

IN THE SUPREME COURT OF BRITISH COLUMBIA

Citation: *Du v Hu*,
2026 BCSC 1951

Date: 20261009
Docket: E222205
Registry: Vancouver

Between:

Ya Lin Du also known as Emily Du

Claimant

And

**Ming Hu and Mingo Investments Ltd and
Mingo Farming Ltd and Mingo Holdings Ltd.**

Respondent

- and -

Docket: E57451
Registry: New Westminster

Between:

Luqin Lin also known as Lucy Lin

Claimant

And

Ming Hu also known as Peter Hu

Respondent

Before: The Honourable Justice Shergill

Reasons for Judgment

In Chambers

Counsel for Ya Lin Du also known as Emily Du:

K. Szemok-Uto
A. Kim, Articled Student

Counsel for Ming Hu, Mingo Investments Ltd, Mingo
Farming Ltd, and Mingo Holdings Ltd.:

No appearance

Counsel for Luqin Lin also known as Lucy Lin:

J. Mangat

Counsel for Attendee, Pun & Jiang Law Corporation:

S. Pun

Place and Dates of Hearing:

Vancouver, B.C.
September 8-9, 2026

Place and Date of Judgment:

Vancouver, B.C.
October 9, 2026

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I. OVERVIEW

[1] These three applications arise from a family law proceeding between the Claimant, Emily Du, and the Respondent, Ming Hu (“Du Action”). Mr. Hu and Ms. Du were in a relationship for less than three years. They have one child, C.P.H., who was born in November 2020. Issues concerning child support, spousal support, and property division remain to be determined.

[2] The applications before me concern approximately \$360,000 held in trust in the Du Action by Pun & Jiang Law Corporation (“PJ Trust Funds”), who acted for Mr. Hu until 2025. The PJ Trust Funds represent one-half of the net sale proceeds from the sale of Mr. Hu’s and Ms. Du’s former family home. The other half of the sale proceeds were, until recently, held in trust by Ms. Du’s Legal Counsel, Watson Goepel LLP (“WG Trust Funds”). Ms. Du and Mr. Hu both assert an interest over the PJ Trust Funds and the WG Trust Funds.

[3] On May 5, 2026, the parties in the Du Action entered into a Consent Order to release certain amounts out of the PJ Trust Funds to each party as advances against disputed claims (“May 2026 Consent Order”). Once made, these advances would have the effect of depleting the entire amount of the PJ Trust Funds. Pun & Jiang Law Corporation has not released the funds to either party primarily because of concerns that doing so may breach an undertaking made by lawyer Samson Pun to Lucy Lin (“Lin Undertaking”).

[4] Ms. Lin is a former spouse of Mr. Hu and the mother of another one of his children, H.C.H., who was born in April 2016. She and Mr. Hu were divorced on December 20, 2019, pursuant to a Final Order (“December 2019 Final Order”) pronounced in a family law proceeding between her and Mr. Hu (“Lin Action”). In the Du Action, Ms. Lin asserts competing rights to the PJ Trust Funds based on the Lin Undertaking; the December 2019 Final Order in the Lin Action which provided for prospective child support for H.C.H.; and a Notice of Attachment issued against the PJ Trust Funds through the British Columbia Family Maintenance Agency (“FMA”). It

is Ms. Lin's position that the PJ Trust Funds should not be distributed to the parties in the Du Action until Ms. Lin's claims against Mr. Hu are satisfied.

[5] In the first application before me, Ms. Du seeks enforcement of the May 2026 Consent Order ("NOA1"). In the second application, Ms. Lin seeks to set aside or vacate the May 2026 Consent Order to the extent that it affects the December 2019 Final Order ("NOA2"). She also asks that retroactive child support for H.C.H. be paid out of the PJ Trust Funds, and that the remainder be held as security for future child support. The third application is brought by Ms. Lin in the Lin Action ("NOA3"). Ms. Lin seeks similar relief to the second application.

[6] Mr. Hu, who is currently without counsel, did not file an Application Response to any of the applications. He also did not appear at this hearing, although he was given appropriate notice.

[7] Ms. Du and Mr. Pun have consented to an order permitting Ms. Lin to advance her claim over the PJ Trust Funds in this proceeding.

II. ISSUES IN DISPUTE

[8] The central issue before me is what should happen to the PJ Trust Funds. This turns on the nature of the funds and what effect is given to the competing claims asserted against the PJ Trust Funds.

