



This is the 1<sup>st</sup> Affidavit  
of Mark W. Munteer in this case  
and was made on 08/AUG/2024

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**AFFIDAVIT**

I, Mark W. Munteer, of #400 – 856 Homer Street, Vancouver, British Columbia, barrister and solicitor, AFFIRM THAT:

1. I am a Partner with the law firm of Bennett Munteer LLP, lawyers for the Plaintiff in this action, and as such have personal knowledge of the facts and matters to which I have deposed hereinafter, save and except where the same are stated to be on information and belief, and where so stated I verily believe them to be true. I make this Affidavit in support of an application to approve a settlement of the claims made in the action against the Defendant, HSBC Bank Canada (“HSBC”).

*Litigation History*

2. This action was commenced on September 29, 2017, and was one of a series of actions arising out of the investment scheme carried out by Virginia Tan (the “Tan Investment

Scheme”) between 2011 and early 2016, which was admitted by Virginia Tan to be fraudulent in a settlement agreement with the BC Securities Commission dated April 13, 2017, and published as 2017 BCSECCOM 124. The Plaintiff, Jastram Properties Ltd., and its principals Peter and Lale Doetsch, were investors in the Tan Investment Scheme from June 2012. HSBC was one of the financial institutions through which Virginia Tan carried out the scheme until March 2013, when HSBC became concerned about the activity in the HSBC accounts maintained by Virginia Tan (the “Tan Accounts”) and closed those accounts effective March 20, 2013. The Plaintiff alleges that HSBC was negligent in failing to investigate and warn about the activity in the Tan Accounts which caused HSBC to close those accounts, and that its negligent failure to do so permitted Virginia Tan to continue to carry out the fraudulent Tan Investment Scheme at other financial institutions until early 2016 when the fraud was exposed.

3. One of the other actions concerning the Tan Investment Scheme was commenced by Jastram against Virginia Tan and others in BCSC No. S162335 (the “Tan Class Action”), which was initially commenced by Jastram as an individual action in March 2016 but was converted to an action brought under the *Class Proceedings Act* in November 2017 after we became counsel for Jastram. The Tan Class Action was certified as a class proceeding by Order made April 2, 2019, with Reasons for Judgment reported as *Jastram Properties Ltd. v. Tan et al.*, 2019 BCSC 475, 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 this Class Action.”

4. The circumstances of the Tan Investment Scheme and the Tan Class Action are set out in the certification decision in the Tan Class Action and will not be repeated here.

5. The certification application in this action was set in the fall of 2019 to be heard in early April 2020 but was subsequently adjourned in March 2020 because of the COVID-19 pandemic court closures. The certification application was eventually rescheduled for and heard in October 2021 and was certified by Order made November 12, 2021, with Reasons for Judgment reported as *Jastram Properties Ltd. v. HSBC Bank Canada*, 2020 BCSC 2204, on behalf of the following class:

“All persons, other than the Defendant, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan before March 21, 2013, which funds went through the HSBC Tan Accounts, and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested.”

6. Again, the circumstances of this action and the claims asserted in it against HSBC are set out in the certification decision and will not be reviewed and repeated here.

7. By the time this action had been certified, two settlements had been reached in the Tan Class Action. One was a settlement against the Tans and their companies, which was approved by Order made October 1, 2020, with Reasons for Judgment reported as *Jastram Properties Ltd. v. Tan et al.*, 2020 BCSC 1610. The other was a settlement of claims made by RanAm Developments Ltd. (“RanAm”) against the proceeds from the sale of certain Surrey properties which had been paid into court, in respect of which the Tans had assigned their interest to the Class as part of the first settlement. The settlement of the RanAm claims was approved by this Court by Order made February 25, 2021.

8. On November 12, 2021, the same day this action was certified as a class proceeding, the court approved the Settlement Administration Plan for the approximately \$3.512 million in settlement proceeds in the Tan Class Action (the “Tan SAP”), and the payment of Class Counsel’s fees and expenses from those proceeds, in Reasons for Judgment reported at *Jastram Properties Ltd. v. Tan et al.*, 2021 BCSC 2432. The Tan SAP required Class members to file a Proof of Claim with the Trustee in Bankruptcy for the Consolidated Estate of Virginia Tan (the “Trustee”) and required Class Counsel to assist Class members with their Proof of Claims, and if appropriate, to submit a Class Counsel Confirmation to the Trustee confirming that the amount of the claim was consistent with the documents and records in possession of Class Counsel concerning the Tan Investment Scheme.

9. In accordance with the Settlement Administration Plan, I assisted Class members with their Proof of Claims and provided Class Counsel’s Confirmations as appropriate. I also assisted the Trustee in resolving disputes with Class members about their Proof of Claims, which in one instance included an application to the Court in September 2022. Payments were ultimately made to Class members of their settlement benefits in the Tan Class Action in November 2022 (the “Tan Class Action Payments”).

10. In this action, between June 2022 and November 2022, this Court approved the Plaintiff's Litigation Plan for the class proceeding, by Order made August 18, 2022, and the parties finalized their pleadings and exchanged lists of documents.

11. By Order made November 14, 2022, this Court approved the Notice to be issued to investors in the Tan Investment Scheme of the certification of this action as a class proceeding and their right to opt-out of the class proceeding. In response to the Notice, Class Counsel received 6 opt-outs from investors.

12. In April 2023, the parties conducted examinations for discovery. Both parties subsequently provided answers to information requests made on discovery. Document production also continued through the balance of 2023, mostly by HSBC. By December 29, 2023, HSBC had delivered its Fourth Amended List of Documents, and had listed and produced 313 documents.

13. In early 2024, the parties exchanged expert reports. In March and April 2024, the parties were engaged in preparation for the trial of the common issues, which was set for 10 days commencing May 27, 2024, pursuant to a Notice of Trial that was issued on May 23, 2023. On the Plaintiff's side, this included preparation of a draft argument for use at trial, based on the evidence currently available.

14. In early May 2024, the parties engaged in settlement negotiations, and an agreement in principle as to the key terms of settlement was reached on May 10, 2024. The trial of the common issues was then adjourned pending the conclusion of the settlement and its approval.

*The Settlement is Fair and Reasonable*

15. The terms of the formal Settlement Agreement were finalized on June 19, 2024, and subsequently executed by the parties through their counsel. Attached as Exhibit "A" is a copy of the executed settlement agreement dated for reference June 19, 2024 (the "Settlement Agreement").

