

# IN THE SUPREME COURT OF BRITISH COLUMBIA

Citation: *Alpex Equities Inc. v. 1046598 B.C. Ltd.*,  
2026 BCSC 1188

Date: 20260610  
Docket: S254428  
Registry: Vancouver

Between:

**Alpex Equities Inc.**

Plaintiff

And

**1046598 B.C. Ltd. and Wansu Jiang**

Defendants

Before: The Honourable Justice J. Walker

## Oral Reasons for Judgment

(In Chambers)

Counsel for the Plaintiff:

D. Bains  
B. Elliott, Articled Student

Counsel for the Defendants:

R. Robertson  
J. Bournas, Articled Student

Place and Date of Trial/Hearing:

Vancouver, B.C.  
June 3, 2026

Place and Date of Judgment:

Vancouver, B.C.  
June 10, 2026

**Introduction**

[1] **THE COURT:** This is an application brought by the defendants to set aside default judgments. A default judgment issued against the defendant 1046598 B.C. Ltd., (the “Company”), on September 9, 2025, and against the defendant Wansu Jiang on December 12, 2025. Ms. Jiang is the sole director of the Company.

[2] The defendants claim they had no knowledge of the proceedings against them until around February 9, 2026 and upon learning of the default judgments, quickly took steps to have them set aside. The defendants’ application to set aside the default judgments was filed on March 4, 2026.

[3] The plaintiff argues that when all of the surrounding circumstances are considered, the defendants’ assertions that they did not know about the proceedings is not credible and the application should be dismissed.

**Background Facts**

[4] The plaintiff is a rental management company that owns and manages a rental building located on Robson Street in Vancouver. On December 3, 2020, the plaintiff and the Company entered into a lease agreement to rent commercial premises for the operation of a clothing store. The Company paid a \$50,000 deposit. The plaintiff agreed to undertake certain repairs and make specified improvements to the premises before the Company took possession.

[5] The term of the lease was for five years and began on November 18, 2023, although the Company began occupying the premises in July 2023. The lease provided for a basic monthly rental amount and also required the Company to pay additional rent. It appears that the Company only ever paid the basic rent and never paid the amounts alleged to be owing for additional rent. The Company disputes that it was liable for additional rent.

[6] The defendant, Ms. Jiang, entered into an indemnity agreement whereby she agreed to personally indemnify the plaintiff from any loss, costs, or damages arising out of any failure by the Company to pay rent under the lease.

[7] In around the middle of December 2024, the Company abandoned the premises. The plaintiff claims for rent owing under the lease and claims that while the Company occupied the premises rent was underpaid.

[8] The plaintiff obtained default judgment against the defendants in the amount of \$204,069.59, the amount owing under the terms of the lease; \$60,521.41 for prejudgment interest; post-judgment interest and damages in an amount to be assessed.

[9] The defendants say that the plaintiff failed to perform work they had agreed to do to the premises prior to the Company taking possession, and then upon taking possession the Company discovered that the premises were in poor condition which caused the Company to suffer losses while operating their clothing store.

### **Procedural History**

[10] The plaintiff filed its notice of civil claim on June 11, 2025. The claim sought judgment against the defendants in the amount of \$204,069.59 for debt in relation to the breach of the lease and damages for the breach of the lease.

[11] The Company was served with the notice of civil claim on July 7, 2025 at its registered and records office located at #9-3751 North Fraser Way in Burnaby. The notice of civil claim was left with an adult female who advised the process server that she had just moved in, she did not know Ms. Jiang, and neither was she familiar with the Company.

[12] Following numerous unsuccessful attempts to serve Ms. Jiang with the notice of civil claim, on September 11, 2025 the plaintiff was granted leave to serve “Mr. Jiang” by ordinary mail a copy of the notice of civil claim to “Mr. Jiang’s” last known address of 2765 Skilift Place, West Vancouver, BC, and by sending a copy of the claim to “Mr. Jiang’s” last known email address at duyu1989@hotmail.com. I assume counsel for the plaintiff mistakenly sought to serve “Mr. Jiang” instead of Ms. Jiang.

[13] The residential address and email address identified in the substituted service order was based on the plaintiff's belief that Ms. Jiang's current residential address was the Skilift property.

[14] This email address was not Ms. Jiang's email address but was her husband Duyu's, who also went by the name of Dino. The plaintiff knew that because a representative of the plaintiff communicated with Dino through that email during the time the Company occupied the premises.

[15] I also note that plaintiff's counsel was aware of two other related email addresses. In a letter dated December 27, 2024, counsel for the plaintiff wrote to the Company and Ms. Jiang and cc'd the "Store Manager, attn: Dino" by an email address of "soo0213@gmail.com" and cc'd the "Head Office, attn: Kaylee" via an email address of "jws@jwsjws.com". JWS was the name of the clothing store operated by the Company.