[9] In particular, I must determine:

- a) whether the PJ Trust Funds should be distributed to Ms. Du and Mr. Hu pursuant to the May 2026 Consent Order in the Du Action; or
- b) whether the PJ Trust Funds should be distributed to Ms. Lin to give effect to the December 2019 Final Order in the Lin Action; or
- c) whether all or some of the PJ Trust Funds should be held in trust to protect the various parties competing interests in the funds.

[10] I turn now to the facts in this case.

III. FACTS

[11] The key facts are not in dispute.

[12] The former family home was purchased by Mr. Hu prior to his relationship with Ms. Lin. Mr. Hu and Ms. Lin lived at this property until they separated. Mr. Hu agreed to pay Ms. Lin a total of \$280,000 for her interest in the former family home. There is no dispute that he paid this money to her by December 31, 2021, as required by Term 16 of the December 2019 Final Order.

[13] After Ms. Lin moved out, Mr. Hu continued to reside at the former family home. Around 2019, Ms. Du moved into the residence with Mr. Hu. They married in May 2020. Ms. Du and Mr. Hu separated in February 2022.

[14] Ms. Du filed her Notice of Family Claim in September 2022. At all material times, Ms. Du has been represented by Laurence Klass and his firm, Watson Goepel LLP. Mr. Hu was represented by Samson Pun at Pun & Jiang Law Corporation. The Corporate Respondents were represented by Christopher Anninos of PLLR Lawyers.

[15] Ms. Du and Mr. Hu agreed to sell the former family home. They also agreed on January 24, 2023, that the net sale proceeds of the former family home would be divided in half and held by the parties' respective law firms pursuant to undertakings.

[16] Pun & Jiang Law Corporation agreed to hold one-half of the net sale proceeds "in Trust on their undertaking not [sic] release such funds to any party without the written consent of the parties or further Court Order" ("Du Undertaking"). Counsel for Ms. Du argues that the Du Undertaking puts a positive obligation on Mr. Pun to release the trust funds in accordance with the terms of the May 2026 Consent Order.

[17] Mr. Pun submits that his ability to release the PJ Trust Funds is impaired by an undertaking that he entered into with Ms. Lin. The Lin Undertaking was made by Mr. Pun on October 13, 2023, on Mr. Hu's instructions. It stipulates as follows:

Pun & Jiang Law Corporation hereby undertakes not to pay Ming Hu, any funds from the proceeds of sales currently held at Pun & Jiang Law Corporation (currently approximately \$344,343.25), unless: at such time of payment, Ming Hu has paid all outstanding child support and arrears concerning section 7 and extraordinary expenses for the Child [H.C.H.] born April [date redacted] 2016, now known as [X.C.L.], due and owing to LUQIN LIN also known as LUCY LIN at that time.

To avoid confusion in the future, I do want to confirm that some funds may be spent relating to Court Orders. i.e. S. 211 report. But certainly no funds will be paid to Ming Hu without satisfaction of the undertaking.

[18] Around April 2024, Mr. Pun notified Ms. Du's Counsel about the Lin Undertaking and Ms. Lin's claim over the PJ Trust Funds. Over the ensuing months, the parties unsuccessfully attempted to schedule a joint hearing to address the child support issues and competing claims made against the PJ Trust Funds.

[19] On August 20, 2024, the FMA issued a Notice of Attachment on the PJ Trust Funds. On August 23, 2024, Mr. Pun filed a Response on behalf of Mr. Hu, denying that his law firm owed any monies to Mr. Hu and further denying that the trust funds were subject to attachment or garnishment.

[20] On October 2, 2024, the FMA acknowledged Mr. Pun's Response and also confirmed that the Notice of Attachment remained in effect until August 20, 2029.

[21] On January 2, 2025, PLLR Lawyers withdrew as counsel for the Corporate Respondents. They have been without legal counsel since that time.

[22] Mr. Pun and his law firm ceased acting for Mr. Hu on May 8, 2025.

[23] On April 22, 2026, Ms. Du's Counsel filed a Notice of Application ("April NOA") seeking payment of interim support and Interim Distribution of the PJ Trust Funds. The April NOA was set for hearing on May 5, 2026.

[24] On April 27, 2026, Mr. Hu retained Jiahua Fan of Foundation Law Corporation.

