



ESTATE NO. 11-253983  
ESTATE NO. 11-253984  
COURT NO. B160363  
COURT NO. B160364  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

**IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCIES OF  
VIRGINIA MARY TAN AND PATRICK ENG TIEN TAN**

**TRUSTEE'S FIRST REPORT TO THE COURT**

**MARCH 6, 2019**

**Boale, Wood & Company Ltd.**  
Trustee of the Estates of  
Virginia Mary Tan and Patrick Eng Tien Tan

**Suite 1140 – 800 West Pender Street  
Vancouver, BC V6C 2V6**

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## I. INTRODUCTION

On April 29, 2016, Virginia Mary Tan (“Mrs. Tan”) and Patrick Eng Tien Tan (“Mr. Tan”), and together with Mrs. Tan, the “Tans”) were adjudged bankrupt by the Supreme Court of British Columbia (the “Court”) pursuant to a Petition filed by RSC Enterprise Canada Inc. Boale, Wood & Company Ltd. was appointed as Trustee in Bankruptcy (the “Trustee”) of each of the estates of Mr. and Mrs. Tan (collectively “the “Estates”).

A copy the Trustee’s Preliminary Report to the Creditors dated May 25, 2016 (the “Preliminary Report”) is attached hereto as **Appendix A**. The Preliminary Report provides the background that led to the bankruptcies of Mr. and Mrs. Tan and the Trustee’s preliminary findings with respect to the assets and liabilities of the Estates.

## **II. PURPOSE AND LIMITATIONS OF TRUSTEE'S REPORT**

The purpose of the Trustee's First Report to the Court (the "First Court Report") is to provide this Honourable Court with information with respect to the activities of the Trustee since its initial appointment on April 29, 2016.

The First Court Report has been prepared by the Trustee based on information obtained from the records of the Estates and documents received from third parties.

The financial information received by the Trustee has not been audited, reviewed or otherwise verified by the Trustee as to its accuracy or completeness. As a result, readers are cautioned that the First Court Report has been prepared solely for the purpose of administration of the Estates and may not be suitable for any other purposes. The Trustee does not express an opinion or other form of assurance on the financial information presented in the First Court Report.

In addition, the Trustee assumes no responsibility or liability for and disclaims any and all liability for any loss or damage incurred by any party as a result of the use of this report in any manner, or as a result of the circulation, publication or reproduction of it. Any use which any party makes of the First Court Report or any reliance on any decisions made based on it are the responsibility of that party.

### **III. BACKGROUND**

The background to the bankruptcies of Mr. and Mrs. Tan is set out in the Preliminary Report.

Mrs. Tan's legal counsel described Mrs. Tan's business as the making of short-term, high interest loans to individuals and companies, which occurred from the 1990s to the 2012 (the "Purported Business"). Mrs. Tan advised that these investments stopped after 2012.

Since its appointment, the Trustee has engaged the services of a forensic expert, James P Blatchford Consulting Limited (the "Forensic Expert"), who has spent considerable time reviewing the Estates' records. The Forensic Expert has not found any evidence of the Purported Business described above. Rather, the Forensic Expert found that the Tans operated a fraudulent Ponzi scheme (the "Fraudulent Scheme") from approximately 1997 to 2016 that involved raising funds from investors (the "Investors") to pay other Investors. The Forensic Expert has concluded that, other than minor sums of money used to purchase real properties or invest in the stock market, the only activity evident from the Estates' banking records is the receipt and disbursement of funds from the Investors (the "Investor Funds") based on promissory notes which purported to offer the Investors interest and/or fees at rates that far exceed normal conventional lending rates. This activity is consistent with the specific type of investment known as a Ponzi scheme. A Ponzi scheme is an illegal business practice in which new investors' money is used to make payments to earlier investors. There is usually little or no legitimate investment taking place.

The Fraudulent Scheme operated by the Tans did not involve a legitimate business and consisted of raising money from new Investors that would be paid to other Investors. As a result of the Tans' fraudulent conduct:

- a) certain Investors suffered loss and damage because they lost all or a portion of their principal investments (the "Net losers");

- b) certain Investors profited from the Fraudulent Scheme because they received amounts which exceeded their principal investment (the "Net Winners"); and
- c) certain other persons received money or distributions from the Fraudulent Scheme.

#### **IV. TRUSTEE'S ACTIVITIES SINCE ITS APPOINTMENT**

The activities of the Trustee since being appointed on April 29, 2016 include but are not limited to the following:

##### **A. Communication with Creditors, Creditor Meetings and Trustee's Reports to Creditors**

In early May 2016 the Trustee mailed out creditor packages to all known Investors and creditors of the Estates (the "Creditors") to advise them of the bankruptcies and the first meeting of Creditors, which was held on May 26, 2016 (the "First Meeting of Creditors").

At the First Meeting of Creditors, which was attended by approximately 40 Creditors or representatives of Creditors, the appointment of Boale, Wood & Company Ltd. as Trustee was affirmed and three inspectors of the Estates were appointed (the "Inspectors") pursuant to Section 116 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the "BIA"). The Preliminary Report was distributed to the Creditors in attendance at the First Meeting of Creditors.

Since its appointment, the Trustee has been in contact with many of the Investors and Creditors by way of telephone and email to discuss the administration of the Estates, including, but not limited to, the sale of real properties, recoveries from Net Winners for the amount of proceeds received by them in excess of the amounts they paid to the Fraudulent Scheme, issues relating to claims filed against the Estates, and legal proceedings relating to real properties that the Estates are claiming an interest in.

##### **B. Inspectors Meetings**

The Trustee has held 12 meetings of the Inspectors since May 2016 for the purpose of updating the Inspectors on the administration of the Estates and seeking approval from the Inspectors for various actions taken by the Trustee, including but not limited to the examinations of certain individuals, the sale of real properties, the commencement of litigation against certain Net Winners, settlements with Net Winners and litigation

relating to real properties owned by Marcus Tan, held in trust for Marcus Tan, or owned by a corporation for Marcus Tan's benefit.



## V. REAL PROPERTIES

### A. Registered to Mr. and Mrs. Tan

An update on the real properties registered in the name of Mr. and Mrs. Tan follow:

#### 1. 955 Greenwood Road, West Vancouver, BC (the "West Vancouver Property")

At the date of Tans' bankruptcies, the West Vancouver Property, which was registered in the name of Mrs. Tan, was subject to an Agreement of Purchase and Sale (the "Sale Agreement") dated in October 2015. A copy of the Sale Agreement was provided to the Trustee indicating a sale price of \$3,250,000 with a \$350,000 deposit due in February 2016 and the balance due on the sale's closing date of September 30, 2016. According to Mrs. Tan, the \$350,000 deposit was received and deposited into her account for the Purported Business.

The Trustee reviewed the Sale Agreement and determined that it was not a bona-fide sale for fair market value.