### **The Defendants' Evidence**

[16] In an affidavit sworn on March 3, 2026, Ms. Jiang deposed that sometime after December 2020, a third party had executed a lease with the plaintiff for the premises under her Company's name and in her name without her knowledge or consent. Nevertheless, she says that between December 2020 and June 2023, she attended the premises often and was dismayed at the lack of progress the plaintiff was making on the repairs and improvements that the plaintiff had undertaken to do.

[17] In February and March 2023, the defendants expressed an intention to terminate the lease because the plaintiff had not performed its obligations, but it does not appear that the defendants followed through with that intention.

[18] In June 2023, the plaintiff advised the Company that the premises were ready. Upon taking possession, Ms. Jiang discovered that the work performed by the plaintiff was not completed properly and she says the defective work caused the Company to suffer continuous losses in attempting to continue to operate the store.

[19] The Company began paying rent in November 2023 and the plaintiff would often acknowledge receipt of the rent. Between November 2023 to October 2024, the plaintiff did not object to any rental amounts paid to them or state that the rental amounts were deficient or outstanding. The plaintiff did not provide her with any estimates of any additional rent amounts between November 2023 to October 2024. On October 1, 2024, the plaintiff sent Ms. Jiang a letter demanding \$154,051.95 and alleged the outstanding rental amounts were due despite no prior notice of the same.

[20] Ms. Jiang swears that she had no knowledge whatsoever of this action until around February 9, 2026. She has not lived at the Skilift residence since around March 2025 due to her separation from her husband, Mr. Duyu.

[21] She resides at a residence in Richmond and her email address is not duyuy1989@hotmail.com. She believes that this is her husband's email address and she does not have access to this email.

[22] Ms. Jiang became aware of this action when she received a notice to registered owner of registration of certificate of judgment from the Land Titles Office indicating that judgment was registered on the Skilift home. Ms. Jiang has not deposed how she became aware of the judgment.

[23] After discovering this, she sought legal counsel to assist her to set aside the default judgment and retained counsel around February 13, 2026.

### **Legal Principles**

[24] On an application brought under R. 3-8(11), a court should consider the factors from *Miracle Feeds v. D. & H. Enterprises Ltd.*, [1979] B.C.J. No. 1965 which include:

- a) that the defendant did not wilfully or deliberately fail to enter an appearance or file a defence to the plaintiff's claim;

- b) that the defendant made their application to set aside the default judgment as soon as reasonably possible after obtaining knowledge of the default judgment or give an explanation for any delay in the application being brought;
- c) that the defendant has a meritorious defence or at least a defence worthy of investigation; and
- d) that the foregoing requirements be established to the satisfaction of the court through affidavit material filed by or on behalf of the defendant.

[25] *Miracle Feeds* establishes a framework to address an application to set aside a default judgment. The various considerations that are identified in *Miracle Feeds* are just factors that a chambers judge should consider and weigh. These factors are not fixed or immutable. Rather, they are discretionary: *Forgotten Treasures International Inc. v. Lloyd's Underwriters*, 2020 BCCA 341, at para. 17; *Andrews v. Clay*, 2018 BCCA 50, at paras. 29 to 31.

## **Discussion**

### **Was the defendants' failure to respond wilful or deliberate?**

[26] Ms. Jiang's sworn evidence that neither she, nor the Company, knew about the action until February 9, 2026 is uncontested. Similarly, Ms. Jiang's explanations about why she did not have actual notice of the action are not challenged.

[27] The plaintiff disputes Ms. Jiang's claim that she did not receive notice of the action before February 9, 2026 for the following reasons:

- a) Since Ms. Jiang has a copy of the Land Title Office notice addressed to the Skilift property which she says notified her of this proceeding, this confirms she receives notices at the Skilift property.
- b) While Ms. Jiang deposed that she did not have access to the "duyu" email address, she has appended screen shots of emails sent to that email address which the court can infer means she did have access to it.

- c) the evidence of the process server that a vehicle registered to Ms. Jiang was frequently seen at the Skilift property and information gained from neighbours and a male at the scene of the property confirms that Ms. Jiang continued to be physically associated to the Skilift property.

[28] With respect to the Company, the plaintiff argues the Company has not tendered any evidence to support a conclusion that service of the notice of civil claim was not effected. The Company was properly served in accordance with s. 9-1(a) of the *Business Corporations Act*, S.B.C. 2002, c. 57.

[29] In my view, based on the evidence before me, Ms. Jiang did not wilfully or deliberately fail to respond to the notice of civil claim. Ms. Jiang has deposed that she did not reside at the Skilift property because she is separated from her husband. The fact that a vehicle owned by her was seen around the property does not mean that she received notice of the claim. It would not be unusual in the context of separation for this to be the case.

[30] I do not accept that just because notice of the registration of the certificate of judgment was addressed to the Skilift property means that Ms. Jiang received the notice of claim at that property. In any event, even if she did receive the registration of the certificate of judgment after delivery at the property, she has deposed that she did not receive it until February 9, 2026.

