

IN THE SUPREME COURT OF BRITISH COLUMBIA

Citation: *Shanghai Zhong Jia Xing Hua Chuang Ye
Investment LLP v. Bai,*
2026 BCSC 1575

Date: 20260820
Docket: S1912792
Registry: Vancouver

Between:

**Shanghai Zhong Jia Xing Hua Chuang Ye Investment LLP,
Yangzhou Jia Hua Chuang Ye Investment Ltd., and
Nantong Jian Hua Chuang Ye Investment LLP**

Plaintiffs

And

Bing Bai, Yan Ma a.k.a. Sapphire Mar, and Mu Qing Bai

Defendants

Before: The Honourable Justice Branch

Reasons for Judgment

In Chambers

Counsel for the Plaintiffs:

A.J. Wang

Counsel for the Defendants, Mu Qing Bai
and Yan Ma:

Q. Duong
J.G. Foster

The Defendant, Bing Bai, appearing in
person:

B. Bai

Place and Date of Hearing:

Vancouver, B.C.
March 12-13, and
May 27, 2026

Written Submissions Received:

June 3, 4 and 10, 2026

Place and Date of Judgment:

Vancouver, B.C.
August 20, 2026

I. INTRODUCTION

[1] In this foreign-judgment enforcement action, the applicant defendants Mu Qing Bai and Yan Ma (the “Applicants”) seek the cancellation of certain certificates of pending litigation (the “CPLs”) registered by the plaintiffs. In addition, the Applicants seek that the plaintiffs’ fraudulent conveyance claim, which supports the CPLs, be struck on summary judgment. For the reasons below, I grant the application to cancel the CPLs and grant the application to strike the fraudulent conveyance plea.

II. BACKGROUND

[2] The plaintiffs are three Chinese investment companies incorporated and headquartered in China. The plaintiffs do not conduct business in Canada and have no offices in the country. The defendants Bing Bai (“Mr. Bai”) and Yan Ma (“Ms. Ma”) reside in BC. The defendant Mu Qing Bai (“Mu Qing”) is their adult son.

[3] In 2005, Mr. Bai incorporated Liaoning Muchang International Environmental Protection Industry Co. Ltd. (the “Company”). He is the Company's majority shareholder and chairman of the board of directors. Ms. Ma is a director and shareholder of the Company.

[4] In December 2015, the plaintiffs, the Company, Mr. Bai and Ms. Ma entered into an agreement whereby the plaintiffs agreed to pay funds to purchase shares of the Company (the “Share Purchase Agreement”). At the same time, the plaintiffs, the Company and Mr. Bai entered into an agreement with a share buy-back provision (the “Supplementary Agreement”). Under the Supplementary Agreement, Mr. Bai guaranteed the plaintiffs a return of their investment if the Company failed to meet agreed-upon benchmarks. Upon execution of the agreements, the plaintiffs provided the agreed 33.6 million RMB to the Company (the “Funds”).

[5] In or about 2018, an investigation into the Company's environmental practices led to arrests, the freezing of the Company's assets, and a court proceeding. As a result of these developments, the plaintiffs, unsurprisingly, did not receive the

expected return on their investment. Unsurprisingly, the Company also did not return the Funds to the plaintiffs.

[6] In July 2018, the plaintiffs commenced actions in China against Mr. Bai alleging breach of the Share Purchase Agreement and the Supplementary Agreement (the "Chinese Actions").

[7] In March 2019, the plaintiffs obtained judgments in the Chinese Actions against Mr. Bai (the "Chinese Judgments"). The Chinese Judgments ordered Mr. Bai to return the Funds to the plaintiffs.

[8] After failing to receive the Funds, on November 13, 2019, the plaintiffs filed a notice of civil claim in this Court (the "NOCC"), seeking, among other things:

- a) to have the Chinese Judgments recognized and enforced against Mr. Bai;
- b) to have Ms. Ma held jointly liable with Mr. Bai for the Chinese Judgments;
- c) to pursue the defendants for breach of contract, fraudulent representation, extortion, conversion, unjust enrichment, breach of trust and equitable remedies; and
- d) declarations that there had been fraudulent conveyances or preferences in favour of Ms. Ma and Mu Qing.

[9] In the original NOCC, the plaintiffs pleaded that they "transferred a total of [33.6] Million RMB (the "Principal") to the Defendant BAI and the Defendant MA". The plaintiffs also pleaded that "[u]sing some or all of the Principal that the Plaintiffs transferred to the Defendant BAI and the Defendant MA, the Defendants acquired, preserved, maintained, or improved some properties in Canada, including but not limited to [the Properties, as defined below]". The plaintiffs relied on the *Fraudulent Conveyance Act*, R.S.B.C. 1996, c. 163 [FCA], and the *Fraudulent Preference Act*, R.S.B.C. 1996, c.164.