The West Vancouver Property was subject to two mortgages. The first mortgage was in favour of The Lohn Foundation in the approximate amount of \$1,500,000, which was determined by the Trustee to be a valid mortgage. The second mortgage was in favour of an Investor, who alleged that the principal amount on the mortgage was also \$1,500,000. The Trustee rejected the claim of the second mortgagee, who in turn sought a determination of the matter in Court.

On November 24, 2016, The Lohn Foundation commenced foreclosure proceedings with respect to the West Vancouver Property. The West Vancouver Property was listed for sale on the multiple listing service and sold in August 2017 for \$3,200,000.

The Trustee reached a settlement with the second mortgagee, which resulted in the Trustee receiving \$924,373.20 from the residual sale proceeds of the West Vancouver

Property.

2. 410 29<sup>th</sup> Street W, North Vancouver, BC (the "North Vancouver Property")

The North Vancouver Property, which is registered in the name of Mr. and Mrs. Tan, was purchased in 2011 for \$1,000,005. Documentation provided by Mrs. Tan suggests that the North Vancouver Property is held in trust for Marcus Tan.

There are three mortgages registered against the property with face amounts totaling approximately \$1,350,000. The 2018 BC Assessment value of the property is \$1,771,000.

The Trustee is investigating whether Investor Funds were used to purchase the North Vancouver Property. If Investor Funds were used for the purchase the property then Trustee intends to pursue recovery of these funds from the equity in the property, which likely exceeds \$400,000, for the benefit the Estates.

3. 226-19677 Meadow Gardens, Pitt Meadows, BC (the "Pitt Meadows Property")

Mrs. Tan was the registered owner of a ½ interest in the Pitt Meadows Property, which was purchased in 2007 for \$321,630.

There is a mortgage registered against the Pitt Meadows Property in the face amount of \$227,500. The 2016 assessed value of the Pitt Meadows Property is \$287,000.

The Trustee has sold the ½ interest and received net sale proceeds of \$113,143.29 for the benefit of Estates.

4. 209 – 9298 University Crescent, Burnaby, BC (the "Burnaby Property")

Mr. Tan is the registered owner of the Burnaby Property, which was purchased in 2004 for \$181,900. The 2016 assessed value of this property is \$244,000.

The Tans have provided the Trustee with documentation which suggests that this property is also held in trust for Marcus Tan.

There are two mortgages registered against the Burnaby Property with a total amount owing of approximately \$367,500. The second mortgage in the amount of \$167,500 is registered *inter alia* against another unit in a similar development that is registered in the name of Marcus Tan.

If the mortgagee realizes equally on both properties covered by its security, there may be some equity in the Burnaby Property.

The Trustee has not been able to confirm whether Investor Funds were used to acquire this property. If it is determined that the Investor Funds were used to acquire the property, the Trustee will take the necessary steps to ensure that any equity in the property is recovered for the benefit of the Estates.

5. 2611 – 80 John Street, Toronto, ON (the “Toronto Property”)

Mr. Tan is the registered owner of the Toronto Property. There were two mortgages registered against the property with amounts owing totaling approximately \$410,000.

The Toronto Property was listed for sale and sold in 2016 resulting a net recovery to the Estates of \$54,083.47.

6. Fort McMurray, AB (the “Alberta Properties”)

The Tans own nine properties in Fort McMurray that the Trustee believes were purchased for the total of approximately \$3,000,000 between 2006 and 2007.

The Tans have provided the Trustee with documentation which suggests that five of the

Alberta Properties were being held in trust for Marcus Tan (the "Penhorwood Properties"). The buildings on the Penhorwood Properties were demolished.

Mortgages in favour of financial institutions are registered against each of the Alberta Properties and the Trustee has determined there is no equity in any of the properties. The mortgagees have commenced foreclosure proceedings against the Alberta Properties and upon sale will provide an accounting of the sale proceeds to the Trustee. Surplus funds, if any, will be paid to the Estates.

**B. Properties Registered to Marcus Tan and Others**

In addition to the real properties registered in the names of Mr. and Mrs. Tans discussed above, there are several other properties that are registered in the name of Marcus Tan or of companies that Marcus Tan is a shareholder of. The Trustee has determined that Investor Funds were used to purchase these properties and is seeking recovery of these funds from the sale of these properties.

The current status of these properties are as follows:

*1. Fort St. John, BC Properties*

TLD Investments Inc. ("TLD") and 0994439 B.C. Ltd. ("0994439") own a total of 24 properties in Fort St. John (the "FSJ Properties"). Marcus Tan owns 50% of the shares of TLD and 0994439 and Michael Donelson owns the other 50%.

The aggregate value of these properties based on the 2018 BC Assessments is approximately \$6,000,000.

There are mortgages in favour of various financial institutions registered against the FSJ Properties. Three of the FSJ Properties have been sold pursuant to foreclosure proceedings commenced by financial institutions, which have resulted in approximately

\$125,000 in surplus funds being held in court.

The Trustee has been advised by counsel for Michael Donelson that the remaining FSJ Properties are rented out and the rent collected is being used towards the servicing the mortgages and other property expenses not covered by the tenants.

We have requested from both Marcus Tan and Michael Donelson a complete accounting of the funds used to acquire the properties and the ongoing rental receipts and property expenses. To date despite numerous requests and promises to provide, the Trustee has not received this information.

2. 132<sup>nd</sup> Street, Surrey, BC Properties

Marcus Tan is the registered owner of six properties in Surrey, BC that the Trustee believes were purchased between 2011 and 2012 (the "Surrey Properties").

The Trustee understands that five of these properties were acquired for purposes of redevelopment pursuant to a joint venture agreement with Randall Jang. The Trustee will be looking into the terms of and circumstances surrounding the joint venture agreement.

There are several mortgages registered against each of the Surrey Properties. The mortgages include first mortgages in favour of financial institutions totaling approximately \$1,600,000, an *inter alia* mortgage on three of the six properties in favour of Mrs. Tan in the amount of \$600,000, and a recent *inter alia* mortgage in favour of a financial institution registered in February 2016 on four of the six properties in the amount of \$750,000. Mrs. Tan has advised the Trustee that the \$750,000 from the most recent mortgage was deposited to one of her accounts and used in the Purported Business.

The various financial institutions with mortgages in first place commenced foreclosure proceedings against each of the Surrey Properties. As of the date of the First Court Report, five of the six properties have been sold. After payment of the valid mortgages on

title, there is approximately \$3.1 million that is being held in Court.

## **VI. RECOVERY FROM NET WINNERS**

Since its appointment, the Trustee, with the assistance of the Forensic Expert, has reviewed the available records of the Fraudulent Scheme to determine the amount of profits received by each of the Net Winners.

For those Net Winners who received more than \$100,000 in profits, the Trustee has commenced actions against them in the Court for the return of those profits. As of the date of the First Report to Court, approximately 19 actions have been commenced for profits in the total of approximately \$7.5 million. The actions are at various stages of litigation.

For those Net Winners who received less than \$100,000 in profits, the Trustee has made demand for repayment of profits. The total amount of profits of these Net Winners is approximately \$1.6 million. In the event the Net Winners do not return the profits, the Trustee will commence actions against them in the Court.