16. The basic financial terms of the Settlement Agreement are that HSBC will pay a "Claim Amount" for each valid claim by claiming Class members that is equal to 25% of their Eligible Loss, as defined in the Settlement Agreement, plus pre-judgment interest on that amount

from March 1, 2016, subject to a liability cap for all Claim Amounts of \$1.2 million (the “Liability Cap”). “Eligible Loss” is defined in the Settlement Agreement as “the total amount paid by a Class Member for investment in the Tan Investment Scheme after March 20, 2013, less (i) the total amount of payments received by the Class Member from the Tan Investment Scheme after March 20, 2013; and (ii) any Remaining Tan Class Action Payment.”

17. We believe that these financial terms concerning the amounts payable by HSBC under the Settlement Agreement are fair and reasonable, for several reasons. First, the definition of Eligible Loss reflects the Class members’ loss which could have been prevented had HSBC taken further steps to investigate the transaction in the Tan Accounts in March 2013, when it closed those accounts, and had that investigation resulted in exposure of the fraud at that time. During settlement negotiations, we recognized that the loss suffered by the Class members as a result of HSBC’s alleged negligence could not be stated simply in terms of the further investments made by Class members after HSBC closed the Tan Accounts in March 2013. This is because had the fraud been exposed in March 2013, the exposure of the fraud would have not only prevented further investments in the scheme but also would have prevented the receipt of further payments from it.

18. Accordingly, unless the total amount of investments made by a Class member after March 2013 was greater than the total amount of payments received by the Class member after March 2013, then the Class member has not suffered a loss due to HSBC’s alleged failure to investigate and warn. On the contrary, the Class member was likely in a better position as a result of the HSBC’s alleged negligence because if the total amount of payments received after March 2013 was greater than the total amount of the investments made after March 2013, then HSBC’s alleged failure to investigate and warn served to reduce the Class member’s loss as of March 2013 rather than increase it.

19. The definition of Eligible Loss also appropriately recognizes that the Tan Class Action Payments received by the Class members should first be applied to reduce the Class member’s existing net loss as of March 2013. These payments will serve to reduce the Class member’s Eligible Loss under the Settlement Agreement only if there is a balance remaining from the Tan Class Action Payment after deduction of the Class member’s existing net loss as of March

2013. This is an application of the Tan Class Action Payment in the calculation of Eligible Loss that is favorable to the Class members.

20. Second, our view is that the recovery of 25% of the Class members' Eligible Loss, as provided under the Settlement Agreement, is a fair and reasonable reflection of the prospects for success in this action. It fairly reflects both (i) the litigation reality that Class members would have to bear some responsibility for their Eligible Loss under the doctrine of contributory fault; and (ii) the litigation risk in establishing liability on the part of HSBC.

21. In terms of contributory fault, in our view, it is virtually certain that a Court would find that the Class members failed to properly investigate the Tan Investment Scheme prior to investing. This is because we are not aware of any evidence provided to Class members, throughout the course of the Tan Investment Scheme, of the underlying investments which Virginia Tan was supposedly making with the investors' money. In our view, it is inevitable that the Court would find an investor partly at fault for investing money without any such evidence or the independent advice from a financial or investment advisor.

22. For example, in *Brausam v. Rolland*, 2011 BCSC 1349 ("*Brausam*"), an innocent promoter of an investment which turned out to be a Ponzi scheme was found negligent in presenting the investment to the plaintiffs. However, the court found that the plaintiffs were negligent in making the investment, on the basis that the plaintiffs took no steps to investigate the investment or obtain financial or investment advice concerning it. The court assessed the plaintiffs' responsibility for their losses at 40%.

23. In *Brausam*, the negligence of the defendant promoter was directly connected to the plaintiffs' investment decision. That is not the case here in terms of the alleged negligence against HSBC.

24. In these circumstances and given the assessment of contributory fault in the *Brausam* case, we considered that it was reasonable to expect that a court would assess contributory fault at 50%. This means that even if the Plaintiffs could establish that HSBC was liable for failing to investigate and warn about the transactions in the Tan Accounts, the Class members would likely recover only 50% of their Eligible Loss.

25. Turning to litigation risk in establishing HSBC's liability, the claim against HSBC is a novel one, as this Court recognized in the certification decision; 2021 BCSC 2204 at para. 43. While the evidence obtained through discovery is clear that in early 2013, HSBC was suspicious about the transactions in the Tan Accounts and had concluded that those transactions did not make any commercial sense, there is no evidence that HSBC expressly concluded that a fraud was being carried out. While we believe that HSBC's actual suspicion, as reflected in its internal documents, was sufficient to trigger the alleged duty to investigate and warn, we recognize that the point is an uncertain one.

26. In determining this issue, the Court would be faced with competing expert reports from the Plaintiffs and the Defendants about whether HSBC acted appropriately, under banking standards, in the circumstances it faced in early 2013 concerning the Tan Accounts. While we believe that the Plaintiff's expert report was stronger and should be preferred by the Court, we recognized that there was a significant risk that the Court would accept the views of the Defendant's expert that HSBC's obligations in the circumstances were fulfilled by the reporting of its suspicion about certain transactions to FINTRAC.

27. In these circumstances, we considered that the prospect of establishing liability on the part of HSBC was essentially a 50/50 proposition. This means that in our view, the Class members had a 50% chance of recovering 50% of their Eligible Loss. Accordingly, our view is that the recovery of 25% of the Eligible Loss under the Settlement Agreement fairly reflects the settlement value of the claims against HSBC.

28. Third, we consider that the provision in the Settlement Agreement that Class members will receive pre-judgment interest on 25% of their Eligible Loss calculated from March 1, 2016, is reasonable because it is an efficient calculation of pre-judgment interest which provides Class members with pre-judgment interest on their loss from the time when the fraud was exposed. This would give Class members a substantial portion of the pre-judgment interest on the 25% of their Eligible Loss that they would receive after judgment at trial, if that amount were included in the damages awarded.

29. Fourth, we see the Liability Cap of \$1.2 million on HSBC's obligation to pay Claim Amounts under the Settlement Agreement as reasonable because, based on our review of the

claims materials filed with the Trustee and used in the Tan Class Action settlement, we believe that the Claim Amounts under this settlement will not exceed the Liability Cap. The Liability Cap was not proposed by HSBC in order to limit a liability that it would otherwise face based on a review of the Proof of Claims filed with the Trustee, which were available to both parties. Rather, the Liability Cap was proposed in order to provide some certainty to HSBC as to its payment obligations, in the event that unanticipated claims came forward.

30. We considered it reasonable to agree to the Liability Cap in these circumstances because, as I have said above, we do not believe that the Liability Cap is likely to be operative. In the event that there are additional claims made, or additional information is provided in relation to claims deemed to be made, which bring the total Claim Amounts over \$1.2 million, we do not think it is likely that the total Claim Amounts would be substantially over \$1.2 million and that, accordingly, the payment to claiming Class members of their pro-rata share of the \$1.2 million Liability Cap will still likely result in a recovery by Class members of a substantial portion of their Claim Amounts. For these reasons, we consider it reasonable to agree to the Liability Cap in order to secure the Settlement Agreement for the benefit of the Class.