[10] The same day that the NOCC was filed, the plaintiffs registered the CPLs against Ms. Ma and Mu Qing's property located at 4870 Vista Place, West Vancouver, BC¹, and Ms. Ma's property located at 6089 Gleneagles Drive, West Vancouver, BC (collectively, the "Properties").

[11] In addition to registering the CPLs on the Properties, the plaintiffs registered several other CPLs on properties they believed to be owned by the defendants. This included a property owned by an unrelated individual who shares Mr. Bai's name, which the plaintiffs subsequently removed.

[12] Shortly after receiving the NOCC, the defendants raised jurisdictional objections. However, the defendants did not seek to stay all of the claims on this basis. In particular, the defendants did not dispute that this Court had jurisdiction over (1) the plaintiffs' request to enforce the Chinese Judgments against Mr. Bai, and (2) the fraudulent conveyance claim.

[13] On August 10, 2020, the defendants produced a list of documents. The plaintiffs have pressed the defendants to produce additional documents since that date but have secured no court orders in this regard.

[14] The plaintiffs conducted examinations for discovery of the defendants in February 2021. The plaintiffs have raised issues with the responses to the outstanding requests from those examinations but have secured no court orders regarding these alleged failings.

[15] On May 13, 2022, Justice Marzari heard the defendants' application for a partial stay on jurisdictional grounds. On June 6, 2022, she issued reasons reported at *Shanghai Zhong Jia Xing Hua Chuang Ye Investment LLP v. Bai*, 2022 BCSC 935 (the "Stay Decision"). The Stay Decision ordered that the following claims be stayed because China was the proper jurisdiction:

¹ This property is held 99/100 by Mu Qing and 1/100 by Ms. Ma.

- a) the claims for breach of contract, fraudulent misrepresentation, extortion, conversion, unjust enrichment, breach of trust and equitable breaches;
- b) the claims for an order compelling the defendants to account for and disgorge all of the funds they are alleged to have converted from the plaintiffs; and
- c) the claims, whether fully pleaded or not, that relate to the terms and conditions under which the plaintiffs made their investments in the Chinese Company, and how the Chinese Company dealt with those funds.

[16] Justice Marzari confirmed that she was “not staying those portions of the relief sought that are not underlined at para. 11.” These surviving claims were for:

- a) enforcement of the Chinese Judgments against Mr. Bai;
- b) an order against Ms. Ma of joint liability with Mr. Bai for the Chinese Judgments;
- c) a certificate of pending litigation against seven named properties in BC allegedly owned, in whole or in part, by the defendants;
- d) a declaration that any dispositions by Mr. Bai of his property to, or in favour of, Ms. Ma or Mu Qing, to acquire, preserve, maintain, or improve the Properties, were fraudulent conveyances within the meaning of the *FCA*;
- e) a declaration that dispositions by Ms. Ma of property to, or in favour of, Mu Qing, were fraudulent conveyances within the meaning of the *FCA*;
- f) a declaration that the amounts owed by the defendants is a debt or liability arising out of fraud by the defendants that is not released in any bankruptcy proceedings that any of them may commence;
- g) a tracing order; and

h) interest and costs.

[17] Justice Marzari concluded:

[53] ...I recognize that the plaintiffs may have some difficulties in pursuing some of that relief in this Court in the absence of orders of this Court on the substantive issues. This is not meant to be an invitation for the plaintiffs to argue the substantive issues through the back door of this relief, but rather to allow the plaintiffs to pursue aspects of their claim to enforce the Chinese Judgments that may be open to them based on BC law.

[18] On January 16, 2023, the plaintiffs served the defendants with an amended notice of civil claim (the "First Amended NOCC") purporting to strike out the claims that Marzari J. stayed.

[19] On February 23, 2024, the defendants served the plaintiffs with an application to strike portions of the First Amended NOCC on the grounds that the pleading failed to strike out all the stayed claims (the "Strike Application"). The defendants also served the plaintiffs with the present application seeking cancellation of the CPLs (the "CPL Application"). On August 16, 2024, Justice Morellato adjourned these applications but ordered that the plaintiffs provide further particulars of their fraudulent conveyance claim.

[20] On August 14, 2024, the plaintiffs served the defendants with an application record index for their applications for contempt and further examination for discovery time.

[21] On December 20, 2024, the plaintiffs served a second amended notice of civil claim (the "Second Amended NOCC").

[22] On October 8-10, 2025, I heard the defendants' Strike Application. I ordered that:

a) the plaintiffs strike from the Second Amended NOCC any references to the fraudulent preference claim; and

- b) the plaintiffs amend their pleading to plead better particulars of the surviving fraudulent conveyance claim

(the "Strike Order").