[31] I also do not accept that because she has appended screen shots of emails sent to and from her husband's email address, that means she had access to that email address and received the notice of claim by that email address. It would appear that Mr. Du Yu was involved in the store. While there is no application to set aside the substitutional service order, I find it significant that the plaintiff was aware of other email addresses associated to Ms. Jiang or the Company but those addresses were not used to deliver the notice of claim.

[32] Neither do I accept that because the Company was properly served, that means Ms. Jiang herself had notice of the civil claim. In that regard, I note that, while

hearsay, the person who received the notice of the civil claim said she did not know who Ms. Jiang was.

[33] With respect to the Company, Ms. Jiang has not provided any evidence explaining why service of the Company was not effected beyond her assertion that she did not receive it on behalf of the Company. There is no evidence before me as to the connection of the address for the registered and records office to Ms. Jiang.

[34] As a result, I am left with little evidence beyond Ms. Jiang's assertion to assess whether the Company's failure to respond to the notice of civil claim was not deliberate nor wilful. In this case, service was properly effected on the Company and service was properly effected on Ms. Jiang in accordance with the substitutional service order. Therefore, the default judgments are not nullities as argued by the defendants, relying on *Bajwa v Deol*, 2017 BCSC 1673, at para. 19. However, I consider that the circumstances of how service was effected in this case are relevant considerations to the determination and my conclusion that the defendants' failure to respond was not wilful, nor was it deliberate.

**Was the set aside application made as soon as possible?**

[35] Having accepted that Ms. Jiang and the Company were not aware of this action until February 9, 2026, I find that Ms. Jiang took steps to apply to set aside the default judgment against her and the Company as soon as reasonably possible.

**Is there a defence worthy of investigation?**

[36] I have difficulty with Ms. Jiang's assertion that she did not sign the lease on behalf of the Company or herself. In any event, Ms. Jiang's own evidence indicates that she acted in accordance with the lease and indemnity agreement that she and the Company were bound by.

[37] However, I accept the defendants' claim that the plaintiff breached the term of the lease and that, at least, the defendants might be entitled to set off any proven losses by the plaintiff by the losses suffered by the defendants as defences worthy of investigation.

[38] I accept that asserted defences must be something more than mere assertions and the defendants must provide sufficient evidence and details to allow the court to conclude that the defences they wish to advance are meritorious or are at least worthy of investigation: *Andrews* at para. 32; *Shang v Dhuu*, 2020 BCSC 1568, at paras. 63-64.

[39] In this case, the defendants have provided some support for their asserted defences that goes beyond mere assertions. Attached to Ms. Jiang's affidavit are photographs taken at the material time in support of her position that the premises were deficient. There is also some corroboration to Ms. Jiang's assertion that, at least for a period of time, the plaintiff appeared satisfied with payment of the basic rent. The amount of additional rent, how it was calculated, and what was communicated to the defendants is not clear.

[40] In my view, Ms. Jiang and the Company have met their onus to demonstrate that there are defences to the claims made against them that are worthy of investigation.

### **Fairness and Equity**

[41] The defendants argue that the overarching aim of the court to do justice as between the parties should lead me to conclude that the default judgments should be set aside. Default judgments have been registered on a home owned by Ms. Jiang and she is at risk of potentially losing an interest in a property over a claim that she had no knowledge of.

[42] On the other hand, the plaintiff argues that because the Skilift property is the subject of two separate foreclosure proceedings by separate financial interests, setting aside the judgment may ultimately preclude the plaintiff from recovering on the loss, damage, and expense sustained as a result of the defendants' breach of the lease if the Skilift property is subject to an order for sale prior to judgment. It would not be the interests of justice or fairness and equity to set aside the default judgments.

[43] I have sympathy for the plaintiff's concern that setting aside the default judgment may ultimately prevent the plaintiff from realizing any judgment that it may obtain. However, in my view, the interests of justice in light of my analysis of the *Miracle Feeds* factors lead me to conclude that the default judgments must be set aside.

**Conclusion**

[44] After considering the *Miracle Feeds* factors and all of the circumstances put before me, I conclude that the defendants have met their onus and the default judgments will be set aside.

[45] The terms of my order are as follows:

- a) the application of the defendant 1046598 BC Ltd. to set aside the judgment filed on September 9, 2025 is granted;
- b) the application of the defendant Wansu Jiang to set aside the default judgment filed on December 12, 2025 is granted;
- c) within 14 days of this order the defendants have leave to file a response to the plaintiff's notice of civil claim filed on June 11, 2025;
- d) the Registrar of Land Titles is directed to cancel the registered charge on PID 009-665-935, Lot 1, Block B, District Lot 815, Plan 9624.
- e) costs of this application will be in the cause.

[46] That concludes my Reasons. Thank you. We will adjourn.

"J. Walker J."