[25] On May 5, 2026, Counsel for Mr. Hu and Ms. Du appeared in Associate Judge Dick's chambers to speak to the May 2026 Consent Order addressing the April NOA.

[26] The salient features of the May 2026 Consent Order are as follows:

- a) Terms 1 and 2 provide for Interim Distributions of \$100,000, each, which are to be made to Ms. Du and Mr. Hu, from their respective lawyers' (or former lawyer's) trust accounts. This money was characterized as "a litigation advance for legal fees and disbursements in respect of this action".
- b) Terms 4 stipulates that "on an interim without prejudice basis and subject to retroactive adjustment, the Respondent shall pay the Claimant \$45,950 as retroactive child support".
- c) Term 6 stipulates that "on an interim without prejudice basis and subject to retroactive adjustment, the Respondent shall pay the Claimant \$226,800 as retroactive spousal support".
- d) Pursuant to Term 10, Mr. Hu was to receive the Interim Distribution (*i.e.* the \$100,000 advance) from the PJ Trust Funds, by May 15, 2026.
- e) Pursuant to Term 11, after the Interim Distribution had been paid, the Claimant was to receive the retroactive child support amount and the retroactive spousal support amount, as follows:
 - i. First from the PJ Trust Funds;
 - ii. Second, if there was not enough money held in the PJ Trust Funds to satisfy the retroactive support amounts to the Claimant, then any remaining amount was to be paid from the WG Trust Funds.

- f) Term 12 stipulates that “if the Retroactive Support Amounts exceed the Respondent's interest in the net proceeds of the Former Family Home, which is to be determined, this will be accounted for in the final determination of the division of family property and debt in this action.”

[27] Associate Judge Dick approved the May 2026 Consent Order. The uncontroverted evidence is that neither Counsel advised Associate Judge Dick of the Lin Undertaking or that Ms. Lin had advanced a claim against the PJ Trust Funds.

[28] Foundation Law Corporation asked Mr. Pun's law firm to distribute the PJ Trust Funds in accordance with the terms of the May 2026 Consent Order. Pun & Jiang Law Corporation refused. It maintained that it was constrained by the Lin Undertaking, the FMA Notice of Attachment, and a solicitor's lien it asserted against funds payable to Mr. Hu under Term 1 of the May 2026 Consent Order. Pun & Jiang Law Corporation subsequently quantified that lien at \$12,377.88. However, Pun & Jiang Law Corporation has not asserted priority over any amounts payable to Ms. Du or Ms. Lin for child support.

[29] In June 2026, Ms. Du brought the application seeking enforcement of the May 2026 Consent Order. Around the same time, Ms. Lin commenced applications in both the Du Action and the Lin Action seeking to preserve the PJ Trust Funds and advance claims against those funds arising from the Lin Action.

[30] Mr. Hu parted company with his lawyer Mr. Fan shortly after these applications were filed. On July 7, 2026, Mr. Hu filed a Notice of Intention to Act in Person. He has not retained legal counsel since that time.

[31] On August 6, 2026, Mr. Hu and Ms. Du entered into a further Consent Order (“August 2026 Consent Order”), pursuant to which Ms. Du received an advance of \$190,889.83, against any interest held in family property. This money was subject to future accounting in the final determination of the division of family property and

debt. It was paid out of the WG Trust Funds and represented the entire balance that was held by them from the sale of the former family home.

[32] By the time these applications came before me, the only remaining sale proceeds from the former family home were the PJ Trust Funds.

IV. ANALYSIS

[33] Pursuant to the May 2026 Consent Order, the PJ Trust Funds can be broken down into three categories: those monies that the parties expressly agreed would be paid to Mr. Hu to use for legal fees and disbursements; money that they agreed would be paid to Ms. Du for retroactive child support; and the money that they agreed would be paid to Ms. Du for retroactive spousal support. I will address each of them separately.

A. Money Payable to Mr. Hu for Legal Expenses

[34] I begin with the \$100,000 Interim Distribution payable to Mr. Hu pursuant to Terms 2 and 10 of the May 2026 Consent Order.