To date, the Trustee has negotiated the return of profits from Net Winners in the total of approximately \$1,050,000.

## **VII. BC SECURITIES COMMISSION (THE "SECURITIES COMMISSION")**

Since the Trustee's appointment, it has worked cooperatively with the Securities Commission in relation to sharing of banking documents that the Securities Commission obtained from the Tans and financial institutions.

## **VIII. OTHER LEGAL ACTIONS AGAINST THE TANS**

A number of court actions have been commenced by others against the Tans in the Court relating to, or arising out of, the Fraudulent Scheme and/or Purported Business.

In April 2017, the Court appointed the Honourable Madam Justice DeWitt-Van Oosten as the case management judge of all the related actions involving Mrs. Tan, Mr. Tan and Marcus Tan.

On September 7, 2017, a Judicial Management Conference was held by DeWitt-Van Oosten J. and a case management framework for moving the actions forward in a coordinated manner was established. Attached as **Appendix B** to the First Court Report is the memorandum of DeWitt-Van Oosten J. dated September 8, 2017 (the "Memorandum").

Attached at Appendix A to the Memorandum is a list of the current actions known to the Court at that time. The Trustee is aware of seven (7) additional actions which were not included in Appendix A of the Memorandum. These actions are set out in **Appendix C** to the First Court Report.

### **A. Class Action**

Action #5 in Appendix A of the Memorandum is an action commenced by Jastram Properties Ltd. ("Jastram") against Mrs. Tan, Mr. Tan, Marcus Tan, Letan Investments Management, Letan 88 Enterprises Inc., TLD Investments Inc., 0994439 B.C. Ltd., TJ0700 Holdings Ltd., and TJ132 Ventures Ltd. (Vancouver Registry Action No. S-162335). The plaintiff, Jastram, is applying for an order to certify its action as a multi-jurisdictional class proceedings against the defendants. The application is being brought before the Honourable Madam Justice DeWitt-Van Oosten on March 12 and 13, 2019.

### **B. Criminal Proceedings**

The Trustee is not aware that any criminal proceedings have been commenced against either Mrs. Tan or Mr. Tan.



#### IV. TRUSTEE'S STATEMENT OF RECEIPTS & DISBURSEMENTS

The Trustee has attached as **Appendix D** to the Trustee's Report a copy of its Interim Statement of Receipts and Disbursements to February 28, 2019.

##### A. Receipts

The Receipts can be summarized as follows:

Receipts	Virginia	Patrick	Total
Cash	\$ 3,308.47	\$ 752.06	\$ 4,060.53
Realization of Assets	128,161.90	98,079.32	226,241.22
Recovery from Net Winners	1,048,836.35	-	1,048,836.35
Repayments of Preferences	50,366.00	-	50,366.00
Miscellaneous Receipts	10,372.66	258.49	10,631.15
	<u>\$ 1,241,045.38</u>	<u>\$ 99,089.87</u>	<u>\$ 1,340,135.25</u>

##### B. Disbursements

The Disbursements can be summarized as follows:

Insurance & Bonding	16,533.00	4,311.80	20,844.80
Postage	447.94	-	447.94
Legal Fees	405,970.97	5,000.00	410,970.97
Forensic Experts	177,438.40	5,576.95	183,015.35
Miscellaneous	9,812.78	1,080.07	10,892.85
Trustee's Fees	306,303.50	55,000.00	361,303.50
Taxes GST & PST	71,458.11	3,811.79	75,269.90
Payment to Secured Creditor	-	23,489.27	23,489.27
	<u>988,576.83</u>	<u>98,882.01</u>	<u>1,087,458.84</u>

##### C. Net Receipts

The Net Receipts of \$252,676.41 will provide a sufficient reserve to cover the ongoing professional fees that will be incurred in pursuing recovery from Net Winners.

## **X. APPLICATION TO CONSOLIDATE ESTATES**

The Trustee, having reviewed the financial affairs of Mr. Tan and Mrs. Tan, has determined that the Tans conducted themselves and operated the Fraudulent Scheme in a consolidated manner, without regard to their individual or corporate identities. The Tans were both involved in the Fraudulent Scheme and did not separate their financial affairs, maintaining joint accounts and intermingling their property and activities.

The Trustee has also determined that the vast majority of the Tans debts are collectively owed to the Investors. Other personal debts of the Tans represent an insignificant portion of their total debts.

Accordingly, the Trustee is of the opinion that the estates of Mr. Tan and Mrs. Tan should be consolidated for efficiency purposes and that no Creditors will be prejudiced as a result of the consolidation of the Estates.

## **XI. CONCLUSIONS AND RECOMMENDATIONS**

The Trustee has been successful to date in pursuing collection of profits from the Net Winners, which efforts have resulted in recoveries in excess of \$1,000,000.

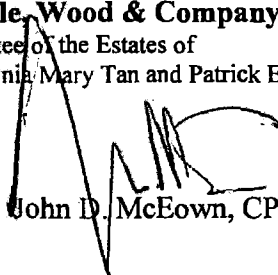
The Trustee continues to pursue recovery from Net Winners, who received the aggregated amount of approximately \$9.1 million in profits. The Trustee strongly believes that its continued efforts against Net Winners are warranted and will result in additional monies being available to distribute to the Creditors.

The Trustee will also continue its efforts to recover funds and the benefit of funds received by Marcus Tan, including funds paid by the Tans to the real properties registered in his or his company's name.

The remaining funds in the Estates should be retained by the Trustee to cover ongoing professional fees and costs to administer the Estates and pursue recovery from Net Winners.

DATED At the City of Vancouver, British Columbia, this 6<sup>th</sup> day of March, 2019

**Boale, Wood & Company Ltd.**  
Trustee of the Estates of  
Virginia Mary Tan and Patrick Eng Tien Tan

  
Per: John D. McEown, CPA, CA, CIRP

# **APPENDIX A**

## **PRELIMINARY REPORT TO CREDITORS**



LICENCED INSOLVENCY TRUSTEE

1140 - 800 W Pender Street  
Vancouver, BC V6C 2V6  
Tel 604 605 3335  
Fax 604 605 3359  
www.boalewood.ca

**Estate No. 11-253984**  
**Estate No. 11-253983**  
**Court No. B-160364**  
**Court No. B-160363**  
**Vancouver Registry**

**IN THE MATTER OF THE BANKRUPTCIES OF  
VIRGINIA MARY TAN & PATRICK ENG TIEN TAN**

**TRUSTEE'S PRELIMINARY REPORT TO CREDITORS**

**VIRGINIA MARY TAN** ("Mrs. Tan") and **PATRICK ENG TIEN TAN** ("Mr. Tan") (collectively, the "Tans") were adjudged bankrupt by the Supreme Court of British Columbia on April 29, 2016 pursuant to a Petition filed by RSC Enterprise Canada Inc. Boale, Wood & Company Ltd. was appointed as Trustee in Bankruptcy of each of the estates of Mr. Tan and Mrs. Tan (collectively, the "Estates").