[23] On October 22, 2025, the plaintiffs served a third amended notice of civil claim (the "Third Amended NOCC") purporting to implement the Strike Order.

[24] On December 19, 2025, the Applicants examined the plaintiffs' representative Yijun Wang. Mr. Wang was unable to provide any material particulars regarding the allegation that the Funds were transferred to maintain the Properties. He did suggest that the alleged lack of funds remaining in the Company was evidence that some or all the Funds must have been transferred to the benefit of the Applicants.

[25] On February 23, 2026, the Applicants purported to file an amended CPL Application.

[26] The present hearing before me was to consider the Applicants' CPL Application, which seeks the following:

- a) an order that the Registrar of Land Titles cancel and remove the CPLs registered against the Properties for not being compliant with section 215(1) of the *LTA*;
- b) an order that the plaintiffs not be permitted to re-register the CPLs against the Properties based on the Third Amended NOCC;
- c) an order that the plaintiffs must apply to this Court, on notice to the defendants, for leave to register any further CPLs against the defendants' property;
- d) an order dismissing the plaintiffs' fraudulent conveyance claim against Ms. Ma and Mu Qing; and
- e) costs.

[27] In addition to the present CPL Application, the plaintiffs have applications for contempt and for further discovery pending. Furthermore, the defendant Mr. Bai, who was formerly represented by counsel for the other defendants but is now self-represented, brought a number of applications in February, March and April 2026. At a hearing on April 10, 2026, Mr. Bai's application for additional security for costs was dismissed. The remaining applications brought by Mr. Bai have been adjourned generally.

[28] The trial of this matter is set for two weeks starting July 12, 2027.

III. ANALYSIS

[29] The defendants argue first that the CPLs should be cancelled because they are not properly supported by the pleadings and therefore fail to meet the requirements of section 215 of the *LTA*.²

A. The Test on an Application to Cancel a CPL

[30] Section 215 of the *LTA* states:

Registration of certificate of pending litigation in same manner as charge

215 (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.

² To the extent that a Court order was required for the Applicants to file an Amended Notice of Application on February 23, 2026, I would grant that order *nunc pro tunc*. This case is in desperate need of substantive determinations as soon as possible. As such any technical or procedural thickets created by counsel should be cleared away to the extent necessary to allow those to occur. I see no prejudice to the plaintiffs, since they were clearly aware of the essence of the Applicants' complaints, and were able to respond fully.

[31] An application to cancel a CPL for being non-compliant with s. 215(1)(a) requires the Court to consider "whether the pleadings disclose a claim for an interest in land". There must be a nexus or causative link between the facts alleged and an interest in land to which they would give rise if the facts were ultimately proved. The interest in land must be established through the pleadings; a mere assertion with no proper factual foundation is insufficient: *Goel v. Dhaliwal*, 2022 BCCA 87 at para. 28.

[32] Evidence is not considered on an application to cancel a CPL: *Goel* at para. 30. Further, the question of whether a party's existing pleadings could be salvaged through further amendments does not arise: *Goel* at para. 35; *G.M.C. Properties Inc. v. Rampart Estates Ltd.*, 2023 BCCA 172 at para. 41.

[33] The necessary interest in land cannot be grounded solely on unsubstantiated assertions with no pleaded factual underpinning. Such an extraordinary and powerful pre-trial tool must be grounded on more than mere conjecture: *1077708 BC Ltd. v. Agri-Grow Farm Services Ltd.*, 2019 BCSC 977 at para. 39 [*Agri-Grow*]. The possibility of helpful future document production is not a factor in determining whether a pleading discloses an interest in land. The plaintiff cannot claim an interest in land and then wait for evidence or discovery that would establish the requirements: *Zou v. Rai*, 2021 BCSC 1931 at para. 16.

[34] However, at the same time, "it is not open to a judge to cancel a CPL on the basis a claim to an interest in land is weak or there is no triable issue": *Yi Teng Investment Inc. v. Keltic (Brighthouse) Development Ltd.*, 2019 BCCA 357 at para. 36.

B. Which Pleading?

[35] As set out above, the pleadings in this matter were substantially narrowed by the Stay Decision and the Strike Order. The plaintiffs also made certain concessions about the accuracy of the initial pleading.

[36] A preliminary question is whether the Court should apply the test to the pleadings as they read at the time of the CPL filing, or as they have been subsequently adjusted by the Court and the plaintiffs.