[35] In my view, this category of funds stands on a different footing than the remaining monies held in the PJ Trust Funds. Unlike the retroactive support payments that were directed to be paid to Ms. Du, the parties expressly agreed that this \$100,000 would be paid to Mr. Hu as a litigation advance for his legal fees and disbursements. Ms. Du voluntarily consented to that arrangement. She does not assert any competing entitlement to these funds, and, in my view, no such claim could reasonably be advanced in light of the terms of the May 2026 Consent Order itself. The funds are properly characterized as money payable to Mr. Hu.

[36] The Lin Undertaking is directly engaged by this portion of the PJ Trust Funds. In October 2023, Mr. Pun agreed, on Mr. Hu's instructions, that Pun & Jiang Law Corporation would not pay any funds from the trust account to Mr. Hu unless, at the time of payment, he had satisfied all outstanding child support and arrears concerning section 7 and extraordinary expenses owed in respect of H.C.H. to Ms. Lin. The undertaking was subsequently reaffirmed by Mr. Pun in May 2025.

[37] The evidence establishes that Mr. Hu has failed to comply with his support obligations under the December 2019 Final Order. Ms. Lin deposes that Mr. Hu has made little or no payment of ongoing child support since the December 2019 Final Order was granted. That evidence is uncontroverted.

[38] Ms. Lin's evidence is that, as of June 2026, Mr. Hu owed child support arrears of \$91,000. That figure is calculated as follows: (a) \$56,000 representing 28 months of unpaid child support from January 2023 through April 2025 at \$2,000 per month; and (b) a further \$35,000 representing 14 months of unpaid child support from May 2025 through June 2026 at \$2,500 per month. I have added \$7,500 to that figure, to cover the period from July 2026 to September 2026 (the date of this hearing). Thus, the retroactive child support figure totals \$98,500.

[39] Ms. Lin also claims that Mr. Hu owes her \$68,767.50 for section 7 and extraordinary expenses that have been incurred since the December 2019 Final Order was made.

[40] Ms. Du raises some valid concerns about the accuracy of the calculations underlying the section 7 expenses claimed by Ms. Lin. For example, Ms. Lin has included in her calculations, fees payable to her Legal Counsel. Ms. Lin's Counsel agreed at the hearing that those legal fees (which exceed \$3,000) are not properly claimable as section 7 expenses. It is possible that there are other amounts that have been claimed which also fall outside the scope of section 7 or extraordinary expenses.

[41] Nevertheless, even accepting that Ms. Lin's calculations may not be entirely accurate, I am satisfied that her claim for section 7 expenses well exceeds \$1,500. To that end I need not determine the precise quantum of those claims at this stage. The child support arrears of \$98,500, almost entirely consume the \$100,000 otherwise payable to Mr. Hu pursuant to the May 2026 Consent Order. Of the remaining \$1,500, I am satisfied that this should fairly be applied to Mr. Hu's section 7 arrears.

[42] In these circumstances, I agree with Ms. Lin that the \$100,000 otherwise payable to Mr. Hu out of the PJ Trust Funds, should not be released for his legal fees. It is money to which the Lin Undertaking directly applies. The purpose of the undertaking was to ensure that Mr. Hu's outstanding support obligations to H.C.H. would be satisfied before any distribution was made to him personally. To permit Mr. Hu to receive those funds while substantial child support arrears remain outstanding would be inconsistent with both the undertaking and the clear purpose for which it was given.

[43] It is also notable that Pun & Jiang Law Corporation does not assert its solicitor's lien in priority to claims for child support. Rather, its position is that the solicitor's lien is asserted only against funds otherwise payable to Mr. Hu.

[44] Accordingly, I conclude that the \$100,000 allocated to Mr. Hu under the May 2026 Consent Order should instead be applied to satisfy the child support arrears owed by Mr. Hu to Ms. Lin in respect of H.C.H., with the remaining \$1,500 to be applied toward partial satisfaction of the arrears for section 7 and extraordinary expenses.

B. Money Payable to Ms. Du for Retroactive Child Support

[45] I turn next to the \$45,950 payable to Ms. Du pursuant to Terms 4 and 11 of the May 2026 Consent Order as retroactive child support for C.P.H.

[46] Unlike the \$100,000 litigation advance payable to Mr. Hu, this portion of the PJ Trust Funds is not money that was ever intended to be paid to Mr. Hu for his personal use. Pursuant to the May 2026 Consent Order, Mr. Hu and Ms. Du expressly agreed that these funds would be paid to Ms. Du as retroactive child support for their child.