This report has been prepared by Boale, Wood & Company Ltd., in its capacity as Trustee of the Estates, to provide preliminary information available as at May 25, 2016 to the creditors of the Estates.

**BACKGROUND**

The Trustee has been advised by the Tans that in the late 1990s they commenced a business referred to as Letan Investments ("Letan"). Letan was incorporated under the name 405454 B.C. Ltd. ("405454") in the B.C. Corporate Registry. In 2005, 405454 was struck from the B.C. Corporate Registry. The Trustee understands from the Tans that the business continued as a sole proprietorship of Mrs. Tan after 405454 was struck

The Tans' legal counsel has provided the following statement in relation to the Tans business activities:

*"Beginning in the 1990s and continuing until the end of 2012, Virginia Tan was in the business of making short-term, high interest loans to individuals and to companies. The exact forms of these loans varied with the situation. Sometimes they were made in the nature of "bridge financing", as in the case of prospective real estate transactions. Sometimes they were "payday loans". Sometimes they involved "factoring", or lending money to a company against the security of one or more of that company's accounts receivable.*

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*Other parties, typically friends or relatives of Virginia Tan, invested in Virginia Tan's business. They provided money to Virginia Tan in the expectation that they would receive a substantial return on their investments. Their investments were structured as loans and secured by promissory notes signed in all cases by Virginia Tan and, in some cases, also by Patrick Tan.*

*Before the end of 2012, returns on investment came from the interest payments made by the borrowers as well as Virginia and Patrick Tans' own funds. Some of those friends, including more than one of Virginia Tan's current creditors, obtained investments for Virginia Tan's business from their own friends and acquaintances, and received a commission for securing those additional investments.*

*Virginia Tan's accounting practices were rudimentary at best. Funds received from investors were commingled with funds belonging to Virginia Tan and her husband, Patrick, and with the interest payments received from borrowers. However, the returns which Virginia Tan's business provided to these parties were clearly satisfactory to the investors, as the investors rolled their investments back into the business in the expectation of continuing to receive such high returns. This process became more or less automatic, such that there was no discussion after 2012 between Virginia Tan and any of the investors as to the precise nature of Virginia Tan's business.*

*By the end of 2012, that business was in the process of changing. Virginia Tan was finding the administrative burdens of this business to be overwhelming when compared to her actual profits. She began looking for bigger projects than short-term loans to invest in. She looked at some real estate opportunities and some business opportunities, but in the end did not actually use any of the investors' money to invest in any of them. In the meantime, however, she ceased to make more short-term loans, and the interest payments from short-term borrowers dried up.*

*Patrick Tan had no direct role in the operation of this business beyond signing some of the promissory notes."*

During the past year investors have become increasingly concerned as a result of not receiving their interest payments and/or principal repayments.

The BCSC is investigating this matter. While conducting its investigation the BCSC will not



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make any comments on their findings until their investigation is complete.

According to the BCSC website, bank accounts linked to Mr. & Mrs. Tan have been frozen. According to BC Land Title documents, the BCSC has registered liens against properties owned by Mr. & Mrs. Tan, Marcus Tan, TLD Investments Inc., and 0994439 B.C. Ltd.

The Tans have been sued by numerous investors that resulted in a Mareva Injunction Order and Bankruptcy Order being issued against them by the Supreme Court of B.C.

There have been numerous allegations that the Tans were operating a Ponzi scheme by which they would pay returns to investors from monies obtained from later investors rather than from any real profits of a business, however to date there has not been a legal determination of this.

If it is determined that the Tans were operating a Ponzi scheme, the Trustee will consider various available remedies to recover funds for those investors who lost money, including recovery of preferential payments and recovery from those investors who have profited from their investments with the Tans. There is also the possibility of commencing class action lawsuits against the various financial institutions that the Tans used for their business.

#### **CONSERVATORY MEASURES**

Immediately following its appointment as Trustee over the Estates, the Trustee attended at the Tans' residence in West Vancouver, took possession of their books and records and arranged for the imaging of the Tans' computers to preserve any information stored on them.

The Trustee has also communicated with all banks and brokerage companies that the Tans had conducted business with to request that any accounts in the name of the Tans be immediately frozen and any residual funds in these accounts be forwarded to the Trustee. The Trustee has confirmed that the properties owned by the Tans are properly insured.



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**ASSETS**

***Cash & Securities***

As mentioned earlier in this report, the Trustee has notified all banks that the Tans conducted business with to request that any accounts in their names or in the name of Letan be frozen immediately and that any residual funds in these accounts be forwarded to the Trustee. It should be noted that most of the banks notified had already frozen the accounts as a result of the freeze orders issued by the BCSC.

Based on its preliminary investigation, the Trustee believes that the Tans' bank accounts are either overdrawn or have nominal balances in them. The Tans have estimated the total cash held in bank accounts on their Statement of Affairs to be approximately \$2,000 each.

At the date of the bankruptcy the Trustee took possession of two Royal Bank of Canada bank drafts in the name of Virginia and Patrick Tan totaling \$1,504.12 and has deposited these into the Estates' trust accounts.

The Tans advised the Trustee that all investments held in their brokerage accounts were sold and the funds realized were transferred to their bank accounts and used in the business.

***Household Furniture, Fixtures and Personal Effects***

The declared value for the Tans furniture, fixtures and personal effects on the Statement of Affairs are as follows:

Furniture & Fixtures	\$4,000
Clothing	\$1,000

The Trustee has obtained photos of the furniture and fixtures but has not yet attained a formal appraisal. However, based on the Trustee's preliminary review it expects that the value of the furniture and fixtures will fall within the exemption amounts pursuant to the *Court Order Enforcement Act*, R.S.B.C. 1996 c. 78 and the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3. The Trustee and the Estates' creditors will not be entitled to exempt property.



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***Life Insurance***

The Tans held numerous life insurance policies which the Trustee is in the process of confirming the status of to determine whether there is any cash surrender value associated with these policies.

The Trustee has been advised by the Tans that the insurance policies were term policies and not whole life policies. We understand that the policies have lapsed as a result of the Tans' failure to pay the premiums. It is unlikely that there will be any recovery from the policies for the Estates.

***Registered Retirement Savings Plans (RRSPs)***

The Tans have advised the Trustee that they do not have nor have they ever held any RRSPs.

Based on the Trustee's preliminary investigation of the books and records of the Tans there is no evidence of any RRSPs in their name.

***Investment/Loan in TJ132 Ventures Ltd.***

Mrs. Tan has included on her Statement Affairs an investment in TJ132 Ventures Ltd. ("TJ132") in the amount of \$325,000.

Mrs. Tan is a director of TJ132 along with Randall Jang. The Trustee has been advised by Mrs. Tan that 60% of the shares of TJ132 are owned by Marcus Tan and 40% of the shares are owned by Randall Jang.

The Trustee understands that TJ132 is involved in the redevelopment of certain properties in Surrey, British Columbia registered in the name of Marcus Tan.