[37] In *Bilin v. Sidhu*, 2017 BCCA 429, the Court stated:

[62] The jurisprudence provides the point in time at which to assess the validity of a CPL and the pleading on which it rests is the time of filing with the Registrar of Land Titles: see *RCG Forex* at para. 8. The applicable analysis rests on the pleadings filed in support of the CPL and not, as suggested by Mr. Bilin, on the pleadings as they might be amended.

[38] The parties suggested that, in light of this expression of the proper approach, the original NOCC must be the pleading against which the legal requirements outlined above are tested.

[39] While that is generally correct, the difficulty with such a narrow approach is that it:

- a) puts the Applicants in the awkward position of having to argue that, notwithstanding the express words of the NOCC, the Court should ignore facts pleaded therein that are subsequently proven untrue by the evidence. That approach is inconsistent with the principle the Applicants themselves advance, being that the evaluation should be based on the pleadings alone, without resort to evidence; and
- b) would require the Court to ignore its Stay Decision and Strike Order, which found that certain claims in the NOCC were never properly pleaded in this jurisdiction. It would be strange if a party could plead improperly but still be entitled to invoke such a flawed pleading to support its CPL.

[40] I find that the guidance in *Bilin* did not contemplate the potential for subsequent judicial decisions on jurisdiction or motions to strike, or concessions by the plaintiff. The above statement from *Bilin* was meant to guard against plaintiffs attempting to patch their pleading after the fact to provide a better basis for their CPL. It does not control situations in which the original pleading simply did not make

proper claims, as confirmed by subsequent judicial decisions or plaintiff concessions.

[41] The plaintiffs admitted at the hearing that the Funds invested were actually received by the Company first, and were not paid directly to Mr. Bai or Ms. Ma (the “Admission”). I find that the intent of their NOCC, fairly read though poorly worded, is to communicate that the Funds improperly ended up in the defendants’ hands after being provided to the Company.

[42] In my view, the assessment of the ability of a pleading to support a CPL must, at a minimum, reflect:

- a) subsequent judicial decisions striking or staying aspects of the pleading; and
- b) any admissions by the plaintiff that aspects of the original pleading are factually incorrect.

[43] Applying a stricter approach than this would require the Court to (a) ignore the proper judicially determined state of affairs, and (b) require engagement with manifestly flawed pleadings.

C. Does the NOCC (as adjusted) provide a proper basis for a CPL?

[44] Does the plaintiffs’ NOCC (as adjusted by the Court decisions and the Admission) disclose an interest in land sufficient to support the CPLs (ignoring for the moment the impact of the evidence-based summary judgment motion considered in greater detail below)?

[45] The plaintiffs’ Third Amended NOCC (a pleading intended to reflect the result of the Stay Decision and the Strike Order, as well as the Admission), provides as follows:

28. Using some or all the Principal that the Plaintiffs originally transferred to the Defendants' Company, and then the Defendant BAI and the Defendant MA transferred directly or indirectly from the Defendants' Company to themselves, the Defendants acquired, preserved, maintained, or improved

some properties in Canada, including but not limited to three freehold non-strata and one freehold strata properties in British Columbia...

29. The Defendant Bai holds an equitable and beneficial ownership interest in the Four Residential Properties.

...

32. The properties of the Defendant Bai which were transferred to, or disposed of, in favour of the Defendant Ma and the Defendant Mu, were used by the Defendant Ma and the Defendant Mu to acquire, and/or preserved, maintained, or improved [*sic*] the Four Residential Properties, and the Defendant Bai's properties are equitably traceable into the Four Residential Properties.

...

Part 2: RELIEF SOUGHT

...

3. The Plaintiffs also seek:

- a. a tracing order;
- b. a Certificate of Pending Litigation against each of the Five Properties, including the Four Residential Properties...

...

- d. a declaration of the Defendant BAI that the dispositions of his properties to, or in favor of, the Defendant MA or/and the Defendant MU, for the Defendant MA or/and the Defendant MU to acquire, preserve, maintain or improve the Five Properties...were fraudulent conveyances within the meaning of the *Fraudulent Conveyance Act*, R.S.B.C. 1996, c.163;

...

Part 3: LEGAL BASIS

...

3. Fraudulent Conveyance Act

...

- c. Instead of using the Proceeds in the purchase of the new capacity incinerator equipment and in the new landfill first phase [*sic*] project in China, as strictly regulated by the Contracts signed by the Plaintiffs and the Defendant Bai and the Defendant Ma, the Defendant Bai and the Defendant Ma transferred the Proceeds into British Columbia, Canada, to acquire, preserve, maintain, or improve the Four Residential Properties, the Four Businesses, and the Commercial Property. The Defendant Bai and the Defendant Ma hid [*sic*] such information from the Plaintiffs, fraudulently misled the Plaintiffs to believe that the Defendant Bai and the Defendant Ma were in the process of performing the Contracts. The Defendant Bai and the Defendant Ma thus had committed a fraud.

