

FEB 14 2018

No. \_\_\_\_\_  
Vancouver Registry

**THE SUPREME COURT OF BRITISH COLUMBIA**

Civil Forfeiture Action in Rem Against various Lands and Structures (described in Schedule "A" attached hereto) and the Proceeds Thereof (collectively the "Properties"), and any Money held in various bank accounts in British Columbia (the "Accounts") (described in Schedule "B" attached hereto) and the Proceeds Thereof (collectively the "Bank Funds")

BETWEEN:

Director of Civil Forfeiture

PLAINTIFF

AND:

The Owners and all Others Interested in the Properties and the Bank Funds, in Particular PacNet Services Ltd., Rosanne Day, Gordon Day, Ruth Ferlow, Peter Ferlow, James Ripplinger, Ivana Ripplinger, and 672944 B.C. Ltd.

DEFENDANTS

**NOTICE OF CIVIL CLAIM – CIVIL FORFEITURE (IN REM)**

Name and address of each plaintiff:

~~21 FEB 18 5:13:30~~ 42 RISS 200.00

Director of Civil Forfeiture  
c/o Gudmundseth Mickelson LLP  
2525 – 1075 West Georgia Street  
Vancouver, BC V6E 3C9  
Fax: 604-685-8434

Description of Property: See Schedule "A" (the "Properties") and Schedule "B" (the "Bank Funds")

*To the defendants:*

TAKE NOTICE that this action has been started by the plaintiff for the claim(s) set out in this notice of civil claim.

If you intend to respond to this action, or if you have a set-off or counterclaim that you wish to have taken into account at the trial, YOU MUST FILE a response to civil claim in Form 2 in the above registry of this court within 21 days after being served with a copy of the filed notice of civil claim and SERVE a copy of the filed response to civil claim on the plaintiff's address for service.

YOU OR YOUR LAWYER may file the response to civil claim.

APPLICATION FOR JUDGMENT AGAINST THE PROPERTY MAY BE MADE IF YOU FAIL to file the response to civil claim within 21 days after being served with a copy of the filed notice of civil claim.

## CLAIM OF THE PLAINTIFF

### Part 1: STATEMENT OF FACTS

#### Introduction

1. The defendant PacNet Services Ltd. ("PacNet") is a Money Services Business, as defined in the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, S.C. 2000, c. 17 and related Regulations, engaging in the business of international payment processing.
2. PacNet processes payments for individuals and companies (the "PacNet Clients") it knows are engaged in unlawful predatory mail-fraud schemes, primarily targeting the elderly and vulnerable.
3. PacNet has processed payments relating to millions of fraudulent and deceptive multi-page solicitations sent to hundreds of thousands of victims and potential victims throughout Canada, the United States and the world.
4. Tens of thousands of victims have sent money to the PacNet Clients in response to these deceptive and fraudulent solicitations. This money is processed by PacNet for the PacNet Clients for a fee of 3-5%. The amounts collectively paid by victims is estimated to be in the hundreds of millions of dollars.
5. The proceeds of that fraudulent and unlawful activity were used to purchase and maintain the Properties. By converting the proceeds of unlawful activity into the Properties, the Properties were used as instruments of unlawful activity, namely, the laundering of proceeds of crime. The Bank Funds are also the proceeds of that fraudulent and unlawful activity. The plaintiff seeks forfeiture of the Properties and the Bank Funds pursuant to section 3 of the *Civil Forfeiture Act*, S.B.C. 2005, c. 29.

#### The owners of the Properties and Bank Funds

6. PacNet is a company incorporated under the laws of British Columbia. PacNet was originally incorporated as Pacific Network Services Ltd. on March 18, 1994. PacNet changed its name to PacNet Services Ltd. on July 21, 2008. PacNet is the owner of the property described below at paragraph 36.
7. The defendant, Rosanne Phyllis Day (nee Dronsfield) ("Ms. Day") is a director and officer (President) of PacNet. The defendant, Gordon William Day ("Mr. Day") is Ms. Day's spouse (together the "Days"). One or both of the Days are the owners of the properties described below at paragraphs 39, 43, and 46, and the bank funds described below at paragraphs 57-59, 61-63, and 65-76.

