

CANADA / JUDGMENT

Zhang Estate v. Yin

2025 BCSC 467

COURT

Supreme Court of British Columbia

DECIDED

14 March 2025

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2025 BCSC 467 Zhang Estate v. Yin IN THE SUPREME COURT OF BRITISH COLUMBIA Citation: Zhang Estate v. Yin, 2025 BCSC 467 Date: 20250314 Docket: S2010412 Registry: Vancouver Between: Junjie Tao, Executor of the Estate of Tong Zhang aka Tony Zhang, Deceased Plaintiff And: Hang Yin, Yan Chun Liu, Yu Yin, 1011066 B.C. Ltd., 1079770 B.C. Ltd., 1032734 B.C. Ltd., 1085842 B.C. Ltd., 1079775 B.C. Ltd., and 1084960 B.C. Ltd. Defendants And: Chunli Zhang Defendant by way of Counterclaim Before: The Honourable Mr. Justice Funt Reasons for Judgment Counsel for the Plaintiff: M.J. Hewitt Counsel for the Defendants: V. Pappas R. Gagnon J. Spencer A. Wang, Articled Student Counsel for the Defendant by Counterclaim: P. Lewis Place and Dates of Hearing: Vancouver, B.C. March 12 - 14, 2025 Place and Date of Judgment: Vancouver, B.C. March 14, 2025

- [1] The defendants apply to file the expert report of Dr. Juan Wang dated and served on February 28, 2025.
- [2] The trial is set to start on March 31, 2025 for 45 days.
- [3] The February 28, 2025 service date does not comply with the 84-day deadline set forth in Rule 11-6(3).
- [4] The Notice of Civil Claim was filed October 16, 2020, with a Response filed December 1, 2020. The action involves real estate transactions in our province.
- [5] The core pleading is that the defendants developed a "scheme to convert the plaintiff's funds in whole or in part for his own use, or closely related parties".
- [6] The plaintiff, Mr. Zhang Jr., has since died of cancer. Ms. Tao, in her capacity as the executor of the estate of Mr. Zhang Jr., is now the plaintiff.
- [7] Mr. Zhang Jr.'s father, Mr. Zhang Sr., is also part of the litigation as a defendant by way of counterclaim.
- [8] The trial has been set on a peremptory basis.
- [9] On September 1, 2023, Justice Lyster made various orders to facilitate the timely hearing of the action.

- [10] On November 8, 2024, Justice Lyster found the defendants in contempt of several orders set forth in her September 1, 2023 order. Justice Lyster did not address sanctions in her November 8, 2024 order and left sanctions for a further hearing.
- [11] For several reasons I will deny the defendants' application to file Dr. Wang's report.
- [12] First, having regard to the nature of Dr. Wang's report, containing purported "party official corruption in China", investigations involving party officials, money laundering, the keeping of police files in China, and references to Mr. Zhang Jr. and Mr. Zhang Sr. in the police files, I find that it would be very difficult for the plaintiff to obtain a responsive report in a timely manner for the upcoming trial.
- [13] Second, the focus of the trial are Mr. Zhang Sr. and Mr. Zhang Jr.'s real estate dealings in Canada with the defendants and whether Mr. Yin used Mr. Zhang Jr.'s funds "for his own use, or closely related parties" rather than agreed upon real estate projects. In short, the focus is on the funds in Canada.
- [14] Third, Professor Wang relies on Chinese police reports including witness statements. Professor Wang states, "Overall, I conclude the witness statements to be more likely than not to be true". In the context of Professor Wang's general description of corruption in China involving party officials, I have serious reliability concerns as to the witness statements.
- [15] Fourth, Professor Wang states: About the Case of Mr. Yin money laundering for Mr. Zhang Sr. Based on the Police File, the investigation against Mr. Yin by the economic crime division of Mishan police station and the investigation against Mr. Zhang Sr. by the DIC-NSC concluded that, between 2015 and 2019, Mr. Zhang Sr. transferred over 280 million Yuan[6] (approximately \$56 million CAD) of illegally obtained funds from his official misconduct to Canada through Mr. Yin (DEF00726; DEF00737, p.13). Witness statements and bank transfer accounts showed the complicated processes through which this was accomplished, as set out below:
1. Total amount of cash received by Mr. Yin from Zhang Sr. and its immediate purposes: Based on Mr. Yin's witness statements, between 2015 and 2016, he received a total of 280 million Yuan cash from Mr. Zhang Sr., of which 235 million Yuan was delivered to him in cash by Mr. Zhang Sr.'s driver, and 45 million Yuan was delivered in cash to Mr. Yin's accountant (who was also Mr. Yin's niece-in-law) by Mr. Zhang Sr.'s sister-in-law (DEF 00735, pp. 17-18; p. 28). Of the 280 million Yuan cash, 120 million Yuan were loans [hereafter the 120 Million Loans] from Mr. Zhang Sr. to Mr. Yin's business of grain collection and sale in China, (2) 80 million Yuan was to help Mr. Zhang Sr.'s family [hereafter the 80 Million Family Help] in Canada (20 million Yuan each for two daughters-in-law who were about to deliver kids in Canada, 25 million Yuan for Mr. Zhang Sr.'s son, Mr. Tong Zhang, to buy a house, and 15 million Yuan to renovate the house), and (3) another 80 million Yuan was deposited [hereafter the 80 Million Deposits] in four Chinese banks under Mr. Yin's name until 2019 (DEF00735, p. 13; pp. 22-31).