The Trustee intends to pursue recovery of any investment made in TJ132 for the benefit of Mrs. Tan's estate.

***Loan due from Warren Vargas***

Mrs. Tan has included an amount of \$1,500 due from Warren Vargas on her Statement of

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Affairs. This is in relation to an outstanding personal loan made to Mr. Vargas.

The Trustee will take steps to realize on this asset for the benefit of Mrs. Tan's estate.

***Loans/Investments in other Companies***

The Statements of Affairs of the Tans reference several companies that the Trustee understands the Tans were involved in.

The Trustee will be investigating the companies to determine what the Tans involvement is and if there are any assets in these companies that could be recovered for the Estates.

***Real Properties registered in the name of the Tans***

The real properties registered in the name of the Tans can be summarized as follows:

***1. 955 Greenwood Road, West Vancouver, BC (the "West Vancouver Property")***

The West Vancouver Property is registered in in the name of Mrs. Tan and is the Tans' primary residence. The Trustee has been advised that the residence was purchased by Mrs. Tan for \$200,000 in 1985.

We are advised by the Tans that Mrs. Tan entered into an Agreement of Purchase and Sale (the "Agreement") in October 2015. A copy of the Agreement was provided to the Trustee indicating a sale price of \$3,250,000 with a \$350,000 deposit due in February 2016 and the balance due on the sale's closing date of September 30, 2016. According to Mrs. Tan, the \$350,000 was received and put into the business.

The Trustee will review the West Vancouver Property sale transaction to confirm whether it is a bona-fide sale for fair market value. The Trustee will also review the mortgages registered on title to ensure they are valid and enforceable and that funds were properly advanced thereunder.

Based on the Trustee's preliminary review, there are two mortgages registered against the West Vancouver Property which appear to have a total amount owing of approximately \$2,900,000. Accordingly, if it is determined that the sale is bona-fide and for fair market value



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at the time the Agreement was entered into, there will be no equity available to Mrs. Tan's estate upon completion of the sale.

2. 410 29<sup>th</sup> Street W, North Vancouver, BC (the "North Vancouver Property")

The North Vancouver Property which is registered in the name of Mr. and Mrs. Tan was purchased in 2011 for \$1,000,005. The Tans have provided the Trustee with documentation that indicates that this property is held in trust for Marcus Tan.

There are three mortgages registered against the property with face amounts totaling \$1,350,000. The current market value of the property is estimated to be approximately \$1,800,000.

The Trustee intends to review the purchase transaction to determine the source of funds used to acquire this property. If it is determined that investors' funds were used to acquire the property the Trustee intends to pursue recovery of these funds from the equity in the property, which likely exceeds \$400,000, for the benefit the Estates.

3. 226-19677 Meadow Gardens, Pitt Meadows, BC (the "Pitt Meadows Property")

Mrs. Tan is the registered owner of a 1/2 interest in the Pitt Meadows Property, which was purchased in 2007 for \$321,630.

There is a mortgage registered against the Pitt Meadows Property in the face amount of \$227,500. The 2016 assessed value of the Pitt Meadows Property is \$287,000.

The Trustee will pursue recovery of Mrs. Tan's portion of the equity in the Pitt Meadows Property for the benefit of Mrs. Tan's estate.

4. 209 - 9298 University Crescent, Burnaby, BC (the "Burnaby Property")

Mr. Tan is the registered owner of the Burnaby Property, which was purchased in 2004 for \$181,900. The 2016 assessed value of this property is \$244,000.

The Tans have provided the Trustee with a documentation that indicates that this property is held in trust for Marcus Tan.

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There are two mortgages registered against the Burnaby Property with a total amount owing of approximately \$367,500. The second mortgage in the amount of \$167,500 is registered *inter alia* against another unit in a similar development that is registered in the name of Marcus Tan.

If the mortgagee realizes equally on both properties covered by its security, there may be some equity in the Burnaby Property.

The Trustee intends to review the purchase transaction to determine the source of funds used to acquire this property. If it is determined that the investors' funds were used to acquire the property the Trustee will take the necessary steps to ensure that any equity in the property is recovered for the benefit of the Tans estates.

5. 2611 – 80 John Street, Toronto, ON (the "Toronto Property")

Mr. Tan is the registered owner of the Toronto Property, which the Trustee believes was purchased in 2011. The Toronto Property was listed for sale this year and recently sold for \$492,000.

At the time of the sale, there were two mortgages registered against the property with amounts owing totaling approximately \$410,000.

The net sale proceeds of \$51,344 after payment of the mortgages, sales commission and legal fees is being disbursed to the Trustee for the benefit of Mr. Tan's estate.

6. Fort McMurray, AB (the "Alberta Properties")

The Tans own nine properties in Fort McMurray that we believe were purchased for approximately \$3,000,000 between 2006 and 2007.

The Tans have provided the Trustee with documentation that indicates that five of these properties are being held in trust for Marcus Tan. These are the "Penhorwood Properties" that we understand were demolished and do not likely have any value.

There are mortgages registered against the Alberta Properties. The Trustee has not yet determined the mortgage balances.



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The Trustee will review the Alberta Properties, but is not optimistic that there will be any equity available for the benefit of the Estates given the recent downturn in the Alberta economy.

***Other Real Properties***

In addition to the real properties registered in the names of the Tans discussed above, there are numerous other properties that the Tans have been involved with in some capacity but that are owned by either Marcus Tan or other companies. The Tans have advised the Trustee that they do not own shares in any of these other companies. The Trustee will be investigating the purchases of these other properties to determine if investor funds were used to purchase any of these properties.

These other properties can be summarized as follows:

***Fort St. John, BC Properties***

TLD Investments Inc. ("TLD") and 0994439 B.C. Ltd. ("0994439") own a total of 24 properties in Fort St. John. The Trustee has been advised by Mrs. Tan that Marcus Tan owns 50% of the shares of TLD and 0994439 and Michael Donelson owns the other 50%. The Trustee believes that these properties were purchased between 2013 and 2015.

The aggregate value of these properties based on the 2016 BC Assessment is \$6,138,800.

There are mortgages registered against these properties, however the Trustee has not yet determined the outstanding mortgage balances.

The Tans have advised the Trustee that they advanced approximately \$700,000 to TLD in trust for Marcus Tan.

The Trustee will conduct a review of these properties to determine if investor funds were paid or loaned to these companies and if so will pursue recovery of these funds for the benefit of the Estates.



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132<sup>nd</sup> Street, Surrey, BC Properties

Marcus Tan is the registered owner of six properties in Surrey, BC that the Trustee believes were purchased between 2011 and 2012.

The Trustee understands that five of these properties were acquired for purposes of redevelopment pursuant to a joint venture agreement with Randall Jang. The Trustee will be looking into the terms of the joint venture agreement.

There are several mortgages registered against the properties. The mortgages include first mortgages totaling approximately \$1,600,000, a mortgage in the name of Mrs. Tan in the amount of \$600,000 and a recent mortgage registered in February 2016 in the amount of \$750,000. Mrs. Tan has advised the Trustee that the \$750,000 was deposited to one of her accounts and used in the business. As well the Trustee has been advised that the funds for the \$600,000 mortgage were never advanced.