[Underlining in original.]

[46] The Properties at issue are included within the “Four Residential Properties” and “Five Properties” defined in the pleading.

[47] The pleading baldly alleges the use of the Funds for the acquisition, preservation, maintenance, and improvement of the Properties. Does it do so with sufficient particularity to support a CPL? I find that it does not.

[48] On this point, I can do no better than provide an extended extract from the recent decision in *1060700 B.C. Ltd. v. iFortune Homes Inc.*, 2026 BCSC 946, which also involved the alleged misappropriation of invested funds for the maintenance of other properties. This extract helpfully reviews all the key authorities on point:

[89] 105 Ltd. submits that the NOCC is inadequately particularized and too general to support a clear causal nexus between the allegedly misappropriated funds and the Property. Counsel for 105 Ltd. notes that the plaintiffs have sued eight different companies in connection with four separate projects. They allege that the funds in question went to “one or more” of these companies in connection with “any of all” of these projects. 105 Ltd. denies this vague, broad pleading is sufficient to establish a claim to an interest in land. It argues that, if this pleading is sufficient for that purpose, any claim against any company for allegedly misappropriating funds would be sufficient to support filing a CPL against any property that company, or any of its related companies, might own. 105 Ltd. denies that kind of pre-judgment security is either appropriate or what is contemplated by s. 215(1) of the *LTA*.

[90] 105 Ltd. submits that a pleading must contain more than vague, bald assertions and that the NOCC must establish a substantial and direct link between the alleged misconduct and the property which is subject to the CPL. 105 Ltd. notes that the NOCC does not link the date the funds were allegedly misappropriated to any particular event in connection with the Property.

[91] In *Wai* [*v. Chung*, 2020 BCSC 34], the plaintiff sought relief that is similar to what the plaintiffs plead in the NOCC. The primary issue in *Wai* was whether the plaintiff had pleaded sufficient facts to give rise to an interest in the subject property and to support a CPL. The plaintiff did not plead the relevant timeframe or the amount of money that was allegedly misappropriated; the plaintiff’s bald assertions were found not to meet the threshold required to claim an interest in land and the CPL was discharged: *Wai* at para. 21. Justice MacDonald referenced *Chen* and *Agri-Grow* noting that the plaintiffs in those cases had alleged that the defendants misappropriated funds to maintain and preserve the subject properties, and in both cases, the court held that the plaintiffs had failed to plead facts about how the property was maintained: *Wai* at para. 21.

[92] In *Wai*, MacDonald J. found that while the plaintiff had pleaded generally that the defendants used her investment funds to purchase the

subject property, she had failed to particularize her claim. She found the plaintiff's pleading was vague and imprecise and identified no direct connection between the investment funds and the property at issue: *Wai* at para. 29. Justice MacDonald expressed some sympathy for the plaintiff's position (as she might not have been in possession of all relevant documents) but noted that was "the subject of another application": *Wai* at para. 30.

[93] The plaintiffs here, all of whom are identified in the NOCC as limited partners in iFortune LP, plead that funds of the non-party, iFortune LP, were misappropriated and "used" for various other projects. They allege breaches by iFortune GP, the general partner of iFortune LP, of a fiduciary duty and the limited partnership agreement and claim constructive trusts over multiple properties, including the Property.

[94] In *Canada Long Investment Group Corporation v. Russo*, 2023 BCSC 884 [*Canada Long*], an individual limited partner brought a common law derivative action on behalf of the limited partnership (which has not occurred here) to recover allegedly wrongfully diverted funds due to the defendants' alleged breach of a fiduciary duty: *Canada Long* at paras. 4 and 7. The plaintiff pleaded that the defendant who owned the lands subject to the CPL had used the allegedly misappropriated funds for its own benefit, including to acquire, preserve, maintain, or improve the subject lands: *Canada Long* at paras. 17–18.

[95] Justice Tucker concluded that those allegations were insufficient to establish the required causal link between the disputed funds and the subject lands necessary to support the CPL: *Canada Long* at paras. 68–71. She noted, as stressed in *Nouhi* at para. 30, that the question was whether the pleadings disclosed a claim to an interest in land to support the CPL: *Canada Long* at para. 68. Justice MacDonald reached a similar conclusion in *Wai* at para. 30.

