

IN THE SUPREME COURT OF BRITISH COLUMBIA

Citation: *1188769 B.C. Ltd. v. 1188845 B.C. Ltd.*,
2026 BCSC 1282

Date: 20260710
Docket: S260520
Registry: New Westminster

Between:

1188769 B.C. Ltd.

Plaintiff

And

1188845 B.C. Ltd. and Shani Sidhu

Defendants

And

1188769 B.C. Ltd.

Defendant by way of Counterclaim

Before: The Honourable Justice Girn

Reasons for Judgment

Counsel for the Plaintiff:

D. Gautam

Counsel for the Defendants:

R.S. Arora

Place and Date of Hearing:

New Westminster, B.C.
January 23, 2026

Place and Date of Judgment:

New Westminster, B.C.
July 10, 2026

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Introduction

[1] This application is brought by the defendant, 1188845 B.C. Ltd. (“845 Ltd.”). The Court must determine whether a certification of pending litigation (“CPL”) filed by the plaintiff, 1188769 B.C. Ltd. (“769 Ltd.”), on November 13, 2025 against Unit 103 at 8318 120th Street, Surrey, British Columbia ought to be cancelled because the Notice of Civil Claim (NOCC) does not claim an interest in land as required under the *Land Title Act*, R.S.B.C. 1996, c. 250, s. 215(1) [LTA]. The plaintiff opposes the application. The defendant, Shani Sidhu (“Sidhu”) did not participate in the hearing.

[2] For the reasons that follow, I conclude that the CPL must be cancelled because the NOCC does not adequately plead a claim to an interest in land.

Background

[3] Unit 102 is a commercial unit owned by 845 Ltd. Sidhu, a family physician, is the sole director of the defendant applicant, 845 Ltd. In the NOCC, the plaintiff pleads that Sidhu is the alter ego of 845 Ltd. Sidhu denies this and asserts that they and 845 Ltd. are separate legal entities.

[4] In the NOCC, the plaintiff alleges that it and 845 Ltd. jointly acquired and owned three commercial units (Units 101, 102, and 103) (together, the “Units”) despite title being registered differently among the parties. The plaintiff claims that the parties had an agreement wherein 845 Ltd. held 50% of its registered interest in Unit 102 as a bare trustee for the plaintiff, and that the plaintiff similarly held 50% of Unit 101 as a bare trustee for 845 Ltd. Unit 103 was jointly held by both the parties.

[5] In March 2020, at the City of Surrey’s request, the plaintiff and 845 Ltd. registered a restrictive covenant on title to the Units that prohibited any transfer, conveyance, or assignment of interests in the Units until the demising walls separating the Units were reinstated. The covenant was required by the City as a condition for processing tenant improvement applications related to the Units.

[6] The plaintiff further plead the following facts:

- It entered into a Share Purchase Agreement (SPA) on September 22, 2023, to buy all shares of 845 Ltd. for \$2.1 million (later amended to \$2 million).
- The completion date was extended twice, ultimately to December 18, 2024.
- The plaintiff was ready and able to complete the purchase, but 845 Ltd. and/or Sidhu repeatedly refused to transfer the shares, breaching the SPA.
- The plaintiff maintains that the SPA remains valid and enforceable.
- It is also the beneficial owner of 50% of Unit 102, and the properties are unique because they operate as a single physical unit.

[7] In the alternative, the plaintiff alleges that Sidhu was the directing mind of 845 Ltd. and had knowledge of the terms and conditions of the SPA and that she intentionally induced 845 Ltd. to breach the SPA.

[8] The plaintiff has sought the following relief as outlined in the NOCC:

1. Specific performance requiring transfer of all shares of 845 Ltd.
2. An order seizing and transferring the shares to the Plaintiff.
3. A Certificate of Pending Litigation (CPL) against Units 102 and 103.
4. Alternatively, damages for breach of contract.
5. Further alternatively, damages against Shani for inducing breach of contract.