[47] I can find no principled basis to deprive Ms. Du of this payment. The Lin Undertaking applies only to funds payable to Mr. Hu. It does not prohibit Pun & Jiang Law Corporation from distributing funds to Ms. Du pursuant to a court order. Indeed,

the wording of the undertaking specifically restricts payment "to Ming Hu". On its face, it does not restrict payment to anyone else.

[48] I note also that Ms. Lin does not challenge Ms. Du's entitlement to receive retroactive child support for C.P.H. While Ms. Lin argues that child support owing in respect of H.C.H. should be protected, her claim is directed primarily at the funds earmarked for payment to Mr. Hu and the much larger retroactive spousal support award. She does not assert a competing claim to the \$45,950 that the parties agreed should be paid to Ms. Du as child support.

[49] In my view, both C.P.H. and H.C.H. are entitled to receive the benefit of the support obligations owed to them by Mr. Hu. Having concluded that the \$100,000 otherwise payable to Mr. Hu should instead be applied toward the arrears owing in respect of H.C.H., there is no unfairness in also giving effect to the parties' agreement that C.P.H. receive the retroactive child support contemplated by Term 4 of the May 2026 Consent Order.

[50] Accordingly, I conclude that Ms. Du is entitled to receive payment of the \$45,950 retroactive child support amount from the PJ Trust Funds in accordance with Terms 4 and 11 of the May 2026 Consent Order.

C. Money Payable to Ms. Du for Retroactive Spousal Support

[51] The remaining category of funds is the amount allocated under Terms 6 and 11 of the May 2026 Consent Order as retroactive spousal support payable to Ms. Du.

[52] In contrast to the retroactive child support claims advanced on behalf of H.C.H. and C.P.H., Ms. Du's claim for retroactive spousal support remains heavily disputed. It has not yet been adjudicated and the amount set out in the May 2026 Consent Order was expressly made on an interim, without prejudice basis and subject to retroactive adjustment.

[53] In my view, the evidentiary record presently before me does not support immediate payment of the remaining PJ Trust Funds toward Ms. Du's retroactive spousal support claim. The parties' relationship was brief. Even accepting Ms. Du's position regarding the commencement of cohabitation, the relationship lasted less than three years. Further, there is limited evidence before me establishing either a strong compensatory claim or a significant non-compensatory claim based on need. Indeed, in October 2024, Justice Wilkinson observed that Ms. Du's entitlement to spousal support after trial was "likely very limited".

[54] I also consider it significant that, since the May 2026 Consent Order was made, Ms. Du has received the entirety of the funds previously held in trust by Watson Goepel LLP. Pursuant to the August 2026 Consent Order, she received a further advance of \$190,889.83 from those funds. Ms. Du has already received substantial advances pending trial which help to alleviate any potential economic disadvantages or hardship suffered by her due to the relationship or its breakdown.

[55] In addition, Ms. Du continues to assert family property claims that may ultimately attach to other assets. Those claims include potential interests in the funds that Justice Funt directed be paid into court from the Langley Property and the Surrey Bare land litigation. Justice Funt ordered that \$166,211.88, representing Mr. Hu's interest in the Langley Property, be paid into court in the action respecting the Langley Property and the Surrey Bare land litigation. He further ordered that \$809,261.51 be paid into court upon the Surrey Bare land being vested in the plaintiff in that proceeding. Both amounts are to remain in court pending further court order or agreement of the parties to this family proceeding.

[56] While Ms. Lin may ultimately have recourse to the Surrey Bare land funds through the FMA attachment process, that possibility remains uncertain. Justice Funt's decision is under appeal. Further, even if the \$809,261.51 is eventually paid into court and Mr. Hu is ultimately found entitled to all of those funds, Ms. Du asserts that they constitute family property and claims an interest in them. Accordingly, there

is no assurance that those funds will be readily available to satisfy Ms. Lin's support claims on behalf of H.C.H.

[57] In contrast, Ms. Du's interests are presently protected by the funds she has already received from the WG Trust Funds, together with her asserted claims against the funds directed to be paid into court under Justice Funt's Order. Ms. Lin does not enjoy the same level of security. Her claims arise from a final support order that has been in place since 2019 and, on the evidence before me, the PJ Trust Funds are the only immediately available asset against which meaningful enforcement can occur.