31. In our view, in addition to the financial settlement benefits provided, the Settlement Agreement is also fair and reasonable because it provides for a fair and efficient claims process which imposes little burden on the Class members. All investors who made claims in the Tan Class Action settlement will be deemed to have made claims in this settlement. Notice will be given to other investors in the Tan Investment Scheme who did not make claims in the Tan Class Action settlement to provide them with an opportunity to make a claim in this settlement.

32. The claim process provides that Class Counsel will review all claims made and deemed to have been made to determine if the claim is valid and if so, the amount of the claimant's Eligible Loss. Class Counsel will undertake this review in consultation with the Class members, as we did administration of the Tan Class Action settlement. The claims process provides that if Class Counsel concludes that the claim is not a valid one then Class Counsel must issue a Denial of Claim to the claimant, and the claimant will have the right to dispute that denial within 21 days by filing a Dispute of Claim Denial, in the form attached to the Settlement Agreement.



33. If Class Counsel concludes the claim is valid, then the claim is submitted to HSBC's counsel for review. The claims process requires Class Counsel and HSBC's counsel to confer concerning any disputes they may have regarding assessment or the quantum of the claim. HSBC will then issue a Claim Determination for each claim submitted by Class Counsel. Class Counsel and the claimant will then have the right to dispute HSBC's determination by delivering a Dispute of Determination in the form attached to the Settlement Agreement.

34. If there are any Disputes of Claim Denial or any Disputes of Determination that cannot be resolved between the parties, then Class Counsel is required to bring an application before the Court for resolution of those disputes. Class Counsel's view is that this process provides Class members with a fair and reasonable opportunity to dispute the determination of their claims under the Settlement Agreement either by Class Counsel or by HSBC.

35. Finally, there is one other aspect of the Settlement Agreement that should be addressed and that is the scope of the release provided under the Settlement Agreement. As well as releasing HSBC of all claims by Class members concerning the Tan Investment Scheme, the release also includes the Royal Bank of Canada ("RBC") as a releasee but only for Class members who received a financial benefit under the Settlement Agreement.

36. RBC was one of the financial institutions that Virginia Tan used to carry out the Tan Investment Scheme, mostly in 2007 to 2010 and then again from 2014 to 2015. No claims were made in this action against RBC. However, in February of this year, HSBC amalgamated with RBC, and it is the amalgamated entity that is paying the settlement amount under the Settlement Agreement. Since the amalgamated entity is funding the benefits that will be paid to Class members with valid claims, the amalgamated entity wanted those Class members to release the amalgamated entity from any claims arising from the Tan Investment Scheme, which would include claims against RBC as one of the financial institutions used by Virginia Tan to carry out the Tan Investment Scheme.

37. We agreed to this release by Class members who will receive a financial benefit under the Settlement Agreement because their claims against RBC are very likely statute barred, unless there are circumstances of RBC's conduct which have not been disclosed, and which could not be reasonably have been discovered by now, which would provide a basis for a claim against


RBC. If there are such circumstances, the claim against RBC would have to relate to conduct on its part before 2013, which would likely be between 2007 to 2010, for the claim against RBC to have any additional value to the claimants who will receive benefits under this settlement. In our view, it is unlikely that RBC engaged in conduct between 2007 to 2010 which may support a claim against it, yet then continued to provide banking services to the Tans between 2014 to 2016 when the Ponzi scheme was exposed.

38. For these reasons, we consider it reasonable to agree to a release of RBC by Class members who are receiving financial benefits under the Settlement Agreement as a *quid pro quo* for receiving those financial benefits. We note that Class members who do not receive a financial benefit under the settlement, either because they do not have a valid claim or because they are not participating in the settlement, will retain their claims against RBC, for what that is worth.

39. For all of the above reasons, we believe that the Settlement Agreement is a fair and reasonable settlement of the claims of the Class against HSBC and that the settlement is in the best interest of the Class.

40. Peter Doetsch of Jastram approved the key financial terms of the settlement before the settlement in principle was reached in May, 2024, and approved the form of the Settlement Agreement, and in particular, the scope of the release including RBC, before the agreement was executed.

AFFIRMED BEFORE ME  
at Vancouver, British Columbia  
on 08/AUG/2024

  
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A commissioner for taking  
affidavits for British Columbia  
Stephanie M.Y. Chan  
Expiration Date: 28/FEB/2025

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THIS AFFIDAVIT was prepared by the law firm of Bennett Mounteer LLP, whose place of business and address for service is #400 – 856 Homer Street, Vancouver, British Columbia, V6B 2W5. Telephone: (604) 639-3680. Fax: (604) 639-3681. Counsel Reference: Paul R. Bennett and Mark W. Mounteer



This is Exhibit "A" as referred to in the affidavit of Mark W. Mounteer sworn before me at Vancouver, B.C. this 8 day of August 2024  
[Signature]  
A Commissioner for taking Affidavits within British Columbia

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## SETTLEMENT AGREEMENT

This Settlement Agreement (the "Settlement Agreement") is dated for reference June 19, 2024, by and between:

- (a) The Plaintiff, Jastram Properties Ltd. (the "Plaintiff"), in the certified class proceeding in British Columbia Supreme Court Action No. S-179117; (the "Class Action") and
- (b) HSBC Bank Canada ("HSBC"), the Defendant in the Class Action<sup>1</sup>.

(collectively, the "Parties").

### I. RECITALS

WHEREAS, the Parties desire to compromise and settle all claims made or which could have been made against HSBC, without admission of liability, in the Class Action;

WHEREAS, the Class Action alleges, among other things, that Virginia Tan and Patrick Tan operated a fraudulent investment scheme (the "Tan Investment Scheme") from at least 2011 to 2016, that before 2013 the Scheme was operated through accounts maintained by Virginia Tan at various financial institutions, including HSBC, that in early 2013 HSBC knew, or concluded that it was reasonably likely, that Tan was using the HSBC Tan Accounts for fraudulent purposes, that HSBC owed a duty to investigate, advise "appropriate authorities" of the fraud, and warn other financial institutions whose customer's funds were the subject of the fraudulent activity in the HSBC Tan Accounts; and that HSBC failed to do so;

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<sup>1</sup> Now known as ROYAL BANK OF CANADA, a Canadian chartered bank, governed by the provisions of the *Bank Act* (S.C. 1991, c. 46, as amended), resulting from the amalgamation of Royal Bank of Canada, HSBC Bank Canada, HSBC Trust Company (Canada), HSBC Mortgage Corporation (Canada) and HSBC Finance Mortgages Inc. pursuant to Letters Patent of Amalgamation by the Minister of Finance under the authority of Section 216 of the *Bank Act* dated December 21, 2023, and effective on March 29, 2024, formerly HSBC Bank Canada prior to the issue of said Letters Patent of Amalgamation (collectively referred to herein as "HSBC").

