

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

VIRGINIA MARY TAN, ET AL.

DEFENDANTS

Brought under the *Class Proceedings Act*, R.S.B.C. 1996, c. 50

**SETTLEMENT ADMINISTRATION PLAN (THE “PLAN”)**

**SECTION 1 – Definitions**

1.1 Whenever capitalized terms are used in this Plan and in the Schedules annexed hereto, they will have the following meanings:

- (a) **“Approval Order”** means the order of the Court approving this Settlement Administration Plan;
- (b) **“Approved Class Counsel Legal Expenses”** mean the legal expenses of Class Counsel and in the amount of \$1,157,165 in fees and \$58,006 in disbursements and \$120,357 in taxes thereon as approved by the Court in the Approval Order, or in such other amount as approved by the Court in the Approval Order;
- (c) **“Bankruptcy Proceeding”** means the proceeding *In the Matter of the Bankruptcy of Virginia Mary Tan* in BCSC Action No. B-160364, Estate No. 11-253977;

- (d) **“Claims Process Order”** means the order of the Court in the Bankruptcy Proceeding setting out the process for making claims in the Bankruptcy Proceeding made contemporaneously with the Approval Order;
- (e) **“Claims Deadline”** means the deadline for filing a Proof of Claim in the Bankruptcy Proceeding set by the Claims Process Order;
- (f) **“Class”** means all persons, other than the Defendants, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested, and who did not opt-out of this Class Action;
- (g) **“Class Claimant”** means a Class Member who has filed a claim with the Trustee in the Bankruptcy Proceeding which has been accepted, in accordance with the Claims Process Order;
- (h) **“Class Counsel”** means the law firm of Bennett Mounter LLP;
- (i) **“Class Member”** means a member of the Class;
- (j) **“Court”** means the Supreme Court of British Columbia;
- (k) **“Settlement Fund”** means the fund held in trust by Class Counsel in the amount of approximately \$3.512 million, pursuant to the orders of the Court made in this Class Action on October 1, 2020 and February 25, 2021;
- (l) **“Tan Investment Scheme”** means the Ponzi or Ponzi-like scheme or schemes operated by the Tans up to approximately 2016;
- (m) **“Trustee”** means McEown + Associates Ltd., Trustee in Bankruptcy for the Consolidated Estate in the Bankruptcy Proceedings;
- (n) **“Trustee Payment”** means a payment to the Trustee to fund the ongoing administration of the Consolidated Estate of Virginia Mary Tan, in the amount of \$250,000, or such other amount as approved by the Court in the Approval Order;

**SECTION 2 – Use of the Settlement Fund**

2.1 Within seven days of the Approval Order, the Settlement Fund will be used to pay:

- (a) the Approved Class Counsel Legal Expenses to Class Counsel; and
- (b) the Trustee Payment to the Trustee on the terms that any monies recovered from persons who invested in the Tan Investment Scheme, and received payments in relation to their investment in a total amount which exceeded the principal amount invested, which monies recovered are not, in the discretion of the Trustee, reasonably necessary for the ongoing administration of the estate, shall be distributed first to Class Creditors up to an amount equal to the amount of the Trustee Payment.

2.2 The amount remaining in the Settlement Fund of approximately \$2.111 million, or such other amount remaining after the payments made pursuant to Paragraph 2.1, shall be used to pay settlement benefits to the Class Claimants pursuant to Section 5 of this Plan.

**SECTION 3 – Claims Process**

3.1 In order to claim their settlement benefit, a Class Member must file a Proof of Claim with the Trustee in accordance with the Claims Process Order.

3.2 Class Members must submit a Proof of Claim to the Trustee by the Claims Deadline set by the Claims Process Order in order to be eligible to receive a settlement benefit from the Settlement Fund.

3.3 Class Counsel shall review all Proofs of Claim provided to them by the Trustee, pursuant to the Claims Process Order. Class Counsel shall assist Class Members to supplement their Proof of Claims with additional documents and information, if available, as provided for by the Claims Process Order. In so doing, Class Counsel are obliged to act in the best interest of the Class generally and not for any individual Class Member against the best interest of the Class.

3.4 If Class Counsel concludes that a Proof of Claim is consistent with the documents and records in the possession of Class Counsel concerning the Tan Investment Scheme, Class Counsel shall deliver a Class Counsel Confirmation to the Trustee, as provided for by the Claims Process Order. With the consent of the Class Member, Class Counsel may amend the Proof of Claim through delivery of a Class Counsel Confirmation to the Trustee, as provided for by the Claims

Process Order, to an amount that Class Counsel concludes is consistent with the documents and records in the possession of Class Counsel.

3.5 If Class Counsel does not submit a Class Counsel Confirmation to the Trustee concerning a Proof of Claim by a Class Member, Class Counsel may discuss with the Trustee the reasons why Class Counsel was unable to deliver the Class Counsel Confirmation.