[96] I conclude that the plaintiffs, as limited partners, have no direct proprietary interest in the assets of iFortune LP: *Schmidt* at paras. 30–31; *Canada Long* at para. 34; *Treasure Bay* at para. 44. The plaintiffs do not dispute that a limited partner's interest in a limited partnership is personal property pursuant to the Partnership Act. They deny this statement of the law has any application here or that they have pleaded the limited partnership has any proprietary interest in the Property. The plaintiffs say they plead that the defendants breached the fiduciary duty they owed the plaintiffs, thereby resulting in a constructive trust, and that there is a causal link between the defendants' alleged wrongdoing and the Property.

[97] 105 Ltd. concedes that while a court can impose a "good conscience" constructive trust in some cases of wrongdoing, the criteria for establishing either a substantive or remedial constructive trust must first be met. 105 Ltd. submits that this requires a direct and substantial link between the pleaded cause of action and the subject land. 105 Ltd. denies the plaintiffs' allegation in the NOCC that it knowingly assisted the alleged breach of fiduciary duty is sufficient to support a claim to a "good conscience" constructive trust or, by extension, an interest in land, citing *Nouhi*. 105 Ltd. denies the plaintiffs have

pleaded the necessary causal nexus between its alleged wrongdoing and the Property.

[98] Two recent decisions of this court address the discharge of CPLs based on pleaded constructive trust claims: *Deol v. Hans*, 2024 BCSC 2254 and *10163563 Manitoba Ltd. v. 1411541 BC Ltd.*, 2026 BCSC 13 [10163563]. In my view, they are instructive.

[99] In *10163563*, Justice Lawn was satisfied that the law, as articulated in cases like *Deol*, requires more than a mere assertion that funds were fraudulently diverted into a specific property: para. 42. She concluded that details, including dates and information about the existence of a mortgage or mortgages, how and when the property was acquired, and how it was being maintained would provide “some basis” to support the finding of a pleaded interest in land: para. 42, citing *Deol* at para. 62; *Agri-Grow* at para. 38. Those comments are analogous here.

[100] While sympathetic to the plaintiffs’ position that some of the information the applicants said was missing was “uniquely available to the defendants”, Lawn J. noted that some of it (such as the date of acquisition of the subject properties, or whether there were mortgages on title) was not: *10163563* at para. 43. Like MacDonald J. in *Wai*, Lawn J. in *10163563* concluded that this was “not a sufficient reason to find that the pleadings threshold has been met in this case”: para. 43. I note that *Batth [v. Sharma]*, 2024 BCCA 29, a decision the plaintiffs cite, was before the court in both *Deol* and *10163563*.

[101] The mere use of funds to maintain or improve a property does not create a claim for an interest in the property in issue: *Gill* at para. 33. The inability to provide particulars regarding allegations in the pleadings does not justify registration of a CPL: *Pannu* at para. 21; *Wai* at paras. 29–30. As noted by Tucker J. in *Canada Long* at para. 70, connecting the dots to establish the required nexus may be easier in certain pleading scenarios than in others and, in some cases, may not be possible until there has been some disclosure: *Canada Long* at para. 70; *Wai* at paras. 29–30.

[102] The plaintiffs assert that they have adequately pleaded a nexus between their alleged claim and the Property, citing *Mahal* at paras. 38–39. I disagree. They do not plead when the Property was acquired relative to the defendants’ alleged misappropriation of funds, information that is ascertainable and not within the defendants’ exclusive knowledge. Apart from a bald assertion in Part 1, para. 53(d) of the NOCC that the defendants used these funds “to finance the purchase of and the carrying, development, improvement, and/or construction costs of other real estate projects and businesses, including, but not limited to [the Property]”, they do not plead when or how this allegedly occurred: *10163563* at para. 40. The plaintiffs allege that these funds were used to “finance” and/or to “carry” the Property but make no reference to any alleged mortgages on title to the Property. In my view, the NOCC lacks the pleaded factual foundation necessary to support the CPLs. Having regard to the NOCC as a whole, I conclude that the plaintiffs have not pleaded a sufficient nexus between the allegedly misappropriated funds and the Property.

[103] Conjecture and speculation are insufficient to support a CPL: 1046056 B.C. Ltd. v. Liang, 2026 BCSC 132 at para. 53 [Liang]; Agri-Grow at para. 39. A CPL is not a tool to freeze an asset so that a plaintiff can investigate a potential claim which, at present, has no known or suggested factual basis: Liang at para. 54.

[49] I see no material basis upon which I can distinguish this decision. I find that the thin and poorly worded pleading here is similarly bereft of the necessary particulars and hence cannot support the CPLs.

[50] If I am wrong about this first point, does the alternative application also undercut the basis for the CPLs?