WHEREAS, HSBC denies the allegations made against it in the Class Action and believes it is not liable in any way for any losses suffered as a result of the Tan Investment Scheme and has a complete defence to the claims made against it in the Class Action;

WHEREAS, the Class Action was certified as a class proceeding by the November 12, 2021 Order certifying the Class Action (the "Certification Order") and the Plaintiff was appointed by the Certification Order to represent "the Class is comprised of all persons, other than the Defendant, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan before March 21, 2013, which funds went through the HSBC Tan Accounts, and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested (the "Class")";

WHEREAS, notice was given to investors in the Tan Investment Scheme in accordance with the Order made in the Class Action on November 14, 2022 (the "Notice Order"), which stated how Class members may opt-out of the Class Action;

WHEREAS, several investors in the Tan Investment Scheme opted-out of the Class Action in accordance with the Certification Order, and the time for opting-out of the Class Action has expired;

WHEREAS, the Class Action has proceeded through discovery and the Parties were ready to proceed with the trial of the common issues certified for determination in the Certification Order, which trial was set to proceed on May 27, 2024;

WHEREAS, as a result of the discovery process and their preparation for the common issue trial, the Parties are thoroughly familiar with the factual and legal issues presented by their respective claims and defenses in the Class Action, and recognize the uncertainties as to the ultimate outcome in the Class Action, and the likelihood that any final result could require years of further litigation and substantial expense;

WHEREAS, this Settlement Agreement was entered into after arm's length discussions and negotiations between counsel for the Parties;

WHEREAS, the Parties and their counsel agree that the Settlement is a fair and reasonable resolution of the claims advanced against HSBC in the Class Action;

WHEREAS, the Parties desire and intend to seek court approval of the settlement as set forth in this Settlement Agreement;

NOW, THEREFORE, for value received, the Parties stipulate and agree, subject to Court approval, to the following.

## **II. DEFINITIONS**

1. As used in the Settlement Agreement, including the Recitals and Schedules hereto, in addition to any definitions elsewhere in the Agreement, the following terms shall have the meanings set forth below:
  - a) "Accepted Claim" means a Claim that has been accepted by Class Counsel and HSBC Counsel as a Valid Claim or has been determined by the Court to be a Valid Claim;
  - b) "Claim" means a claim made under the Claim Process;
  - c) "Claim Amount" means 25% of each Claimant's Eligible Loss, plus prejudgment interest on that amount from March 1, 2016, calculated at the prejudgment interest rates set by the Court;
  - d) "Claim Form" means the form attached as Schedule "B" to this Settlement Agreement;
  - e) "Claim Determination" means a determination made by HSBC Counsel in respect of a Claim delivered to HSBC Counsel by Class Counsel, in the form attached as Schedule "D" to this Settlement Agreement;
  - f) "Claimant" means a person who makes a Claim;
  - g) "Claim Denial" is denial of a Claim by Class Counsel issued to a Claimant, in the form attached as Schedule "C" to this Settlement Agreement;

- h) "Claims Bar Deadline" means 60 days after the Notice Date;
- i) "Claims Process" means the process set out in Part IV of this Settlement Agreement;
- j) "Class Counsel" means the law firm of Bennett Mounter LLP;
- k) "Class Member" means a member of the Class as defined in the Certification Order and who did not opt-out of the Class Action in accordance with the Certification Order;
- l) "Court" means the Supreme Court of British Columbia;
- m) "Determination Deadline" means the day that is 60 days after the Claims Bar Deadline;
- n) "Dispute Date" means the day that is 30 days after the Determination Deadline;
- o) "Dispute of Claim Denial" means a dispute by a Claimant of a Claim Denial, in the form attached as Schedule "E" to this Settlement Agreement;
- p) "Dispute of Determination" means a dispute by a Claimant of a Claim Determination, in the form attached as Schedule "F" to this Settlement Agreement;
- q) "Effective Date of Settlement" means the next calendar day after the day on which all appellate rights with respect to the Settlement Approval Order have expired or have been exhausted;
- r) "Eligible Loss" means, subject to quantification and documentation as described in paragraph 10 below, the total amount paid by a Class Member for investment in the Tan Investment Scheme after March 20, 2013, less: i) the total amount of payments received by the Class Member from the Tan Investment Scheme after March 20, 2013; and ii) any Remaining Tan Class Action Payment;

- s) "HSBC Counsel" means the law firm of Borden Ladner Gervais LLP;
- t) "Liability Cap" means the amount of one million, two hundred thousand dollars (\$1,200,000);
- u) "Notice" means notice of this Settlement in the form attached as Schedule "A" to this Settlement Agreement;
- v) "Notice Date" means 14 days after the Effective Date of Settlement;
- w) "Remaining Tan Class Action Payment" means the amount of the payment made to a Class Member under the Settlement Administration Plan approved by the Court in the certified class proceeding in BCSC Action No. S-162335, by order made November 12, 2021 (the Tan Class Action Settlement), if any, which remains after deduction of the net loss suffered by that Class in the Tan Investment Scheme as at March 20, 2013, which net loss is the total amount of payments made by the Class Member for investment in the Tan Investment Scheme up to March 20, 2013 less the total amount of payments received by the Class Member from the Tan Investment Scheme up to that date;
- x) "Settlement" means the settlement described in this Settlement Agreement;
- y) "Settlement Amount" means the all-inclusive sum of the lesser of i) the total of all Claim Amounts of all Accepted Claims or ii) the Liability Cap;
- z) "Settlement Class Member" means a Class Member who has a Valid Claim;
- aa) "Settlement Approval Order" means the order made by the Court in the Class Action approving the Settlement Agreement, which order shall be substantially in the form attached as Schedule "G" to this Settlement Agreement; and
- bb) "Valid Claim" means a Claim for Eligible Loss made by a Class Member.