3.6 No further amounts will be charged by or payable to the Class Counsel for assistance provided to Class Members with respect to their Proof of Claims.

3.7 Class Members who wish to dispute the amount of their claim as determined by the Trustee must do so in accordance with the Claims Process Order.

3.8 Class Counsel are not obliged to assist Class Members who wish to object to the Trustee's determination of their claim, in accordance with the Claims Process Order.

#### **SECTION 4 – Notices**

4.1 Within 14 days of the issuance by the Trustee of the Claims Package to Class Members pursuant to the Claims Process Order, Class Counsel shall give notice by e-mail to Class Members, for which Class Counsel has email addresses, of their requirement to file a Proof of Claim with the Trustee in order to receive a settlement benefit from the Settlement Fund, which notice shall be substantially in the form attached as Schedule "A" to this Plan.

4.2 Class Counsel shall issue subsequent notices by e-mail, 30 days and 60 days after the notice given pursuant to Section 4.1, to those Class Members who, as of the date of each subsequent notice, have not yet filed a Proof of Claim with the Trustee, advising those Class Members that they must file a Proof of Claim by the Claims Deadline in order to receive a settlement benefit from the Settlement Fund, such notice to be substantially in the form attached as Schedule "B" to this Plan.

4.3 Fifteen days before the Claims Deadline set by the Claims Process Order, Class Counsel shall issue a final notice by e-mail to all Class Members who, as of that date, have not yet filed a Proof of Claim with the Trustee, advising that they must file a Proof of Claim by the Claims Deadline in order to receive a settlement benefit from the Settlement Fund, such notice to be substantially in the form attached as Schedule "C" to this Plan.

**SECTION 5 – Distribution of Settlement Benefits**

5.1 Within 21 days after all Proof of Claims filed with the Trustee have been finally determined in accordance with the Claims Process Order, Class Counsel shall distribute the remaining Settlement Fund to Class Claimants on a pro-rata basis. Each Class Claimant will be entitled to receive a percentage amount of the remaining Settlement Fund calculated by dividing the amount of their claim, as finally determined pursuant to the Claims Process Order, by the total amount of all Class Claimants' claims, as finally determined by the Claims Process Order.

5.2 Class Counsel shall distribute the settlement benefits to Class Claimants with a letter advising them of the calculation of their settlement benefit, such letter to be substantially in the form attached as Schedule "D" to this Plan.

**SECTION 6 – Ongoing Administration**

6.1 Class Counsel may apply for directions in relation to administration of this Plan or concerning any matter arising with respect to the claims of Class Members.

Schedule "A" – Initial E-mail Notice

**Re: *Jastram Properties Ltd. v. Virginia Mary Tan et al.*, BCSC Action No. S-162335 (the "Tan Class Action")**

**IMPORTANT NOTICE RE: TAN CLASS ACTION SETTLEMENT**

You have been identified as a potential Class Member in the Tan Class Action, which is brought on behalf of the following class:

"All persons, other than the Defendants, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested, and who did not opt-out of the class action."

This email contains important information about your ability to claim a payment from the [\$ amount] in settlement funds received in settlement of some of the claims in the Tan Class Action (the "Settlement Fund") which are to be distributed to Class Members. Please read this email carefully.

You should have by now have received, or will soon be receiving, an Instruction Letter from McEown + Associates Ltd., Trustee in Bankruptcy for the Consolidated Estate of Virginia Mary Tan (the "Trustee") concerning how to file a Proof of Claim as a Class Creditor in the bankruptcy. A copy of that Instruction Letter is attached.

**You must file a Proof of Claim with the Trustee in order to be eligible to receive a payment from the Settlement Fund.** The Proof of Claim will be used by the Trustee to determine the amount of your net principal loss from your investment in the Tan Investment Scheme, and the Trustee's determination of your loss will be used to calculate the amount of payment which you may receive from the Settlement Funds. You qualify as a Class Member, and will be eligible to receive payment from the Settlement Funds, only if you received less from the Tan Investment Scheme (including both principal and interest payments) than you paid into the Tan Investment Scheme.

As set out in the Instruction Letter from the Trustee, you must deliver your Proof of Claim with the Trustee by [Date]. **If you do not deliver a Proof of Claim to the Trustee by [date], you will not be eligible to receive any payment from the Settlement Fund.**

As also set out in the Instruction Letter, you **must** prepare a Statement of Account as part of your Proof of Claim detailing the amounts of funds you invested in the Tan Investment Scheme, and the amounts you received in relation to your investment. You **must** also attach supporting documents which show the amounts you paid (such as cancelled cheques and copies of the promissory notes issued in respect of your investment). Absent evidence to the contrary, the Trustee will assume that interest was received by you in accordance with the terms of the Promissory Note or other documentation issued to you in relation to your investment in the Tan Investment Scheme.