D. Application to Strike Fraudulent Conveyance Claim

[51] The Applicants also seek to strike the fraudulent conveyance claim under the Supreme Court Civil Rules, Rule 9-6(4) [Rules]. The test under this provision was recently reviewed by the Court in Galang v. Canada (Attorney General), 2026 BCSC 564:

[124] Rule 9-6(4) and (5) provides that:

(4) In an action, an answering party may, after serving a responding pleading on a claiming party, apply under this rule for judgment dismissing all or part of a claim in the claiming party's originating pleading.

(5) On hearing an application under subrule (2) or (4), the court,

(a) if satisfied that there is no genuine issue for trial with respect to a claim or defence, must pronounce judgment or dismiss the claim accordingly,

(b) if satisfied that the only genuine issue is the amount to which the claiming party is entitled, may order a trial of that issue or pronounce judgment with a reference or an accounting to determine the amount,

(c) if satisfied that the only genuine issue is a question of law, may determine the question and pronounce judgment accordingly, and

(d) may make any other order it considers will further the object of these Supreme Court Civil Rules.

[125] As noted by Justice Sharma in Latifi at paras. 52, 54–58 and 62:

[52] The bar on a motion for summary judgment is high: a defendant that seeks summary dismissal bears the evidentiary burden

of showing that there is “no genuine issue of material fact requiring trial”, to ensure that “claims that have no chance of success be weeded out at an early stage”: *Canada (Attorney General) v. Lameman*, 2008 SCC 14 at paras. 10–11; *Drummond v. Moore*, 2012 BCSC 496 at para. 25.

...

[54] The analysis under Rule 9-6(5)(a) focusses on whether the claim is without merit such that there is no genuine issue to be tried based on the material, including evidence.

[55] As set out in *Xiao v. Fan*, 2020 BCSC 69 at para. 46, a judge hearing a summary judgment application must examine the pleaded facts to determine what causes of action they may support, including identifying the elements of each cause of action and whether the necessary material facts have been pleaded. If insufficient material facts have been pleaded such that it is beyond a doubt that the cause of action is bound to fail, then the defendant has met its onus, and the claim must be dismissed.

[56] However, if sufficient material facts have been pleaded, the issue becomes whether the evidence adduced at the hearing is clear that there is no genuine issue for trial. A “genuine issue for trial”—sometimes referred to as a “bona fide triable issue”—may be one of fact or of law in the sense that a bona fide triable issue arises on the material before the court in the context of the applicable law.

[57] A genuine issue of fact arises from a material conflict in the evidence, although Rule 9-6 is still available where there are disputed facts in the pleadings: *McLean v. Law Society of British Columbia*, 2016 BCCA 368 at para. 36; *Lameman* at para. 11. Each party must put its “best foot forward” as to the existence or non-existence of material issues and the underlying materials facts: *Lameman* at para. 11; *McLean* at paras. 36, 38; *Pantusa* at para. 58.

[58] Accordingly, summary judgment cannot be defeated by vague references to what may be adduced in the future. Rather, it is judged on the basis of the pleadings and materials actually before the court, although the judge may make inferences of fact based on undisputed facts strongly supporting such inference: *Lameman* at paras. 11, 19.

...

[62] ... where the facts are contested, the court must not weigh evidence beyond determining whether it is incontrovertible. If further weighing is needed, then the “plain and obvious” or “beyond a doubt” test has not been met: *Aubichon v. Grafton*, 2022 BCCA 77 at para. 30, citing *Beach Estate v. Beach*, 2019 BCCA 277 at para. 49; *Skybridge Investments Ltd. v. Metro Motors Ltd.*, 2006 BCCA 500 at paras. 8–12; *Tran v. Le*, 2017 BCCA 222 at para. 2.

[52] As such, on this Rule 9-6 application, the evidence matters. Evidence has been filed. Examinations for discovery have been completed. Lists of documents

have been produced. The plaintiffs are not yet satisfied with the scope of the defendants' production, but over several years they have been unable to secure orders for further production. It is not for me to presume what the outcome of such applications would be. I must make my decision based on the current lay of the land.

[53] So, what does the evidence tell us? Is it of sufficient weight to allow a conclusion that there is in fact no genuine issue of material fact supporting a trial of the fraudulent conveyance claim?

[54] First, looking at the defendants' evidence, Ms. Ma denies that she or her company, MII Financial Solutions Corp., converted the Funds or that any of the Funds were provided to her. Mr. Bai also denies any conversion. There are no admissions regarding the alleged fraudulent conveyance in the examinations for discovery of the defendants, nor in the documents produced.

[55] In terms of the plaintiffs' evidence, the Applicants argue that on their examination for discovery of the plaintiffs' representative, the representative admitted that they had no knowledge, facts, or information about any of the fraudulent conveyances alleged in the third amended notice of civil claim, and that the pleading was based solely on speculation. That is a fair characterization of the evidence. The only "evidence" of note is a bald unsupported statement in Yijun Wang's September 16, 2024 affidavit stating: "We know the Defendant Bai, and the Defendant Ma, along with their children, live in Vancouver, B.C., Canada, so the only possibility is that they transferred our investments in Canada to fund their life and business there."