8. The defendant, Ruth Hilda Rose Ferlow ("Ms. Ferlow") is an officer (Secretary) of PacNet. The defendant, Peter Ferlow is Ms. Ferlow's spouse (together the "Ferlows"). The Ferlows are the owners of the property described below at paragraph 50, and the bank funds described below at paragraphs 77-81.
9. The defendant, James Stephen Joseph Ripplinger ("Mr. Ripplinger") is the beneficiary of the Merle Norman No. 3 Trust, a 30% shareholder in PacNet. The defendant, Ivana Ripplinger is Mr. Ripplinger's spouse (together the "Ripplingers"). The Ripplingers are the owners of the property described below at paragraph 54, and Mr. Ripplinger is the owner of the bank funds described below at paragraph 64.
10. The defendant, 672944 B.C. Ltd. ("944") is a company incorporated under the laws of British Columbia. 944 was incorporated on July 4, 2003. 944 is a shareholder of PacNet. Ms. Day is the owner of 944 and its sole director and officer. 944 is the owner of the bank funds described below at paragraph 60.

**PacNet's role in fraudulent direct mail schemes**

11. PacNet has processed payments for fraudulent direct mail schemes since at least 1997.
12. Direct mail refers to unsolicited communications sent to potential customers via the postal service and other delivery services. The direct mail sent by the PacNet Clients contains fraudulent and deceptive multi-page solicitations (the "Solicitations").
13. The PacNet Clients are the copywriters or coordinators who have created the Solicitations and PacNet is their payment processor.
14. The fraudulent direct mail schemes orchestrated by the PacNet Clients typically involve the following:
  - a. "copywriters" or "coordinators" who create the content of the Solicitations;
  - b. "list brokers" who assemble lists of addresses to which the Solicitations will be sent;
  - c. "printers" who produce the paper Solicitations;
  - d. "caging services" who open the envelopes and remove cash, cheques, and other forms of payment sent by victims in response to the Solicitations, who then forward the payments to "payment processors"; and
  - e. "payment processors" or "third party payment processors", who are responsible for processing victims' payments including personal cheques, cashier cheques, and money orders.

15. The Solicitations come in several forms and contain a variety of deceptive content. A popular format of solicitation is 'personalized' by repeatedly mentioning the target victim's name in the solicitation. This personalized solicitation would falsely represent that a person, for example "Maria Duval", has psychic or other supernatural powers and will use those abilities to improve a victim's financial or emotional situation for a small fee, usually between \$10 and \$50.
16. A victim, typically an elderly person, sends payment in response to the Solicitation. The victim's response to the Solicitation, including the form of payment, is typically delivered in a pre-paid postage return envelope which is addressed to the caging service
17. The caging service processes the victim's response mail (including inputting and updating, *inter alia*, the list of successful targets). The form of payment (cheques, credit card information, etc.) are delivered to or collected by PacNet for processing.
18. The victims receive nothing in return for their payment, other than an increased number of similar solicitations and/or a worthless trinket.
19. PacNet processes the victim's payment using its proprietary software and database system known as "RAVEN", developed by a closely affiliated company, DeepCove Laboratories Ltd. After processing a cheque, for example, PacNet prints two numeric identifiers on the back of the cheque. These numbers, a "PRN" number and a "REF" number, are part of PacNet's routing and tracking system for payments made by victims to the PacNet Clients.
20. Victims' money, minus PacNet's fees and commission, are transferred to the PacNet Clients from PacNet holding accounts, thereby minimizing the chance that financial institutions will detect the fraudulent activity of the PacNet Clients.
21. The PacNet Clients have been the subject of numerous criminal proceedings in the United States and elsewhere in relation to the Solicitations.
22. Many of these criminal proceedings specifically reference PacNet as the accused's payment processor, and many of these proceedings have resulted in findings of guilt or settlements that include admissions of guilt on the part of the PacNet Clients.
23. Despite PacNet's knowledge of these criminal investigations and enforcement proceedings against certain of the PacNet Clients, in many instances PacNet continued to process payments from victims of the unlawful Solicitations.
24. In processing the payments from the victims of the Solicitations, PacNet received a commission of approximately 2-5% of the value of those payments. These funds were used by PacNet, its shareholders, directors, employees and associated or related companies to purchase the Properties. These funds were also distributed by PacNet to its shareholders, directors, employees and associated or related companies who in turn deposited them into the various bank accounts set out below.