### III. SETTLEMENT APPROVAL

2. Following execution of this Settlement Agreement, the Plaintiff will apply for the Settlement Approval Order, and as part of that application will give notice of it to investors in the Tan Investment Scheme as directed by the Court. In advance of applying to Court for such approval, Class Counsel shall provide HSBC Counsel with drafts of the application materials, including any materials in support and any proposed notices to the class, for comment by HSBC.
3. HSBC will consent to the application for the Settlement Approval Order for the sole purpose of giving effect to the terms of the Settlement.
4. If the Settlement Approval Order is not granted or reversed or modified on appeal, then unless the Parties expressly agree otherwise in writing:
  - a) this Settlement Agreement and all orders made pursuant to it shall be null and void, shall have no further force and effect with respect to the Parties, and shall not be offered in evidence or used in any litigation for any purpose; and
  - b) all orders in existence as of the date on which this Settlement was executed shall become operative and fully effective, as if proceedings relating to this Settlement had not occurred. In such event, the Parties reserve all rights to object to or otherwise challenge all such pre-existing orders.
5. As part of the Settlement Approval Order, Class Counsel will seek court approval of Class Counsel's fee for the Class Action, expressed as a percentage of the Settlement Amount, the disbursements for the Class Action, which may include an honorarium to the representative Plaintiff, and taxes thereon (collectively, the "Approved Legal Expense"), which, if approved, will be paid out of the Settlement Amount. HSBC will take no position on that approval application. Approval by the Court and/or the effect of this Settlement Agreement will not depend on the Court's approval of Class Counsel's fees, disbursements, or honorarium for the representative Plaintiff.



#### **IV. CLAIMS PROCESS**

6. As of the Effective Date of Settlement, all investors in the Tan Investment Scheme who made claims in, and received payment from the Tan Class Action Settlement shall be deemed to be Claimants in this Settlement, and their claims in the Tan Class Action Settlement shall be deemed to have been submitted as Claims in the Settlement as of the Effective Date of Settlement.
7. After the Effective Date of Settlement and on or before the Notice Date, Class Counsel shall send the Notice by email or mail to every other investor in the Tan Investment Scheme who Class Counsel has identified and who has provided an email or mailing address, who is not a deemed Claimant pursuant to paragraph 6, and shall post the Notice on the website maintained by Class Counsel for the purpose of this Class Action and the Tan Class Action at [www.virginiatanclassaction.com](http://www.virginiatanclassaction.com).
8. Class Members who did not claim in the Tan Class Action Settlement may claim compensation under this Settlement by delivering a Claim Form to Class Counsel, by email or mail, with any supporting documentation, on or before the Claims Bar Deadline.
9. Upon the deemed receipt of a Claim or receipt of a Claim Form, Class Counsel shall assess the Claim and supporting documentation to determine if the Claim is, in the opinion of Class Counsel, a Valid Claim, and if so, the amount of the Claimant's Eligible Loss. In assessing the Claim, Class Counsel may supplement the supporting documentation from documents in the possession of Class Counsel or documents which Class Counsel may obtain from the Trustee in Bankruptcy for the Consolidated Estate of Virginia Mary Tan, and Class Counsel may request further information and documentation from the Claimant.
10. For the purpose of assessing claims under this Settlement Agreement it will be presumed that:

- a) absent evidence to the contrary, a Claimant received interest payments from the Tan Investment Scheme on an investment in accordance with the documentation issued to the Claimant for that investment; and
  - b) a Claimant's investment was deposited to one of the HSBC Tan Accounts if a statement for one of HSBC Tan Accounts shows that an amount equal to the Claimant's investment was deposited to the account within 7 days of the investment or if other banking documentation proves the deposit.
11. Class Counsel shall make their determination whether a Claim is a Valid Claim, and if so, the amount of the Claimant's Eligible Loss, within 30 days of: i) the deemed receipt of the Claim, or ii) the receipt of the Claim Form from a Claimant.
  12. If Class Counsel concludes that a Claim is not a Valid Claim, Class Counsel shall deliver a Claim Denial to the Claimant. A Claimant may dispute a Claim Denial by delivering a Dispute of Claim Denial to Class Counsel within 21 days of the delivery of the Claim Denial.
  13. If Class Counsel concludes a claim is a Valid Claim, Class Counsel shall forward the Claim to HSBC Counsel together with all supporting documentation on which Class Counsel has relied in determining the Claim to be valid and the amount of the Claimants' Eligible Loss as soon as reasonably practical, and no later than 30 days after the Claims Bar Deadline. Class Counsel and HSBC Counsel will confer about any disputes between them regarding assessment of the validity or quantum of the Claim.
  14. On or before the Determination Date, HSBC Counsel shall deliver to Class Counsel a Claim Determination for each Claim submitted by Class Counsel.
  15. If Claim Determination rejects a Claim as not a Valid Claim or determines an amount of Eligible Loss that is different from the amount submitted in the Claim, Class Counsel may dispute the rejection of the Claim or the calculation of Eligible Loss on behalf of the Claimant by delivering a Dispute of Determination for that

Claim to HSBC Counsel by the Dispute Date, or the Claimant may do so personally by so delivering a Dispute of Determination.

16. As soon as practical after the Dispute Date, Class Counsel shall bring an application in the Class Action for a determination by the Court of:
  - a) whether a Claim which is the subject of outstanding Dispute of Claim Denial should be allowed as a Valid Claim or the Dispute of Claim should be dismissed;
  - b) whether a Claim rejected by a Claim Determination should be allowed as a Valid Claim or was properly rejected by the Claim Determination; and
  - c) the amount of Eligible Loss for a Claim where the calculation of Eligible Loss in the Claim Determination is disputed and for any claim which has Court accepted as valid under (a) or (b).
17. The Court shall determine an application brought pursuant to paragraph 15 on affidavit evidence, including affidavit evidence from counsel attaching and concerning the documents relevant to the Claims at issue, or as the Court may otherwise direct. In any such application, HSBC shall have a right to appear and the opportunity to provide submissions and evidence.

#### **V. SETTLEMENT PAYMENT AND BENEFITS**

18. If no Dispute of Claim Denial or Dispute of Determination has been delivered by the end of the Dispute Date, then within 14 days of the Dispute Date, HSBC shall pay the Settlement Amount to Class Counsel in trust.
19. If any Disputes of Claim Denial or Disputes of Determination (collectively, "the Disputes") have been delivered by the end of the Dispute Date, then within 14 days of the final resolution of all such Disputes, either by agreement or by Court determination after all appellate rights any Court determination of the Disputes have expired or have been exhausted, HSBC shall pay the Settlement Amount to Class Counsel in trust.