[58] In these circumstances, I am not persuaded that the balance of the PJ Trust Funds should now be paid to Ms. Du on account of retroactive spousal support. Rather, I conclude that the remaining funds should continue to be held in trust pending the final determination of the parties' competing claims.

[59] In particular, I find that the remaining funds should be preserved as security for the outstanding and ongoing child support obligations owed by Mr. Hu in respect of both H.C.H. and C.P.H. Only after those support claims have been finally determined and adequately protected should any claim to retroactive or prospective spousal support be considered against those funds.

[60] Accordingly, I decline to order payment of the retroactive spousal support amount from the PJ Trust Funds at this time. The balance of those funds shall remain in trust pending further order of the Court or agreement of all the parties, including Ms. Lin.

D. Fines Sought Against Mr. Hu

[61] Both Ms. Du and Ms. Lin seek fines against Mr. Hu.

[62] I am not persuaded that any fine should be imposed arising from Ms. Du's application. While I have concluded that the May 2026 Consent Order ought not to be implemented entirely in accordance with its terms, I am not satisfied on the

record before me that Mr. Hu breached a court order in a manner that would justify relief under s 230 of the *Family Law Act*, SBC 2011, c 25 [FLA]. To the extent Ms. Du seeks fines or similar relief arising from the events that followed the May 2026 Consent Order, that request is dismissed.

[63] The situation is different in the Lin Action. The December 2019 Final Order required Mr. Hu to pay ongoing child support for H.C.H. and to contribute to section 7 and extraordinary expenses. The uncontroverted evidence before me is that Mr. Hu has persistently failed to comply with those obligations and has made little or no payment of child support since the December 2019 Final Order was granted. As of September 2026, child support arrears alone exceeded \$98,000.

[64] Compliance with court orders is not optional. As Justice Tammen observed in *Hazen v Hazen*, 2022 BCSC 1900, monetary sanctions under s 230 of the *FLA* may be appropriate where a party repeatedly fails to comply with court-ordered support obligations. Section 230(2)(b) authorizes the Court to require a party to pay an amount not exceeding \$5,000 to or for the benefit of another party or child, or to impose a fine of up to \$5,000: *Hazen* at para 11.

[65] In this case, I am satisfied that Mr. Hu is in continuing breach of the December 2019 Final Order. The arrears are substantial, the non-compliance has persisted for years, and there is no evidence before me providing any meaningful explanation or justification for that non-compliance. Indeed, Mr. Hu has been aware, since at least October 2023 when he instructed his Counsel to enter into the Lin Undertaking, that he was in arrears in child support. Nevertheless, he took no meaningful steps to pay the support that was owing. Instead, Ms. Lin was required to proceed with this application to compel payment.

[66] In my view, a monetary penalty is appropriate to underscore the importance of compliance with support orders and to denounce Mr. Hu's ongoing disregard of his obligations to H.C.H.

[67] Pursuant to s 230(2)(b) of the *FLA*, I order that Mr. Hu pay the sum of \$5,000 to Ms. Lin for the benefit of H.C.H. as a consequence of his breach of the December 2019 Final Order. In fashioning an appropriate amount for the monetary penalty, I have considered the special costs award that I am making in favour of Ms. Lin, payable by Mr. Hu.

[68] Given the limited evidentiary record before me and the relief otherwise granted in these reasons, I decline to impose any additional fines. However, nothing in these reasons should be taken as limiting Ms. Lin's ability to seek further enforcement relief should Mr. Hu continue to disregard his support obligations.

V. COSTS

[69] Both Ms. Du and Ms. Lin seek special costs. Pun & Jiang Law Corporation also seeks costs in relation to the applications brought against it.

[70] I find that all three of these parties are entitled to costs against Mr. Hu, which is explained below.

[71] I begin with Ms. Du's application to enforce the May 2026 Consent Order.

[72] I see no basis for any costs award against Pun & Jiang Law Corporation. While I have concluded that the firm could and should have applied the \$100,000 allocated to Mr. Hu toward satisfaction of Ms. Lin's support claims, I do not accept that the firm acted improperly by refusing to distribute the balance of the PJ Trust Funds pending judicial direction. The firm was confronted with competing claims arising from the Lin Undertaking, the FMA Notice of Attachment, and the May 2026 Consent Order. In my view, it acted prudently in maintaining the status quo until those competing claims could be adjudicated.