25. On September 22, 2016 the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") designated PacNet, along with its affiliate companies and their operators (the "PacNet Group") as a significant transnational criminal organization pursuant to Executive Order 13581, "Blocking Property of Transnational Criminal Organizations". The PacNet Group was the seventh transnational criminal organization targeted under Executive Order 13581 since that order was made in 2011. The OFAC designation was lifted for Ms. Ferlow on August 22, 2017, for Ms. Day on October 4, 2017, and for PacNet on October 26, 2017.

### **The Unlawful Activity**

26. The plaintiff says that the Properties and Bank Funds are proceeds of unlawful activity, as defined under the *Civil Forfeiture Act*, S.B.C. 2005, c. 29 (the "Act").
27. First, the Properties and the Bank Funds are the proceeds of unlawful activity as they were acquired directly as a result of the unlawful activity of PacNet, the Days, Ms. Ferlow, Mr. Ripplinger and other persons unknown to the plaintiff at this time who have engaged in conduct contrary to the following sections of the *Criminal Code*, R.S.C. 1985, c. C-46 (the "Criminal Code"):
- (a) ss. 21 and 380, party to fraud and/or fraud;
  - (b) ss. 21 and 381, party to using mails to defraud;
  - (c) s. 354, possession of property obtained by crime; and
  - (d) s. 462.31, laundering proceeds of crime.
28. Second, and in the alternative, the Properties and the Bank Funds are the proceeds of unlawful activity as they were acquired indirectly as a result of the unlawful activity of the PacNet Clients, who have engaged in conduct contrary to the following sections of the Criminal Code:
- (a) s. 380, fraud;
  - (b) s. 381, using mails to defraud; and
  - (c) s. 462.31, laundering proceeds of crime.

PacNet, the Days, Ms. Ferlow, Mr. Ripplinger and other persons unknown to the plaintiff at this time had knowledge of the unlawful activity of the PacNet Clients set out above, and received a financial benefit from the unlawful activity in the form of money used to acquire the Properties and Bank Funds.

29. The unlawful activities set out above at paragraphs 27 and 28 are referred to below as the "Unlawful Activity".
30. To the extent that any of the acts or omissions constituting the Unlawful Activity occurred in the U.S., those acts or omissions were an offence in the U.S. at the time of their commission, including the commission of criminal mail fraud in violation of 18 U.S.C. § 1341, and would also constitute an offence under the laws of Canada or British Columbia if such acts or omissions had occurred in British Columbia. To the extent that any of the acts or omissions constituting the Unlawful Activity occurred outside the U.S. and Canada, those acts or omissions constituted an offence in the jurisdiction in which they occurred at the time of their commission, and would also constitute an offence under the laws of Canada or British Columbia if such acts or omissions had occurred in British Columbia.

**The Properties and Bank Funds are either entirely or substantially the proceeds of the Unlawful Activity**

31. As part of its engagement in and facilitation of the Unlawful Activity, PacNet has attempted to create an appearance that it has engaged in a broad-based spectrum of legitimate business activity, of which only a small portion is illegitimate.
32. In fact, the plaintiff says that all or substantially all of PacNet's proceeds come from the Unlawful Activity set out above, and that any "legitimate" sources of revenue have been deliberately established as a cover for its otherwise unlawful operations. As a result, all or substantially all of the revenue generated by PacNet is the proceeds of unlawful activity.
33. PacNet, the Days, Ms. Ferlow, Mr. Ripplinger and other persons unknown to the plaintiff at this time, have been solely concerned with the operation of PacNet and its related companies that have directly or indirectly engaged in the Unlawful Activity. As a result, all, or substantially all of the income and/or assets in the name of PacNet, the Days, Ms. Ferlow, Mr. Ripplinger and other persons unknown to the plaintiff at this time, are the proceeds of unlawful activity under the Act.