We encourage you to begin preparation of your Proof of Claim right away, and to deliver it to the Trustee as soon as possible. As Class Counsel, our office is available to answer any questions you have concerning the preparation of the Proof of Claim or the settlement claims process. If you have any questions, please email us at {address} and we will respond by email or by phone.

## Schedule "B" – Second and Third E-mail Notice

**Re: *Jastram Properties Ltd. v. Virginia Mary Tan et al.*, BCSC Action No. S-162335 (the "Tan Class Action")**

**IMPORTANT NOTICE RE: TAN CLASS ACTION SETTLEMENT**

You have been identified as a potential Class Member in the Tan Class Action, which is brought on behalf of the following class:

"All persons, other than the Defendants, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested, and who did not opt out of the class action."

On [date] [for the second notice: date and date] we sent you notice[s] that you had to file a Proof of Claim with McEown + Associates Ltd., Trustee in Bankruptcy for the consolidated Estate of Virginia Mary Tan (the "Trustee") in order to claim a payment from the [\$ amount] in settlement funds received in settlement of some of the claims in the Tan Class Action which are to be distributed to Class Members (the "Settlement Fund").

We have been advised by the Trustee that no Proof of Claim has been received from you.

You must file a Proof of Claim with the Trustee by [date] in order to be eligible to receive a payment from the Settlement Fund. **If you do not deliver a Proof of Claim to the Trustee by [date], you will not be eligible to receive any payment from the Settlement Fund.**

If you intend to file a Proof of Claim with the Trustee, please do so as soon as possible. You can find a copy of the Proof of Claim and further information about filing the Proof of Claim on the website of the Trustee at [name].

As Class Counsel, our office is available to answer any question you have concerning the preparation of the Proof of Claim or the settlement claims process. If you have any questions, please email us at [address] and we will respond by email or by phone.

If you do not intend to file a Proof of Claim, and do not wish to receive any further communication from us concerning this claims process, please advise us by email at [address].



## Schedule "C" – Final E-mail Notice

**Re: *Jastram Properties Ltd. v. Virginia Mary Tan et al.*, BCSC Action No. S-162335 (the "Tan Class Action")**

**FINAL NOTICE RE: TAN CLASS ACTION SETTLEMENT**

You have been identified as a potential Class Member in the Tan Class Action, which is brought on behalf of the following class:

"All persons, other than the Defendants, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested, and who did not opt out of the class action."

On [date, date and date] we sent you notices that you had to file a Proof of Claim with McEown + Associates Ltd., Trustee in Bankruptcy for the consolidated Estates of Virginia Mary Tan (the "Trustee") in order to claim a payment from the [\$ amount] in settlement funds received in settlement of some of the claims in the Tan Class Action which are to be distributed to Class Members (the "Settlement Fund").

We have been advised by the Trustee that no Proof of Claim has been received from you.

**THIS IS YOUR FINAL NOTICE.** You have **15 days** from the date of this email to file a Proof of Claim with the Trustee. **If you do not deliver a Proof of Claim to the Trustee by [date], you will not be eligible to receive any payment from the Settlement Funds.**

If you intend to file a Proof of Claim with the Trustee, you must do so immediately. You can find a copy of the Proof of Claim and further information about filing the Proof of Claim on the website of the Trustee at [name].

As Class Counsel, our office is available to answer any questions you have concerning the preparation of the Proof of Claim or the settlement claims process. If you have any questions, please email us at [address] and we will respond by email or by phone.

Schedule “D” – Distribution Letter

**BENNETT | MOUNTEER LLP**  
LITIGATION COUNSEL

Barristers and Solicitors  
#400 – 856 Homer Street  
Vancouver, BC V6B 2W5  
Tel (604) 639-3680  
Fax (604) 639-3681  
www.hbmlaw.com

**Mark W. Munteer\***  
Direct Line: (604) 639-3667  
E-mail: mm@hbmlaw.com

BY REGULAR MAIL

[Date]

[Name and Address]

Dear Sirs/Mesdames:

Re: *Jastram Properties Ltd. v. Virginia Mary Tan et al.*  
BCSC Vancouver Registry S-162335 (the “Tan Class Action”)

Your pro-rata settlement benefit of \$\* from the Settlement Funds received in the Tan Class Action is enclosed.

Your pro-rata settlement benefit has been calculated as follows:

- a) Your claim in respect of your investment in the Tan Investment Scheme, as determined by the Trustee, was \$\*.
- b) The total amount of claims made by Class Members, as determined by the Trustee, was \$\*.
- c) Your pro-rata share of the Settlement Funds of \$\*, held in trust by Bennett Munteer LLP for distribution to the Class Members, is \*% (your claim of \$\* divided by the total claims of Class Members of \$\*).
- d) Your settlement benefit is \$\* (\$\* of Settlement Funds multiplied by your pro-rata share of \*%).

Yours truly,

BENNETT MOUNTEER LLP

Class Counsel