The Trustee has not yet determined the current market value of these properties and any increase in value anticipated upon redevelopment.

The Trustee will conduct a review of these properties to determine if investors' funds were used to acquire these properties and if so will pursue recovery of these funds for the benefit of the Estates. The Trustee will also make enquiries of the Tans with respect to the use of the \$750,000 mortgage proceeds received in February.

*Vehicles*

2011 Toyota Sienna

The Tans jointly own a 2011 Toyota Sienna. The Black Book value of the vehicle is approximately \$25,000. The Trustee has made arrangements to collect the vehicle and realize on this asset for the benefit of the estates.

2015 Toyota Highlander

Mr. Tan owns a 2015 Toyota Highlander which has a loan registered against it in favour of Toyota Credit Canada. The loan appears to have been properly registered in the Personal



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Property Registry and the amount owing on the loan is estimated at \$24,000 on the Statement of Affairs of the bankrupt.

The Black Book value of the vehicle is approximately \$34,000. The Trustee has made arrangements to have the vehicle appraised in order to determine if there is any equity available for the benefit of Mr. Tan's estate.

Pursuant to the *Court Order Enforcement Act*, R.S.B.C. 1996 c. 78 and the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, the Tans are each entitled to an exemption of \$5,000 for a vehicle.

**PROVABLE CLAIMS**

The Trustee has performed a preliminary review of the claims filed to date which are summarized below:

<b>Virginia Mary Tan</b>		
	<b>As Per Statement of Affairs</b>	<b>Claims Filed to date</b>
Secured Creditors	\$4,454,788	\$1,500,000
Unsecured Creditors	\$30,875,551	\$30,909,892
Totals	\$35,330,339	\$32,409,892

<b>Patrick Eng Tien Tan</b>		
	<b>As Per Statement of Affairs</b>	<b>Claims Filed to date</b>
Secured Creditors	\$1,490,284	\$23,288
Unsecured Creditors	\$10,459,872	\$10,691,257
Totals	\$11,950,156	\$10,714,545

**SECURED CREDITORS**

The Tans' Statement of Affairs lists many secured creditors. The secured creditors include mortgages against real properties and vehicle financing.

The Trustee will be reviewing all security agreements and documents supporting the

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advances made to confirm their validity, enforceability and amounts due.

### **UNSECURED CREDITORS**

#### *Amounts owed to investors*

Based on its preliminary review, the Trustee has identified 177 investors with currently outstanding promissory notes exceeding \$40 million.

#### *Other Unsecured Creditors*

The other unsecured creditors of the Estates include credit card debts and expenses related to the real properties owned by the Tans. These amounts total \$172,682 on the Statements of Affairs of the Tans.

#### *Related Party*

Additionally, an amount of \$702,869 is included on the Statement of Affairs as an amount owed to Marcus Tan.

### **TRUSTEE'S FEE ARRANGEMENT**

The Trustee has received a third party deposit from RCS in the amount of \$15,000 towards payment of its fees and disbursements. Fees will otherwise be paid from the realization of the assets of the Tans in accordance with the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

### **PREFERENTIAL PAYMENTS & TRANSFERS AT UNDERVALUE**

As of the date of this report the Trustee has not completed its review of the books and records of the Tans to determine whether there were preferential payments and/or transfers at undervalue in the three month period prior to the date of bankruptcy, and where related parties are concerned, the twelve month period prior to the date of bankruptcy.





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### **FIRST MEETING OF CREDITORS**

The First Meeting of Creditors will be held on May 26, 2016 at 2:00 PM. The purpose of this meeting is as follows:

- Consider the affairs of the Tans which will include a review of the Trustee's Preliminary Report and answering any questions asked by meeting attendees;
- Affirm the appointment of Boale, Wood & Company Ltd. as Trustee or substitute another in place thereof; and
- Appoint up to five inspectors that will represent the creditors at large and will give directions to the Trustee as the creditors may see fit with reference to the administration of each of the Estates.

The Trustee has been in contact with various lawyers that represent a significant number of the investors and anticipates that some of these lawyers may wish to be inspectors of the Estates.

Following the First Meeting of Creditors, the Trustee will promptly organize a meeting of the appointed inspectors to discuss in detail how best to proceed with the administration of the Estates. This is a large and complex administration that will require cooperation of various parties involved to expedite and maximize the recovery to the investors and creditors.

### **ESTIMATED REALIZATION**

The Trustee at this preliminary time is not in a position to provide any meaningful estimate of the realization.

Creditors should be aware that the ability of the Trustee to pursue the recovery of monies for the benefit of the Estates will be dependent on funds being available to do so. Currently, the only assets that the Trustee can realize on, without considerable costs to the Estates, are the equity in the Tans vehicles, the equity in the Properties owned by the Tans that are not held in Trust for Marcus Tan, and the small amount of cash the Trustee will recover from the Tans bank accounts.

The Trustee will initially focus on assets that can be recovered cost effectively in order to



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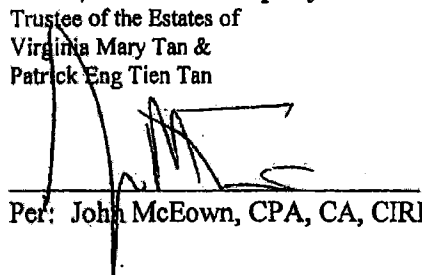
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fund the litigation that will be necessary to recover monies from third parties.

DATED at the City of Vancouver, British Columbia this 25<sup>th</sup> day of May, 2016.

**Boale, Wood & Company Ltd.**

Trustee of the Estates of  
Virginia Mary Tan &  
Patrick Eng Tien Tan



Per: John McEown, CPA, CA, CIRP

# **APPENDIX B**

**Memorandum of the Honourable Madam Justice  
DeWitt-Van Oosten dated September 8, 2017**



**MEMORANDUM TO PARTIES**

**TO:** Sue Smolen  
Manager, Supreme Court Scheduling

**FROM:** The Honourable Madam Justice DeWitt-Van Oosten

**DATE:** September 8, 2017

**RE:** *RSC Enterprise Canada Inc. v. Tan*; VA S162913 ("RSC") and related actions: VA B160364; VA B160363; VA S162272; VA S162335; VA S162327; VA S162752; VA S162876; VA S163009; VA S163025; VA S163808; VA S163845; VA S154278; VA S155677; VA S160389; VA H170040; VA H170041; VA H170043; VA S162855; VI S161713; VI S161714; NW H181306; and FSJ H23401

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Counsel for *RSC* is requested to ensure that all parties named in Appendix A receive a copy of this Memorandum, as well as the Trustee in Bankruptcy of the Estate of Virginia Tan and the Estate of Patrick Tan (the "Trustee in Bankruptcy").