**The Properties are instruments of unlawful activity**

34. By converting the proceeds of the Unlawful Activity into the Properties, the Properties were used by the defendants as instruments of unlawful activity, namely, the laundering of proceeds of crime contrary to s. 462.31 of the Criminal Code.
35. Further, the PacNet Property (as defined below) is an instrument of unlawful activity because it was used, or is likely to be used to engage in fraud or being a party to the commission of fraud, being a party to the commission of mail fraud, the possession of the proceeds of crime, and laundering of the proceeds of crime.

## **The Properties**

### **The PacNet Property**

36. PacNet became the registered owner in fee simple of the lands and structures situated at 1204 – 821 Cambie Street Vancouver, British Columbia and having a legal description of PID 027-572-404 Strata Lot 76 District Lot 541 Group 1 New Westminster District Strata Plan BCS2982 (the “PacNet Property”), on or about September 26, 2014.
37. The money used to acquire the PacNet Property was proceeds from the Unlawful Activity.
38. Proceeds from the Unlawful Activity was used to increase the value of, and PacNet’s equity in the PacNet Property by:
  - a. Paying property taxes;
  - b. Contributing to improvements; and
  - c. Contributing to maintenance costs.

### **The Vancouver Property**

39. The Days became the registered owners in fee simple of the lands and structures situated at 3928 West 22<sup>nd</sup> Avenue, Vancouver, British Columbia and having a Legal Description of PID 010-976-167 Lot 9 of Lots 3 and 4 Block 39 District Lot 139 Plan 6092 (the “Vancouver Property”), on or about November 29, 2005.
40. The money used to acquire the Vancouver Property was proceeds from the Unlawful Activity.
41. The Canadian Imperial Bank of Commerce (“CIBC”) currently holds a mortgage registered against the Vancouver Property on October 28, 2008, under charge number BB725439 (the “Vancouver Property Mortgagee”). The Vancouver Property Mortgagee did not participate in or know of or have a reason to know of the Unlawful Activity.
42. Proceeds from the Unlawful Activity was used to increase the value of, and the Day’s equity in the Vancouver Property by:
  - a. Making periodic mortgage payments;
  - b. Paying property taxes;
  - c. Contributing to improvements; and
  - d. Contributing to maintenance costs.

### **The Gibsons Property**

43. The Days became the registered owners in fee simple of the lands and structures situated at 330 Herring Heights Road, Gibsons, British Columbia and having a Legal Description of PID 007-113-501 Block 23 District Lot 1593 Plan 18682 (the "Gibsons Property"), on or about April 9, 2010.
44. The money used to acquire the Gibsons Property was proceeds from the Unlawful Activity.
45. Proceeds from the Unlawful Activity was used to increase the value of, and the Days' equity in the Gibsons Property by:
  - a. Paying property taxes;
  - b. Contributing to improvements; and
  - c. Contributing to maintenance costs.

### **The Keats Property**

46. Ms. Day became the registered owner in fee simple of the lands and structures situated at Keats Island, British Columbia and having a Legal Description of PID 007-113-471 Block 22 District Lot 1593 Plan 18682 (the "Keats Property"), on or about December 15, 2003.
47. The money used to acquire the Keats Property was proceeds from the Unlawful Activity.
48. Ardella Ann Thompson currently holds a mortgage registered against the Keats Property on December 15, 2003, under charge number BV524964 (the "Keats Property Mortgage"). The Keats Property Mortgagee did not participate in or know of or have a reason to know of the Unlawful Activity.
49. Proceeds from the Unlawful Activity was used to increase the value of, and M/s. Day's equity in the Keats Property by:
  - a. Paying the mortgage;
  - b. Paying property taxes;
  - c. Contributing to improvements; and
  - d. Contributing to maintenance costs.

### **The West Vancouver Property**

50. The Ferlows became the registered owner in fee simple of the lands and structures situated at 4910 Keith Road, West Vancouver, British Columbia and having a Legal Description of PID 002-610-388 Lot A Block 19 District Lot 811 Plan 10634 (the "West Vancouver Property"), on or about September 27, 1999.