2. How the cash was delivered and where it was saved Based on Mi. Yin's statements, for the 120 Million Loans and the 80 Million Family Help, Mr. Zhang Sr. had his driver deliver cash four times to Mr. Yin. Mr. Yin and the driver would meet at one of the two agreed locations where there were no surveillance cameras. The driver would put a bag of cash in Mr. Yin's trunk and tell him the amount. They would then leave separately (DEF 00735, pp.28-29). Please note that other witness statements suggest that sometimes cash changed hands between Mr. Zhang Sr.'s driver and Mr. Yin's contacts instead of Mr. Yin directly. For example, based on the statement from Mr. Yin's brother-in-law, he was instructed by Mr. Yin in August 2016 to get 28 million 3 Yuan cash from Mr. Zhang Sr.'s driver (DEF00735, p.81). After receiving the cash, Mr. Yin stated that he asked his brother-in-law (67.8 million Yuan) and sister-in-law (134 million Yuan) to deposit the cash in their bank accounts (DEF00735, pp. 77-79, pp. 92-96). Please note, however, that the police investigation tracked the banking records and found that five of Mr. Yin's relatives and 11 of their bank accounts were used to launder the cash Mr. Yin received from Mr. Zhang Sr. (the 120 Million Loans and the 80 Million Family Help) (DEF00733, p.61). As for the 80 Million Deposits, based on Mr. Yin's statements, Mr. Zhang Sr. had his driver deliver a total of 50 million Yuan in cash through multiple deliveries to Mr. Yin, and had Mr. Zhang Sr.'s sister-in-law deliver 30 million Yuan in cash to Mr. Yin's accountant. Mr. Yin then deposited the cash into four Chinese banks under his name for a fixed three-year or five-year term, as requested by Mr. Zhang Sr. (DEF00735, pp. 34-36; DEF00733, p. 25).
- [16] If Mr. Lin wishes the foregoing to be considered as evidence, assuming it is true, he may testify to such. The Court prefers to hear from the source.
- [17] Fifth, an expert is required to assist the trier of fact in appreciating evidence that is not readily capable of being understood by most jurors (e.g. orthopedic surgeons). To the extent that there are police reports or other materials that may be relevant, I can read them.
- [18] In sum, I see Dr. Wang's report as not assisting the Court in any material way and find that it would be prejudicial to the plaintiff's case because a responsive report would be costly and likely disrupt or cause the scheduled pre-emptory trial set to start at the end of this month to be adjourned.
- [19] I further add that much of Dr. Wang's report is an attack as to the character of Mr. Zhang Sr. and Mr. Zhang Jr.
- [20] In *Saskatchewan v. Racette*, 2020 SKCA 2, Justice Tholl, writing for the Court of Appeal for Saskatchewan, stated at para. 23: As a starting point, character evidence - good or bad - is generally inadmissible in a civil action
- [21] The defendants' application is dismissed. "Funt J."
- [6] There is some discrepancy in the Police File in terms of the total amount of money being laundered by Mr. Yin for Mr. Zhang Sr. On April 26, 2023, the overall statement from the police about Mr. Yin's money laundering case listed the amount as 280 million Yuan

(DEF726). This was the same amount as the cash received by Mr. Yin from Mr. Zhang Sr between 2015 and 2016. On September 23, 2022, the police showed Mr. Yin their detailed bank record tracking to confirm with him that the total amount Mr. Yin laundered was roughly 246.7 million Yuan (DEF00733, p.50).

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Prepared on 29 October 2026 · Esheria