20. The monetary obligations of HSBC under the Settlement are strictly limited to the payment of the Settlement Amount pursuant to paragraphs 18 and 19 above. For greater certainty, in no circumstance shall the liability of HSBC to pay the Settlement Amount exceed the Liability Cap, and all expenses and costs of the Settlement, including, without limitation, Class Members' claims, legal fees, disbursements, honorarium, administration expenses, taxes, and notice costs, shall be paid out of the Settlement Amount and HSBC shall have no further liability in respect of any these or any other expenses or costs.
21. Within 14 days of receipt of the Settlement Amount, pursuant to either paragraphs 18 or 19 above, Class Counsel shall pay the Approved Legal Expense to Class Counsel from the Settlement Amount held in trust and then shall pay to each Settlement Class Member their proportionate share of the remaining Settlement Amount (the "Net Settlement Amount"), calculated as follows:
- a) dividing each Settlement Class Member's Claim Amount by the total of the Claim Amounts of all Settlement Class Members; and
  - b) multiplying the Net Settlement Amount by that ratio for each Settlement Class Member.

## **VI. RELEASE AND DISMISSAL**

22. Upon the Effective Date of Settlement, the Plaintiff and the Class Members forever release, relinquish and discharge HSBC, and all of the current and former officers, directors, managers, employees, and insurers of HSBC (collectively, the "Releasees") from any and all claims, demands, actions, proceedings, suits, causes of action and manners of action of any and all kinds that have been brought or could have been brought, are currently pending or were pending, or are ever brought in the future, whether known or unknown, asserted or unasserted, under or pursuant to any statute, regulation, common law or equity, arising from the claims made, or which could have been made in the Class Action, whether class, individual, or otherwise in nature, directly, indirectly, derivatively, or in any other capacity, and without limiting the generality of the foregoing, all claims relating to

any and all of the proposed common and individual issues made, arising from or relating to the pleaded facts, or the facts and claims which could have been pled, in the Class Action. For greater certainty, and solely as applies to Class Members that receive a financial benefit under the terms of this Settlement Agreement, this release shall be construed to include Royal Bank of Canada as a Releasee in respect of any conduct by it prior to the amalgamation referenced earlier in this Settlement Agreement.

23. The Plaintiff and Class Members acknowledge that they are aware that they may hereafter discover facts in addition to, or different from, those facts which they know or believe to be true with respect to the subject matter of the Class Action and this Settlement Agreement, and that it is their intention to release fully, finally, and forever all released matters herein (including, without limitation, anything that might be based on additional or different facts later discovered), and in furtherance of such intention, the releases shall be and remain in effect notwithstanding the discovery or existence of any such additional or different facts.
24. The Class Members and each of them will not now or hereafter threaten, institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim, proceeding, complaint or demand against to collect or seek to recover from any of the Releasees or any other person who may claim contribution or indemnity under statute, contract, or at law or at equity, or claim any other relief of a monetary, declaratory, or injunctive nature from any of the Releasees in respect of any matter released herein.
25. The Class members and each of them agree that the releases under this Settlement Agreement shall operate conclusively as an estoppel against them (or any of them) in the event of any claim, action, complaint or proceeding which might be brought in the future by them (or any of them) in respect of the matters released herein and agree that the releases contained in this Settlement Agreement may be pleaded in the event any such claim, action, complaint or proceeding is brought,

as a complete defence and reply, and may be relief upon in any proceeding to dismiss the claim, action, complaint, or proceeding on a summary basis.

26. The Class Action will be dismissed with prejudice, as if a trial on the merits had occurred, and without costs to any person, as soon as reasonably practicable after the Effective Date.

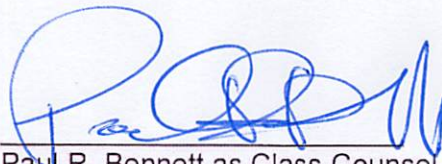
## **VII. GENERAL**

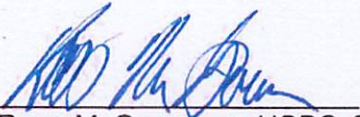
27. This Settlement Agreement and its attachments shall constitute the entire agreement of the Parties and shall not be subject to any change, modification, amendment, or addition without the express written consent of counsel on behalf of all Parties to the Settlement Agreement. This Settlement Agreement supersedes and replaces all prior negotiations and proposed agreements, written or oral.
28. This Settlement Agreement shall be binding upon and inure to the benefit of the Parties hereof and their representatives, heirs, successors, and assignees.
29. In the event any one or more of the provisions contained in this Settlement Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision if the Parties mutually elect to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Settlement Agreement.
30. The Court shall retain continuing and exclusive jurisdiction over the Parties and over the administration and enforcement of the Settlement and the benefits to the Plaintiff and Class Members hereunder.
31. Any disputes or controversies arising with respect to the interpretation, enforcement, or implementation of this Settlement Agreement must be made by application to the Court.
32. In the computation of time in this Settlement Agreement, except where a contrary intention appears,

- a) where there is a reference to a number of days between two events, the number of days will be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and
  - b) only in the case where the time for doing an act expires on a Saturday, Sunday or a holiday, the act may be done on the next day that is not a Saturday, Sunday, or a holiday.
33. Class Counsel warrants that they are fully authorized to execute this Settlement Agreement on behalf of the Plaintiff and the Class Members and to execute and legally bind the Plaintiff and the Class Members to this Settlement Agreement.
34. HSBC Counsel warrants that they are fully authorized to execute this Settlement Agreement on behalf of HSBC.
35. This Settlement Agreement may be executed in counterparts by the parties hereto, and a facsimile signature shall be deemed an original signature for purposes of this Settlement Agreement.
36. This Settlement Agreement shall be construed under and governed by the laws of the Province of British Columbia.

37. The Parties have negotiated and fully reviewed the terms of this Settlement Agreement, and the rule that uncertainty or ambiguity is to be construed against the drafter shall not apply to the construction of this Settlement Agreement by a court of law or any other adjudicating body.

IN WITNESS THEREOF, the Parties hereto have executed this Settlement Agreement as follows:

Date: July 4/2024 By:   
Paul R. Bennett as Class Counsel  
on behalf of the Plaintiff and  
Class Members

Date: June 25, 2024 By:   
D. Ross McGowan as HSBC Counsel on  
behalf of HSBC Bank Canada



## Schedule “A” – Notice of Approved Settlement

**Re: *Jastram Properties Ltd. v. HSBC Bank Canada (“HSBC”), BCSC Action No. S-162335***  
**(the “Class Action”)**

**IMPORTANT NOTICE RE: CLASS ACTION SETTLEMENT**

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

“The Class is comprised of all persons, other than the Defendant, who have provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan before March 21, 2013, which funds went through the HSBC Tan Accounts, and who have received payments from the Scheme which are lesser in total amount than the total principal amount they invested (the “Class”).”

A settlement that has been reached with HSBC and approved by the BC Supreme Court. The Settlement Agreement dated May 10, 2024, and the Order made by the BC Supreme Court on [DATE], approving the settlement, are available for review at [www.virginiatanclassaction.com](http://www.virginiatanclassaction.com).