- [1] The above-noted actions have been assigned to me for the purpose of judicial case management.
- [2] This Memorandum is in follow-up to a Judicial Management Conference (JMC) held on September 7, 2017.
- [3] The primary purpose of the JMC was to establish a case management framework for moving these actions forward in a co-ordinated manner, where practicable.
- [4] The parties in attendance on September 7 were provided an opportunity to address various issues raised in my previous Memorandum on this matter, dated April 12, 2017.
- [5] As a result of submissions made, I have made the following determinations as case management judge:

1. All applications brought within the context of an action identified in Appendix A to this Memorandum (the "Related Actions"), as updated from time to time, are to be filed in accordance with the *Supreme Court Civil Rules*, B.C. Reg. 168/2009 (the "Rules"), unless otherwise directed by the case management judge. On filing, the applicant is to provide notice of the application to all affected parties in the Related Actions.
2. All interlocutory applications in the Related Actions shall be heard by the case management judge, either at a JMC or on a date obtained through Supreme Court Scheduling.
3. Consistent with item 1 above, whether an interlocutory application is heard at a JMC, or by way of separate hearing, it must accord with the filing requirements under the Rules and notice of the application must be provided to all affected parties in the Related Actions.
4. Whether an interlocutory application brought in one of the Related Actions can presumptively be considered to have been brought in each of the other Related Actions, subject to the direction of the case management judge, is a matter that can await a future JMC.
5. Timelines for the delivery of documents under Rule 7-1 in the Related Actions, where applicable, can await a future JMC.
6. Whether documents obtained in one Related Action, through production in the ordinary course, or as a result of court order, may presumptively be used and relied upon in each of the Related Actions, subject to the discretion of the trial judge, is an issue that can await a future JMC.
7. In the interim, the broader (or general) availability and use of documents obtained in a Related Action is a matter to be addressed on a case-by-case basis, within the context of an application brought in a Related Action. Consistent with item 1 above, any such application shall accord with the Rules and notice of the application must be provided to all affected parties in the Related Actions.
8. Coordination of, and timelines for the completion of examinations for discovery in the Related Actions, where applicable, will not be set at this time; rather, this is an issue that can await a future JMC.
9. Likewise, whether examinations for discovery as completed in one Related Action, may be presumptively used and relied upon by an adverse party in another of the Related Actions, subject to the discretion of the trial judge, is an issue that can await a future JMC.

10. In the interim, the broader (or general) availability and use of examinations for discovery conducted in a Related Action is a matter to be addressed on a case-by-case basis, within the context of an application brought for that purpose. Consistent with item 1 above, any such application shall accord with the Rules and notice of the application must be provided to all affected parties in the Related Actions.
11. Timelines for the delivery of expert and rebuttal reports and the presumptive use that may be made of these reports across the Related Actions, is an issue that can await a future JMC.
12. Timelines for the exchange of witness lists can await a future JMC.
13. Whether one or more of the Related Actions should be joined, consolidated or heard for trial at the same time, is an issue to await a future JMC.
14. JMCs shall be held every six months, running from the date of this Memorandum. However, if an issue arises that requires an earlier date, the parties are at liberty to move the date forward.
15. To clarify, the Related Actions that involve foreclosure proceedings are exempt from this case management framework, *except* to the extent that the parties to the foreclosure actions have an obligation to keep the Trustee in Bankruptcy notified of material developments in their proceedings and to provide a full accounting of proceeds. Legal counsel involved in the foreclosure proceedings need not attend a JMC, unless they choose to do so, or are otherwise directed to attend by the case management judge.
16. By consent, the Trustee in Bankruptcy will function as a central contact for material developments in all Related Actions, but in light of the Trustee's current resource limitations, only to this extent:
  - The Trustee will prepare a list of the actions before the Court relating to Virginia Tan and Patrick Tan that are known to the Trustee (the "Action List"). At this time, the list will be comprised of those current actions attached as Appendix A;
  - The Trustee will add to the Action List the names and contact information of counsel to the parties or of self-represented litigants, to the extent that such information has been to date publicly filed and is easily accessible to the Trustee;
  - The Trustee will post the Action List on the Trustee's website on the webpage dedicated to the bankruptcies, which at this time is

<<http://www.boalewood.ca/2016/05/03/patrick-eng-tien-tan-and-virginia-mary-tan/>> (the "Trustee's Website"), so that it may be available to the public;

- The Trustee's Website will contain a notice advising that persons who wish to have their action and contact information included on the Action List, or amended, are to contact the Trustee;
- The Trustee's Website will also contain a notice advising parties that arrangements for service on actions, interlocutory applications or otherwise, remain the responsibility of the parties and not the responsibility of the Trustee;
- Upon receiving consent for same, the Trustee will provide, on the Trustee's Website, an "email service list" containing the known email addresses of counsel and self-represented litigants involved in matters on the Action List, which could be accessed by the public to be used in the event parties or others wish to disseminate information electronically to the greater group (the "Email Service List"); and,
- The Trustee will add to the "Email Service List" the names and contact information of counsel to the parties or of self-represented litigants, to the extent that such information becomes known to the Trustee, is easily accessible and consent for including the information on the Email Service List is forthcoming.

[6] As the case management process continues, there may be other procedural or substantive issues that the parties in the Related Actions consider appropriate to add to the management framework, or, changes may be necessary to existing items. The parties are at liberty to raise these issues within the course of the JMCs.

[7] The parties subject to the case management framework are to co-ordinate a maximum three day hearing in Vancouver Chambers, preferably in December 2017 or January 2018, for the purpose of addressing, as appropriate and warranted: (1) a possible lifting of one or more of the stays under the bankruptcy legislation (2) access to any financial records relating to Virginia Tan and Patrick Tan that are in possession of the Trustee in Bankruptcy and relevant to the Related Actions; (3) access to any examinations that have been conducted in the bankruptcy proceedings; (4) particulars under Rule 3-7; and/or (5) any other issues that the parties consider necessary and incidental to either advancing a step in a Related Action, as necessitated by current circumstances, or responding to demands or requests made.

[8] Any application made at the said hearing must accord with the Rules and notice of the application must be provided to all affected parties in the Related Actions.

[9] The parties who intend to participate in the hearing are to work co-operatively to develop an application agenda for the hearing, with a view to grouping like applications and avoiding unnecessary repetition or overlap. The order of submissions and time limits for submissions are to be agreed-upon in advance.

[10] All parties in the Related Actions who have not yet closed their pleadings under Rule 3, with the consent of the opposing party or otherwise, and intend to participate in the hearing, must use their best efforts to close pleadings by no later than 21 days before the hearing.

[11] The JMC currently scheduled for one hour on November 21, 2017, in Related Action VA B160364 has been cancelled.

[12] If clarity on the directions provided in this Memorandum is required, the parties are at liberty to request same, in writing. The Court's response will be distributed to all parties in the Related Actions.

"DeWitt-Van Oosten J."



