

CITATION: *Wells Fargo Equipment Finance Company v. 2831140 Ontario Inc. and Liana Pilishvili*, 2026 ONSC 5149

COURT FILE NO.: CV-26-00000599-0000

DATE: 20260911

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

WELLS FARGO EQUIPMENT FINANCE
COMPANY

Applicant

– and –

2831140 ONTARIO INC. and LIANA
PILISHVILI

Respondents

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) *Bobby Sachdevam, Erin Craddock and*
) *Joshua Cabral Cardoso, for the Applicant*
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) Unrepresented Respondents
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) **HEARD:** In writing

REASONS FOR JUDGMENT

JOHN CALLAGHAN J.

- [1] Wells Fargo Equipment Finance Company (“Wells Fargo”) brings this application for possession of equipment and damages as a result of breaches by 2831140 Ontario Inc. (“283”) of a conditional sale agreement between Wells Fargo, as lessor, and 283, as lessee. Wells Fargo is not pursuing its claim as against the respondent, Liana Pilishvili. This application is unopposed and no evidence has been filed by 283.
- [2] Wells Fargo leased equipment to 283 pursuant to a conditional sale agreement (the “Sale Agreement”). Wells Fargo acquired the equipment at the request and for the benefit of 283. The equipment (“Equipment”) was as follow:
- (a) a 2023 Attachment model 12PH Auger bearing serial number B66U00383;
 - (b) a 2024 Bobcat Light Compaction model FP15.40 bearing serial number B5YH*3057678
 - (c) a 2024 Bobcat Mini Truck Loader model MT100 bearing serial number B52P44585; and
 - (d) a 2023 Bobcat Light Compaction model R69P bearing serial number B5FY*3060921.

- [3] On or about November 27, 2024, Wells Fargo registered its security interest in respect of the Sale Agreement pursuant to the *Personal Property Security Act*, R.S.O. 1990, c. P. 10, as amended (the “PPSA”).
- [4] Pursuant to the Sale Agreement, 283 is required to make 48 monthly payments of \$1,432.29 including tax. 283 defaulted on those payments. 283 remains indebted to Wells Fargo pursuant to the Sale Agreement in the amount of \$68,780.13, exclusive of fees and interest.
- [5] Wells Fargo seeks an order for an Order of possession of the Equipment and damages for breach of the Agreement. It made demand for payment which was not responded to, and it has attempted to locate the Equipment without success.
- [6] Wells Fargo has security interests in the Equipment that were duly registered under the PPSA. Under the provisions of the [PPSA](#), and in accordance with the terms of Sales Agreement, Wells Fargo is entitled to possession of the Equipment in which it has a perfected security interest and for which there has now been default: *Equirex Leasing Corp. v. Medcap Real Estate Holdings Inc.*, 2019 ONCA 152 (CanLII), at para. 13.
- [7] Wells Fargo is also entitled to the shortfall as between the value of any equipment and the remaining amounts owed under the Sales Agreement. The agreement specifically provides that Wells Fargo may retain the goods but must provide an independent appraisal and account for that value against the debt owing. However, as Wells Fargo has not been able to locate and seize the equipment, Wells Fargo is unable to determine the value of those assets, assuming that they can be located and sold or otherwise valued. As it relates to chattels, there is a duty to mitigate, and Wells Fargo acknowledges that it is not entitled to a double recovery: *Keneric Tractor Sales Ltd. v. Langille et al.*, 1987 CanLII 29 (SCC), [1987] 2 S.C.R. 440, 43 D.L.R. (4th) 171. If the Equipment is recovered in the future and value is realized from it, any recovery would necessarily be credited against the Applicant's indebtedness. The order stipulates that Wells Fargo shall not recover any amounts beyond the amount of this judgment as a result of the sale of the Equipment. This is consistent with the provisions of the PPSA.
- [8] The Sales Agreement sets an interest rate of 18%. Wells Fargo is entitled to the contractual interest rate both for pre and post judgment interest. As of April 28, 2026, the amount owing with interest is \$84,589.31, comprised of \$68,780.13 plus prejudgment interest of \$15,809.18.
- [9] Wells Fargo is entitled to its costs. Having reviewed the bill of costs, I set the costs inclusive of fees, disbursements and taxes at \$6,000. This is a reasonable and proportionate amount that the defendant ought reasonably to expect in the circumstances.
- [10] Wells Fargo may resubmit its draft order with an up-to-date interest calculation and costs.

Callaghan J.