**ELIGIBILITY TO CLAIM**

You are eligible to claim under the settlement if all of the following conditions are met:

- a) You provided funds to invest in the Tan Investment Scheme promoted by Virginia Tan before March 21, 2013;
- b) The funds you provided to Virginia Tan before March 21, 2013, were deposited by Virginia Tan in one of the HSBC Tan Accounts;
- c) You provided funds to invest in the Tan Investment Scheme after March 20, 2013; and
- d) The total of all payments you received from the Scheme after March 20, 2013, whether as interest payments or as a return of money invested, is less than the total amount of funds you provided to invest in the Tan Investment Scheme after March 20, 2013.

**SETTLEMENT ENTITLEMENT**

If you are eligible to claim under the settlement, you will receive a settlement entitlement that is equal to

EITHER

- (a) An amount equal to 25% of your Eligible Loss, calculated as the total amount you paid for investment in the Tan Investment Scheme after March 20, 2013, less (i) the total amount of payments you received from the Tan Investment Scheme after March 20, 2013, and (ii) any applicable amount of the payment you received from the Virginia Tan Class Action Settlement in BCSC Action No. S-162335, plus applicable interest on your Eligible Loss;

OR

- (b) Your proportionate share of \$1,200,000 based on the proportion of your claim amount under paragraph (a) above to the total amount of claims made under the settlement;

less your proportionate share of the Approved Legal Expenses of \$[Amount].

### HOW TO MAKE A CLAIM

If you made a claim under the settlement in the Virginia Tan Class Action, *Jastram Properties Ltd. v. Virginia Mary Tan et al.*, BCSC Action No. S-162335, you will automatically be deemed to have made a claim under the settlement in this Class Action and you need not do anything more. If you did not make a claim in that settlement, and if you believe you are eligible to claim under the Settlement, you must deliver a Claim Form to Class Counsel together with all available supporting documentation referenced in the Claim Form, by [Claim Form Deadline].

A Claim Form is attached to this Notice and is also available at Class Counsel's website at [www.virginiatanclassaction.com](http://www.virginiatanclassaction.com). Claim Forms may be delivered to Class Counsel at [mm@hbmlaw.com](mailto:mm@hbmlaw.com) or by mail to Bennett Mounter LLP, 400 – 856 Homer Street, Vancouver, BC V6B 2W5.

As also set out in the Claim Form, you **must** attach two statements to your Claim Form detailing first, the amounts of funds you invested in the Tan Investment Scheme, and second, the amounts you received from the Tan Investment Scheme 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, in determining your claim, it will be presumed that interest payments were 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. In determining your claim, it will also be presumed that your investment was deposited to the HSBC Tan Accounts if a statement for one of HSBC Tan Accounts shows that an amount equal to your investment was deposited to the account within 7 days of the investment or if other banking documentation can prove that deposit.

If you provided funds to Virginia Tan for an investment before March 21, 2013 but are uncertain whether those funds were deposited by Virginia Tan in the HSBC Accounts, and the payments you received from the Tan Investment Scheme after March 20, 2013 were less than the amounts you invested in the Tan Investment Scheme after 2013, then you should file a Claim Form and Class Counsel will assess whether your claim is eligible for compensation based on the records available to Class Counsel.

If you have any questions about this Notice or require assistance in completing a Claim Form, please e-mail Class Counsel at [mm@hbmlaw.com](mailto:mm@hbmlaw.com) and provide a phone number which you can be reached, and Class Counsel will contact you by e-mail or by phone.

Please do not contact the BC Supreme Court directly regarding this Notice.

Schedule "B" – Claim Form

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**CLASS ACTION CLAIM FORM**

Full Name of Claimant: \_\_\_\_\_  
(print name)

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E-mail: \_\_\_\_\_

Phone Number: \_\_\_\_\_

1. I invested a total of \$ \_\_\_\_\_ with Virginia Tan in the Tan Investment Scheme.
2. I have attached a Schedule of Investments, which lists the date and amount of each investment I made in the Tan Investment Scheme.
3. I have attached all supporting documents I have that show the investments listed in the Schedule of Investments.

4. I received a total of \$\_\_\_\_\_ in payments from the Tan Investment Scheme, whether as interest payments or return of amount invested.
5. I have attached a Schedule of Payments which lists the date and amount of each payment I received from the Tan Investment Scheme, whether as an interest payment or as a return of money I invested.
6. I have attached all supporting documents I have that show the payments listed in the Schedule of Payments, including documents I received in relation to my investments in the Tan Investment Scheme and copies of all banking documents (like cheques or banking statements) to show the funds that I invested and received.
7. I understand that absent evidence to the contrary, in determining my claim, it will be presumed that interest payments were received by me in accordance with the terms of the Promissory Note or other documentation issued to me in relation to my investments in the Tan Investment Scheme.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Claimant

## Schedule "C" – Denial of Claim Letter or E-mail

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

To: [Name of Claimant]

Class Counsel has denied your claim under the Settlement in this Class Action, approved by the BC Supreme Court by Order made on [DATE], on the following grounds [Class Counsel to select as applicable]:

- There is no evidence you made investments in the Tan Investment Scheme BEFORE March 21, 2013.
- The available documentary evidence concerning the investments you made in the Tan Investment Scheme BEFORE March 21, 2013, shows that none of those investments were deposited to any of the Tan HSBC Accounts.
- The total amounts of payments you received from the Tan Investment Scheme AFTER March 20, 2013, were more than the total amount of the investments you made in the Tan Investment Scheme AFTER March 20, 2013, as set out in the attached "Schedule of Investments Made and Payments Received After March 21, 2013".
- The amounts of payments you received from the Tan Investment Scheme AFTER March 20, 2013, were less than the total amount of the investments you made in the

Tan Investment Scheme AFTER March 20, 2013, but, the amount of that loss was reduced to zero after consideration of the payment you received from the settlement in the Tan Class Action, as set out in the attached “Schedule of Investments Made and Payments Received after March 20, 2013 and Tan Class Action Payment”.

If you wish to dispute this Claim Denial, you must deliver a completed Dispute of Claim to Class Counsel, in the form attached, by e-mail at [E-mail] or by mail to Bennett Mounteer LLP, #400 – 856 Homer Street, Vancouver, BC V6B 2W5, no later than [Date].