[56] Based on the evidence as it stands, I find the fraudulent conveyance claim is bound to fail. This is not a question of weighing the evidence or resolving a contest on the evidence. After over six years of litigation, the plaintiffs still have nothing to weigh against the defendants' denials of any fraudulent conveyance.

[57] I find that it would be improper in this case to delay consideration of this issue to allow the plaintiffs to advance additional production or examination applications.

As noted above, “summary judgment cannot be defeated by vague references to what may be adduced in the future. Rather, it is judged on the basis of the pleadings and materials actually before the court...”: *Galang* at para. 125, citing *Latifi v. The TDL Group Corp.*, 2024 BCSC 832 at para. 58. The plaintiffs have had years to arrange for the collection of the necessary evidence to support their claim. The plaintiffs have an obligation to “put their best foot forward” when the defendants bring a summary judgment application: *Canada (Attorney General) v. Lameman*, 2008 SCC 14 at para. 11.

[58] It is true that a party opposing summary judgment may be successful in resisting the application if they can show that there is a reasonable prospect of material evidence coming to light in the future. To do so, there must be “some specificity” to the proposed evidence to be uncovered. They may succeed if they have not yet had the opportunity to develop that evidence: *Xiao v. Fan*, 2020 BCSC 69 at paras. 48–49. In this case, however, the plaintiffs have had years to uncover additional evidence and are still unable to point to anything that supports their theory. They are also unable to articulate the theory on which their case rests, other than the bald allegation that there must have been a fraudulent transfer because the Company and the defendants no longer have recoverable assets in China and do have assets in Canada. That is not enough. That is purely speculative.

[59] On this basis, I would strike the fraudulent conveyance claim pursuant to Rule 9-6(4).

[60] What does this finding mean for the CPLs (had they withstood the pleading challenge accepted above)? That is clarified by the Court of Appeal in *Bilin*, where the Court stated:

[53] [Where] there is no triable issue to support the claim for an interest in land [the] proper approach in this situation is to bring an application under Rule 9–6(4) for the summary dismissal of the part of the claim that relates to land. If that application succeeds, the successful party may apply to cancel the CPL in conformity with the procedure set out in s. 254 of the *Land Title Act*.

[61] The defendants have effectively followed this process. They have applied under Rule 9-6(4) for summary dismissal and succeeded. For the sake of completeness, assuming the first decision under s. 215 of the *LTA* does not survive on appeal, this would put the Applicants in a position to then apply to cancel the CPLs on the strength of my summary judgment finding. While this Court does not have the jurisdiction itself to cancel the CPLs, the Applicants could apply to do so in the manner prescribed by s. 254 of the *LTA*: *Berthin v. Berthin*, 2018 BCCA 57 at para. 44.

E. Restriction From Filing Additional CPLs

[62] The Applicants also seek an order requiring the plaintiffs to apply for leave before registering further CPLs, and to provide the defendants with notice of such an application.

[63] I do not find that the plaintiffs' conduct has been sufficiently egregious to justify such a "vexatious litigant"-type order. It is unfortunate that certain CPLs were improperly registered due to name confusion, but that did not damage the Applicants' interests. I accept that the plaintiffs' conduct and drafting have been confused and sloppy; however, their actions have not reached a level that I find justifies such a forward-looking remedy. That said, the plaintiffs must be extremely cautious in ensuring that any future effort to file a CPL respects the pleadings and evidentiary guidance provided by this decision, or they will risk triggering such punitive measures: *Nu Stream Realty Inc. v. 1116191 B.C. Ltd.*, 2018 BCSC 911 at para. 55; *Minhas v. 1289966 B.C. Ltd.*, 2022 BCSC 551 at para. 13; *PCI West 4th Holdings Ltd. v. Origami 2 Investments Inc.*, 2025 BCSC 1438 at para. 59.

IV. CONCLUSION

[64] The application to strike the CPLs based on s. 215 of the *LTA* is granted, as is the application to strike the plaintiffs' fraudulent conveyance claim pursuant to Rule 9-6(4) of the *Rules*.

[65] If the parties are unable to agree on costs, they may file written submissions on the following timetable:

- a) Defendants: 30 days from this judgment;
- b) Plaintiffs: 30 days from receipt of the last of the defendants' submissions;
- c) Defendants: A reply may be filed within 10 days of receipt of the plaintiffs' responsive submission.

"The Honourable Mr. Justice Branch"