51. The money used to acquire the West Vancouver Property was proceeds from the Unlawful Activity.
52. The Toronto Dominion Bank ("TD Canada Trust") currently holds a mortgage registered against the West Vancouver Property on January 20, 2005, under charge number BV524964 (the "West Vancouver Property Mortgage"). The West Vancouver Property Mortgagee did not participate in or know of or have a reason to know of the Unlawful Activity.
53. Proceeds from the Unlawful Activity was used to increase the value of, and the Ferlows' equity in the West Vancouver Property by:
  - a. Paying the mortgage;
  - b. Paying property taxes;
  - c. Contributing to improvements; and
  - d. Contributing to maintenance costs.

### **The Delta Property**

54. The Ripplingers became the registered owner in fee simple of the lands and structures situated at 466 Centennial Parkway, Delta, British Columbia and having a Legal Description of PID 008-619-891 Lot 31 Section 1 Township 5 New Westminster District Plan 39631 (the "Delta Property"), on or about February 22, 2012.
55. The money used to acquire the Delta Property was proceeds from the Unlawful Activity.
56. Proceeds from the Unlawful Activity was used to increase the value of, and the Ripplingers' equity in the Delta Property by:
  - a. Paying property taxes;
  - b. Contributing to improvements; and
  - c. Contributing to maintenance costs.

### **The Bank Funds**

57. The Days are the owners of the money in CIBC Account #0010-8533091. The Unlawful Activity is the source of all or substantially all of the Days' income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
58. The Days are the owners of the money in TD Canada Trust Account #0216-0519392. The Unlawful Activity is the source of all or substantially all of the Days' income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.

59. Ms. Day is the owner of the money in TD Canada Trust Account #0047-522000. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
60. 944 is the owner of the money in TD Canada Trust Account #9400-5249955. The Unlawful Activity is the source of all or substantially all of 944's income, and has been since 944's incorporation. The funds in this account are the proceeds of unlawful activity.
61. Mr. Day is the owner of the money in HSBC Account #150176945306. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
62. Mr. Day is the owner of the money in Bank of Nova Scotia Account #603500298786. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
63. Mr. Day is the owner of the money in Bank of Nova Scotia Account #603500298727. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
64. Mr. Ripplinger is the owner of the money in BMO Account #0704-8029680. The Unlawful Activity is the source of all or substantially all of Mr. Ripplinger's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
65. Ms. Day is the owner of the money in CIBC Trust Account #3923117. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
66. Ms. Day is the owner of the money in Wood Gundy Account #8102302422. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
67. Ms. Day is the owner of the money in CAM Cash Account CAM-UNITRAX Account #3116112001. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
68. Ms. Day is the owner of the money in Wood Gundy Account #5599756516. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.

69. Ms. Day is the owner of the money in Wood Gundy Account #5563037919. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
70. Ms. Day is the owner of the money in Wood Gundy Account #5520617910. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
71. Ms. Day is the owner of the money in Wood Gundy Account #6910159810. The Unlawful Activity is the source of all or substantially all of Ms. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
72. Mr. Day is the owner of the money in CIBC Trust Account #3949682. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
73. Mr. Day is the owner of the money in Wood Gundy Account #8102486720. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
74. Mr. Day is the owner of the money in CAM Cash Account CAM-UNITRAX Account #139217491. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
75. Mr. Day is the owner of the money in Wood Gundy Account #5599756615. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
76. Mr. Day is the owner of the money in Wood Gundy Account #6910161311. The Unlawful Activity is the source of all or substantially all of Mr. Day's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
77. Ms. Ferlow is the owner of the money in Account #5522381812. The Unlawful Activity is the source of all or substantially all of Ms. Ferlow's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
78. Ms. Ferlow is the owner of the money in Account #00220-1089234. The Unlawful Activity is the source of all or substantially all of Ms. Ferlow's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
79. Ms. Ferlow is the owner of the money in Wood Gundy Account #5681544317. The Unlawful Activity is the source of all or substantially all of Ms. Ferlow's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.
80. Ms. Ferlow is the owner of the money in Wood Gundy Account #6915727611. The Unlawful Activity is the source of all or substantially all of Ms. Ferlow's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.