**APPENDIX A**

1. *RSC Inc. v. Virginia Mary Tan* (the "RSC Action");  
VA S162913
2. *RSC Inc. v. Virginia Mary Tan* (the "Virginia Tan Bankruptcy Proceeding");  
VA B160364, Estate No. 11-253977
3. *RSC Inc. v. Patrick Eng Tien Tan* (the "Patrick Tan Bankruptcy Proceeding");  
VA B160363, Estate No. 11-253976
4. *Richard Ting Man Li v. Virginia Mary Tan* (the "Richard Ting Man Li Action  
#1");  
VA S162272
5. *Jastram Properties Ltd. v. Virginia Mary Tan* (the "Jastram Action");  
VA S162335
6. *Irene Richards v. Virginia Mary Tan* (the "Richards Action");  
VA S162327
7. *Richard Ting Man Li v. Virginia May Tan* (the "Richard Ting Man Li Action  
#2");  
VA S162752
8. *Lenka Helen Pelikan v. Virginia May Tan dba Letan Investments  
Management* (the "Pelikan Action");  
VA S162876
9. *Rina Teo v. Virginia Tan* (the "Teo Action");  
VA S163009
10. *Farid Pascuas v. Virginia Mary Tan* (the "Pascuas Action");  
VA S163025
11. *Phyllis Margaret Kersey v. Virginia Mary Tan* (the "Kersey Action");  
VI S161713
12. *Susan Joan Gilles v. Virginia Mary Tan* (the "Gilles Action");  
VI S161714
13. *Wong Chui Kit v. Virginia Mary Tan* (the "Chui Kit Action");  
VA S163808
14. *Shirley Lee v. Virginia Mary Tan* (the "Lee Action");  
VA S163845
15. *RanAm Developments Ltd. v. Marcus Soon-Keen Tan* (the "RanAm Action");  
VA S154278
16. *Marcus Tan v. RanAm Developments Ltd.* (the "Marcus Tan Action");  
VA S155677

17. *Reliable Mortgages Investment Corp v. Patrick Tan* (the "Reliable Foreclosure Proceeding");  
NW H181306
18. *Lohn Foundation v. Virginia Mary Tan and others* (the "Lohn Foreclosure Proceeding");  
VA S160389
19. *Royal Bank of Canada v. TLD Investments Inc.* (the "Royal Bank Foreclosure Proceeding");  
FSJ H23401;
20. *Canadian Western Bank v. Marcus Soon-Keen Tan* (the "Canadian Western Bank Foreclosure Proceeding #1");  
VA H170040;
21. *Canadian Western Bank v. Marcus Soon-Keen Tan* (the "Canadian Western Bank Foreclosure Proceeding #2");  
VA H170041;
22. *Canadian Western Bank v. Marcus Soon-Keen Tan* (the "Canadian Western Bank Foreclosure Proceeding #3");  
VA H170043; and
23. *Valerie Lek Soo Noi v. Wong Chui Han* (the "Lek Action")  
VA S162855.

# Appendix C

## **Additional Actions which are not included in Appendix A of the Memorandum:**

- A. ***Canadian Western Bank and other v. Marcus Soon-Keen Tan and others –  
Action No. H-188188***
- B. ***Jastram Properties Ltd. v. HSBC Bank Canada – Action No. S-179117***
- C. ***CIBC Mortgages Inc. v. Patrick Tan and others – Action No. H-170448***
- D. ***Bank of Montreal v. Marcus Soon-Keen Tan and others – Action No. H-  
170571***
- E. ***Royal Bank of Canada v. Marcus Soon-Keen Tan and others – Action No. H-  
170101***
- F. ***Royal Bank of Canada v. Marcus Soon-Keen Tan and others – Action No. H-  
170132***
- G. ***Royal Bank of Canada v. Marcus Soon-Keen Tan and others – Action No. H-  
170133***

# **Appendix D**

## **INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS**

Court No: B160364, B160363  
 Estate #: 11-253984, 11-253983

**Statement of Receipts and Disbursements**  
 (Section 152 of the Act)

In the Matter of the Bankruptcies of Virginia Mary TAN and Patrick Eng Tien TAN

**TRUSTEE'S STATEMENT OF RECEIPTS AND DISBURSEMENTS AS AT FEBRUARY 28, 2019**

<b>RECEIPTS</b>			
	<u>Virginia</u>	<u>Patrick</u>	<u>Total</u>
Cash			
Cash In Bank	1,256.41		1,256.41
Cash on Hand	752.06	752.06	1,504.12
Rental Income	1,300.00		1,300.00
Realization of Assets			
Sale of Vehicle - Toyota Sienna	12,818.61	43,995.85	56,814.46
Accounts Receivable	2,200.00		2,200.00
Sale Proceeds - Meadow Gardens Way	113,143.29		113,143.29
Sale proceeds - 80 John St, Toronto		54,083.47	54,083.47
Settlement Funds	1,048,836.35		1,048,836.35
Repayment of Preference	50,366.00		50,366.00
Miscellaneous Receipts			
GST/HST Credits - Personal	560.00	37.03	597.03
BC Climate Action Tax Credit	240.76		240.76
Income Tax Refund - Post-Bankruptcy	65.89		65.89
Interest	9,506.01	221.46	9,727.47
<b>Total Receipts:</b>	<b>1,241,045.38</b>	<b>99,089.87</b>	<b>1,340,135.25</b>
<b>DISBURSEMENTS</b>			
Fees Paid			
Fees paid to the Official Receiver	150.00	150.00	300.00
Asend License Fee	170.00	170.00	340.00
Notice of first meeting			
Local Paper	292.13	292.12	584.25
Premiums			
Bond Premium	850.00		850.00
Insurance	15,683.00	4,311.80	19,994.80
Postage on general correspondence			
Postage	447.94		447.94
Legal fees and legal services costs			
Solicitor to estate	405,970.97	5,000.00	410,970.97
Consultant Fees			
Consultant Fees	177,438.40	5,576.95	183,015.35
Property Taxes			
Miscellaneous			
Courier	326.75	268.34	595.09
Counselling Fees	170.00	170.00	340.00
Bank Charges	104.00		104.00
Storage	705.07		705.07
Supplies - Boxes	23.18	23.18	46.36
Telephone	377.27		377.27
Travel	42.04	42.04	84.08
Meeting Facilities	92.50	92.50	185.00
Search Fees	264.45	12.50	276.95
Photocopies	7,707.52	471.52	8,179.04
Trustee's Remuneration			
Trustee's fees	306,303.50	55,000.00	361,303.50
Taxes			
Provincial Sales Tax - Disbursements and Extrajudicial Costs	26,983.88	407.40	27,391.28
Goods and Services Tax - Disbursements and Extrajudicial Costs	29,493.20	654.39	30,147.59
Goods and Services Tax - Trustee Remuneration	14,981.03	2,750.00	17,731.03
Distribution to Creditors			
Payments to Secured Creditor		23,489.27	23,489.27
<b>Total Disbursements</b>	<b>988,576.83</b>	<b>98,882.01</b>	<b>1,087,458.84</b>
<b>NET RECEIPTS</b>	<b>252,468.55</b>	<b>207.86</b>	<b>252,676.41</b>