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Class Counsel

Schedule “D” – Claim Determination Letter or E-mail

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**CLAIM DETERMINATION**

To: [Name of Claimant]

**[Check one]**

- This claim is accepted by HSBC Bank Canada (“HSBC”) as valid, and the amount of the Eligible Loss accepted by HSBC is \$\_\_\_\_\_.
- This claim is rejected by HSBC Bank Canada as invalid because of the following reason [check as applicable]:
- There is no documentary evidence that any investments made by the Claimant before March 21, 2013, were deposited to the HSBC Tan Accounts;

The Claimant has no Eligible Loss because of the following reason [check as applicable]:

The total amount of payments received by the Claimant after March 20, 2013, exceeded the total amount of the investments made by the Claimant after March 20, 2013, as set out in the attached Schedule of Investments and Payments after March 20, 2013;

OR

The loss remaining after the total amount of payments received by the Claimant after March 20, 2013, are deducted from the total amount of the investments made by the Claimant after March 20, 2013, is reduced to zero when considering the Tan Class Action payment made to the Claimant of \$\_\_\_\_\_, as set out in the attached Schedule of Investments and Payments after March 20, 2013 plus Tan Class Action .

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of HSBC Counsel

**For Completion by Class Counsel Prior to Delivery to Claimant:**

**[Check one]**

Class Counsel agrees with and accepts the Claim Determination above by HSBC.

Class Counsel does not agree with the Claim Determination above by HSBC.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Class Counsel



Schedule "E" – Dispute of Claim Denied

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**DISPUTE OF CLAIM DENIAL**

Full Name of Claimant: \_\_\_\_\_  
(print name)

E-mail: \_\_\_\_\_

Phone Number: \_\_\_\_\_

I dispute the denial of my Claim by Class Counsel on the ground that:

[As selected by Class Counsel in light of the reasons for denial]

- Documentary evidence that I invested in the Tan Investment Scheme before March 21, 2013, by the payment of \$ \_\_\_\_\_ made on \_\_\_\_\_ [Date], is attached to this Dispute.
- Documentary evidence that my investment of \$ \_\_\_\_\_ in the Tan Investment Scheme, made before March 21, 2013, on \_\_\_\_\_ [Date], was deposited to one of the HSBC Tan Accounts is attached to this Dispute.

- The Schedule of Investments Made and Payments Received after March 20, 2013, which was attached to the Claim Denial, is wrong because (clearly state reason and attach any supporting documents):

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- The Schedule of Investments Made and Payments Received After March 20, 2013, and the Tan Class Action Payment, which was attached to the Claim Denial, is wrong because (clearly state reason and attach any supporting documents):

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Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Claimant

Schedule "F" – Dispute of Claim Determination

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**DISPUTE OF CLAIM DETERMINATION**

Full Name of Claimant: \_\_\_\_\_  
(print name)

E-mail: \_\_\_\_\_

Phone Number: \_\_\_\_\_

The determination by HSBC Canada Bank that [the above Claimant's OR my] is not valid is disputed on the following grounds (check applicable):

Documentary evidence that [the Claimant's OR my] investment in the Tan Investment Scheme made on \_\_\_\_\_ [Date], was deposited to one of the HSBC Tan Accounts is attached to this Dispute.

The Schedule of Investments and Disputes received after March 21, 2013, which was attached to the Claim Determination, is wrong because (clearly state reason and attach any supporting documents):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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- The Schedule of Investments Made and Payments Received After March 21, 2013, and the Tan Class Action Payment is wrong because (clearly state reason and attach any supporting documents):

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Date: \_\_\_\_\_

\_\_\_\_\_  
Signature of Claimant OR Class Claimant

Schedule “G” – Settlement Approval Order

NO. S-179117  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

JASTRAM PROPERTIES LTD.

PLAINTIFF

AND:

HSBC BANK CANADA

DEFENDANT

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

**ORDER MADE AFTER APPLICATION**

BEFORE ) THE HONOURABLE )  
 ) MR. JUSTICE GOMERY ) \_\_\_/\_\_\_/2024  
 ) )

ON THE APPLICATION OF THE PLAINTIFF, coming on for hearing at Vancouver, British Columbia, on [date] 2024, at the Courthouse at 800 Smithe Street, Vancouver, British Columbia, and on hearing Paul R. Bennett and Mark W. Mounteer, counsel for Jastram Properties Ltd. and the Class (“Class Counsel”); and D. Ross McGowan and Michelle T. Maniago, counsel for the Defendant, HSBC Bank Canada; AND UPON READING the submissions, and other materials filed herein;

THIS COURT ORDERS that:

1. The Settlement Agreement dated for reference May 10, 2024, attached as Schedule “A” to this Order (the “Settlement Agreement”), is incorporated by reference into the Order and that the definitions in the Settlement Agreement shall be applied in interpreting this Order.
2. The Settlement Agreement is fair, reasonable and in the best interests of the class;

3. The Settlement Agreement is hereby approved pursuant to s. 35 of the *Class Proceedings Act* and shall be implemented in accordance with its terms and the terms of this Order;
4. This Order, including the Settlement Agreement, is binding upon each Class Member,
5. Upon the Effective Date of Settlement, the Plaintiff and each Class Member, has released and shall be conclusively deemed to have forever, finally and absolutely released the Releasee, as set out in paragraph 22\* of the Settlement Agreement.
6. Class Counsel's legal fee of \*% of the Settlement Amount and taxes thereon, and disbursements in the amount of \$\*, inclusive of taxes, are approved and shall be paid from the Settlement Amount.
7. On the Effective Date of Settlement, the Plaintiff has leave to dismiss this action against the Defendant, with prejudice, as if a trial on the merits had occurred, and without costs payable to any person.
8. The parties will be at liberty to apply in this action for further directions with respect to any matters arising under the Settlement Agreement, over which this court retains continuing jurisdiction

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

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Signature of Paul R. Bennett  
Lawyer for the Plaintiff, Jastram Properties Ltd.

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Signature of D. Ross McGowan  
Lawyer for the Defendant, HSBC Bank Canada

By the Court.

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Registrar

THIS ORDER MADE AFTER APPLICATION was prepared by the law firm of Bennett Mounter LLP, whose place of business and address for service is #400 – 856 Homer Street, Vancouver, British Columbia, V6B 2W5. Telephone: (604) 639-3680. Fax: (604) 639-3681. Counsel Reference: Paul R. Bennett and Mark W. Mounter

NO. S-179117  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

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BETWEEN:

**JASTRAM PROPERTIES LTD.**

PLAINTIFF

AND:

**HSBC BANK CANADA**

DEFENDANT

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

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**ORDER MADE AFTER APPLICATION**

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BENNETT MOUNTEER LLP  
BARRISTERS AND SOLICITORS  
#400 – 856 HOMER STREET  
VANCOUVER, BC V6B 2W5  
(604) 639-3680

Counsel Reference: Paul R. Bennett and Mark W. Munteer