81. Ms. Ferlow is the owner of the money in Account #860-5260518. The Unlawful Activity is the source of all or substantially all of Ms. Ferlow's income, and has been since at least 1997. The funds in this account are the proceeds of unlawful activity.

**Part 2: RELIEF SOUGHT**

82. An order under s. 5(1) of the Act that the defendants' interest in the Properties, and their proceeds, and the Bank Funds, and their proceeds, be forfeited to Her Majesty the Queen in right of the Province of British Columbia (the "Government");
83. An order under s. 5(2) of the Act that the Properties, and their proceeds, be forfeited to the Government;
84. An order under s. 13(1) of the Act that the interests of the Vancouver Property Mortgagee in the Vancouver Property, the Keats Property Mortgagee in the Keats Property, and the West Vancouver Property Mortgagee in the West Vancouver Property be protected;
85. An order under ss. 8 and 9 of the Act for interim preservation orders over the Bank Funds and the Properties; and
86. Costs.

**Part 3: LEGAL BASIS**

87. The plaintiff, Director of Civil Forfeiture (the "Director") pleads and relies upon the Act. Under s. 3(1) of the Act, the Director may apply to court for an order forfeiting to the Government property located in British Columbia that is proceeds of unlawful activity. Proceeds of unlawful activity include property that is acquired directly or indirectly from unlawful activity, as defined under the Act.
88. Under s. 3(2) of the Act, the Director may apply to the court for an order forfeiting to the Government property that is an instrument of unlawful activity. An instrument of unlawful activity includes property that has been used to engage in unlawful activity that, in turn, resulted in or was likely to result in the acquisition of property or was likely to cause serious bodily harm to a person.
89. It is an offence under ss. 21 and 380 of the Criminal Code to commit fraud or to be a party to the commission of fraud.
90. It is an offence under ss. 21 and 381 of the Criminal Code to commit mail fraud or to be a party to the commission of mail fraud.
91. It is an offence under s. 354 of the Criminal Code to possess the proceeds of crime.
92. It is an offence under s. 462.31 of the Criminal Code to launder the proceeds of crime.

93. The defendants' respective interests in the Properties are proceeds of unlawful activity because the Properties were acquired, in whole or in part, directly or indirectly, from the Unlawful Activity. Since the Properties are proceeds of unlawful activity, so too are any of their proceeds.
94. The Bank Funds are proceeds of unlawful activity because they were acquired, in whole or in part, directly or indirectly, from the Unlawful Activity. Since the Bank Funds are proceeds of unlawful activity, so too are any of their proceeds.
95. The Properties are instruments of unlawful activity because they were used, or are likely to be used to launder the proceeds of crime, an unlawful act that in turn resulted in, or was likely to result in or may result in the acquisition of property or an interest of property.
96. The PacNet Property is further an instrument of unlawful activity because it was used, or is likely to be used to engage in fraud or being a party to the commission of fraud, mail fraud or being a party to the commission of mail fraud, the possession of the proceeds of crime, and laundering of the proceeds of crime, unlawful acts that in turn resulted in, or were likely to result in or may result in the acquisition of property or an interest of property.
97. Under s. 13 of the Act, a court must make orders necessary to protect the interest in property held by uninvolved interest holders unless they are contrary to the interests of justice.
98. Proceeds of forfeiture must be paid into the Civil Forfeiture Account pursuant to section 26 of the Act.
99. The Director also pleads and relies upon s. 19 of the Act, and Rule 14-1 of the Supreme Court Civil Rules.

Plaintiff's address for service: c/o Gudmundseth Mickelson LLP  
2525 – 1075 West Georgia Street,  
Vancouver, BC V6E 3C9  
Attention: Howard A. Mickelson, QC


Fax number address for service (if any): 604-685-8434

E-mail address for service (if any): N/A

Place of trial: Vancouver, British Columbia.

The address of the registry is: 800 Smithe Street, Vancouver BC

Date February 14, 2018

  
Signature of Howard A. Mickelson, QC  
 plaintiff  lawyer for plaintiff