[73] The position of Mr. Hu is different. The difficulties that arose following entry of the May 2026 Consent Order were largely of his own making. The Lin Undertaking was provided on his instructions. He was aware of the December 2019 Final Order in the Lin Action, aware of the substantial support arrears that had accumulated, and

aware of the competing claims asserted against the PJ Trust Funds. Yet, he nevertheless consented to an order that would have effectively exhausted those funds without ensuring that those matters were addressed. In my view, his conduct resulted in unnecessary litigation and materially contributed to the circumstances that led to Ms. Du bringing NOA1.

[74] I am satisfied that Mr. Hu's conduct is sufficiently reprehensible to justify an award of special costs in favour of Ms. Du in relation to NOA1.

[75] Accordingly, Ms. Du is entitled to special costs against Mr. Hu arising from Ms. Du's application, NOA1.

[76] I turn to Ms. Lin's applications, NOA2 and NOA3. I also conclude that Ms. Lin is entitled to special costs against Mr. Hu for both her applications. The applications were necessitated because of Mr. Hu's repeated failure to comply with court orders. In addition, the May 2026 Consent Order was obtained without notice to Ms. Lin, notwithstanding that she had an obvious interest in the PJ Trust Funds through the December 2019 Final Order, the Lin Undertaking, and the FMA attachment. Further, the Court was not advised of those matters when the May 2026 Consent Order was presented for approval. As a result of Mr. Du's actions, Ms. Lin was compelled to bring applications in both actions to protect her interests and those of H.C.H.

[77] Responsibility for that state of affairs rests primarily with Mr. Hu, who was fully aware of the competing claims. This does not excuse Ms. Du's conduct. It was she who brought NOA1 and obtained the May 2026 Consent Order favouring herself. The failure to provide notice to Ms. Lin or disclose the existence of the Lin Undertaking and the related claims resulted in unnecessary proceedings and expense.

[78] Nevertheless, I decline to make any award against Ms. Du in favour of Ms. Lin because both she and Ms. Lin have enjoyed partial success in the other's applications. As a result, those claims for costs offset each other. Neither Ms. Lin nor Ms. Du are obliged to contribute to the costs of the other party.

VI. ORDER MADE

[79] For the reasons set out above, the applications are all granted in part.

[80] I order that \$100,000 from the PJ Trust Funds, being the amount that would otherwise have been payable to Mr. Hu pursuant to Terms 2 and 10 of the May 2026 Consent Order, shall instead be paid to Ms. Lin. Of that amount, \$98,500 shall be applied toward the child support arrears owed by Mr. Hu in respect of H.C.H., with the balance of \$1,500 to be applied toward the arrears claimed for section 7 and extraordinary expenses.

[81] I further order that \$45,950 from the PJ Trust Funds, being the retroactive child support amount provided for in Term 4 of the May 2026 Consent Order, shall be paid to Ms. Du in accordance with Terms 4 and 11 of the May 2026 Consent Order.

[82] I decline at this time to order payment of the retroactive spousal support amount provided for in Term 6 of the May 2026 Consent Order.

[83] After making the payments described above, the balance of the PJ Trust Funds shall remain in trust pending further order of the Court or written agreement of all of the interested parties, namely, Ms. Du, Mr. Hu, and Ms. Lin.

[84] I direct that those remaining funds be held as security for the outstanding and ongoing child support obligations of Mr. Hu in respect of both H.C.H. and C.P.H., and thereafter for any entitlement that may ultimately be established in respect of spousal support.

[85] By consent, Ms. Lin is granted leave to participate in this proceeding for the limited purpose of advancing and protecting her claims against the PJ Trust Funds.

[86] Pursuant to s 230(2)(b) of the *FLA*, I order that Mr. Hu pay the sum of \$5,000 to Ms. Lin for the benefit of H.C.H. as a consequence of his breach of the December 2019 Final Order.

[87] In relation to costs:

- a) Ms. Du is awarded her special costs of NOA1 against Mr. Hu.
- b) Ms. Lin is awarded her special costs of NOA2 and NOA3 against Mr. Hu.
- c) Pun & Jiang Law Corporation is awarded their ordinary costs of NOA1 and NOA2 against Mr. Hu.

[88] The quantum of costs is to be assessed by the Registrar if the parties are unable to come to an agreement.

“Shergill J.”