Legal Principles

[9] Section 215 of the *LTA* provides as follows:

- (1) A person who has commenced or is a party to a proceeding, and who is
 - (a) claiming an estate or interest in land, or
 - (b) given by another enactment a right of action in respect of land,

may register a certificate of pending litigation against the land in the same manner as a charge is registered, and the registrar of the court in which the proceeding is commenced must attach to the certificate a copy of the pleading or petition by which the proceeding was commenced, or, in the case of a certificate of pending litigation under Part 5 of the *Court Order Enforcement Act*, a copy of the notice of application or other document by which the claim is made.

[10] It is trite that a CPL is an extraordinary pre-judgment mechanism to preserve a valid claim to an interest in land until the issues in dispute can be resolved: *Sagebrush Golf Course Holdings Ltd. v. Craig*, 2026 BCSC 529, at para. 7. A CPL is not to be used as a pre-judgment execution for a purely financial claim: *Lipskaya v. Guo*, 2022 BCCA 118, at para. 65.

[11] Recently, in *Boston Development Corp. v. Takhar*, 2026 BCSC 784, Justice Latimer summarized the legal principles pertaining to CPL:

[11] The relevant law was succinctly summarized in *Lipskaya* as follows:

[64] The court has inherent jurisdiction to cancel a CPL that does not meet the preconditions for registration, that is, where no interest in land is claimed: *NextGen Energy Watervliet TWP, LLC v. Bremner*, 2018 BCCA 219 at para. 7; *Bilin v. Sidhu*, 2017 BCCA 429. An “interest in land” is claimed where title may change as a result of the proceedings: *V.B. v. K.B.*, 2013 SKQB 412 at para. 72. The court can cancel a CPL where damages would be adequate relief: *Wai v. Chung*, 2020 BCSC 34 at paras. 26–28. An application to cancel a CPL for non-compliance with s. 215 of the LTA does not involve a weighing of the evidence or an assessment of the strength of the claim—the court only considers whether such a claim is pleaded: *Yi Teng* at paras. 36–38.

[12] The test to be applied on an application to cancel a CPL that is alleged not to meet the preconditions of s. 215 is whether the facts pleaded, assuming them to be true, are capable of supporting a claim to an interest in land. In such an application, no evidence is to be considered: *Sagebrush* at para. 8.

[13] As counsel for the petitioner noted, the adequacy of the pleadings alleged to support a CPL must be assessed on the date which the CPL was filed, and any deficiency in those pleadings cannot be salvaged by subsequent amendments: *Batth v. Sharma*, 2024 BCCA 29, at para. 62.

[14] When assessing whether pleadings disclose a claim to an interest in land, the pleadings must be read as a whole: *Sagebrush* at para. 9.

[12] When the pleading fails to disclose a claim to an interest in land, the CPL will be cancelled immediately because it was improperly registered from the outset: *Sonnenberg v. Sonnenberg*, 2023 BCSC 957 at para. 13; *Bajwa v. Singh*, 2016 BCSC 916 at para. 20; *Wang v. Cai*, 2022 BCSC 1312 at paras. 9–12.

Analysis

[13] I am mindful that the application must be determined based on the pleadings and not on any evidence adduced by the plaintiff or defendants on the application: *Deol v. Hans*, 2024 BCSC 2254 at para. 44; *Oikon Developments Inc. v Chris & Mando Ltd.*, 2024 BCSC 1333 at paras. 20–22.

[14] The plaintiff's position is that the NOCC pleads an interest in land in two ways: (1) a bare trust arising from the parties' collective purchase and ownership of the Units; and (2) a claim for specific performance of the SPA, which the plaintiff says would give it an interest in the Units, including Unit 102. The plaintiff also seeks an order requiring 845 Ltd. and/or Shani to transfer all issued shares of 845 Ltd. to the plaintiff in accordance with the SPA.

[15] I find that there are several difficulties with the plaintiff's submission.

