CM/ECF system.

**DEFENDANT YOUNG HUN KIM’S FIRST AMENDED ANSWER TO FIRST AMENDED COMPLAINT, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS**

Pursuant to L.R. 5-3.2, all parties to the above case and/or each attorneys of record herein who are registered users are being served with a copy of these Documents via the Court’s CM/ECF system. Any other parties and/or attorneys of record who are not registered users from the following list are being served by first class mail.

By:           /s/ Russell M. Selmont            
Russell M. Selmont

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