[16] Although the Court is not required at this stage to weigh or assess the evidence, there must nevertheless be a sufficient factual basis in the pleadings to support the alleged interest in land. An interest in land cannot rest solely on bare or conclusory assertions unsupported by material facts, whether those assertions may ultimately prove to be true. Given the extraordinary nature and significant consequences of a CPL, its registration must be grounded in more than speculation or conjecture.

[17] I agree with 845 Ltd. that the crux of the dispute arises from the failed SPA. I acknowledge that the parties disagree as to why the SPA did not complete and whether the agreement remains binding. The claim for shares – even if 845 Ltd.'s only asset is Unit 102 – does not constitute a claim to an interest in land. This is the same conclusion that was reached in *Taylor v. 1103919 Alberta Ltd.*, 2015 ABCA 201 where the court found that purchasing all the shares of a company with only a unit as an asset does not mean that the plaintiff had a right to file a CPL: at paras. 33–34. As was the case in *Taylor*, the SPA in the case at bar only contemplates the purchase of shares, not the purchase of land or real estate.

[18] As well, the bare trust allegations, without more, are ancillary, strategic and conclusory. The plaintiff fails to properly plead the trust terms, or how the transfer of consideration is tied to Unit 102. Specifically, the pleadings do not set out how and when the trust arose; what the terms of the trust were; and any declaration or agreement creating the trust are lacking. Additionally, 845 Ltd. has not plead what contributions were made by the plaintiff toward the acquisition of Unit 102; what payment scheme was tied to the beneficial ownership or any conduct giving rise to the resulting trust.

[19] As well, I find the NOCC pleading of “joint ownership” is vague. The plaintiff pleaded that “the properties were jointly owned regardless of title”. In my view, the plaintiff has failed to plead facts to support how that joint ownership was created. For example, the plaintiff has not pleaded any trust deed, partnership agreement, contribution structure, or other legal mechanism giving rise to the alleged beneficial interest in the property.

[20] The restrictive covenant on the title is also relevant in my analysis. The plaintiff's own pleadings acknowledge the existence of a restrictive covenant prohibiting transfers of interests in the Units. This supports 845 Ltd.'s position that no transfer of any ownership interest occurred and undermines the plaintiff's claim to a present proprietary interest in the Units.

[21] Finally, the remedy being sought by the plaintiff further supports cancellation of the CPL. While the plaintiff seeks specific performance of the SPA, that remedy concerns the transfer of shares, not land. Accordingly, even if specific performance were ordered, the plaintiff would obtain shares in the company and would not directly acquire title to, or a proprietary interest in, Unit 102.

[22] In my view, the CPL appears to be a litigation tactic designed to create leverage in what is fundamentally a commercial dispute. The plaintiff's claim is properly characterized as a contractual claim for enforcement of the SPA or, alternatively, damages. A CPL should not be used as security for a purely

commercial claim. I conclude that the plaintiff's NOCC does not establish the facts necessary to support an interest in land.

Conclusion

[23] Reading the NOCC as a whole and assuming the pleaded facts to be true, I conclude that the plaintiff has not pleaded a claim to an interest in the property in question on which the CPL is registered. It follows that the CPL the plaintiff registered on title to the Property must be discharged.

[24] I make the following order:

- a) Pursuant to s. 215(1) of the *LTA*, I discharge the Certificate of Pending Litigation filed by the plaintiff on November 13, 2025, and registered under registration number CB2453213 in the New Westminster Land Title Office against title to the property legally described as:

PID: 030-957-851 STRATA LOT 34 SECTION 30 TOWNSHIP 2 NEW
WESTMINSTER DISTRICT STRATA PLAN EPS4116

Upon filing a certified copy of this order in the New Westminster Land Title Office, the Registrar of Land Titles shall cause the said CPL to be cancelled or discharged.

Costs

[25] The defendant applicant, 845 Ltd., is successful on this application and is entitled to costs at Scale B.

"Girn J."