Court of King’s Bench of Alberta

Citation: 2036576 Alberta Ltd. v. Dhindsa, 2026 ABKB 180

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Date: 20260311
Docket: 2103 03917
Registry: Edmonton

Between:

2036576 Alberta Ltd.

Plaintiff

- and -

Arvinder Dhindsa, Progressive Home Warranty Solutions Inc., Hub International Canada West ULC, Prowerx Demolition & Dirtwerx Ltd., MR Engineering Ltd., Lloyd's Underwriters, 634463 Alberta Ltd.

Defendants

Reasons for Decision
of the
Honourable Justice L.M. Angotti

Introduction

[1] Is judgment granted under Rule 3.37 considered a default judgment or a summary judgment?

[2] Should MR Engineering’s application to set aside a noting in default and set aside judgment under Rule 9.15 be granted?

[3] For the reasons that follow, the judgment was a default judgment, and it should be set aside, along with the noting in default, subject to strict terms.

Background

[4] 2036576 Alberta Ltd. ("203AB") engaged in a residential infill project. MR Engineering Ltd. was retained to provide services in respect of the project, although the scope of those services is in dispute. Other businesses and individuals were retained by 203AB to work on the construction project. After the duplex was finished, it failed the City of Edmonton's inspection as it had been built too close to the property line. The City ordered demolition of the building.

[5] MR Engineering is one of seven defendants, who 203AB sued for the failure to construct the duplex in accordance with the approved building permit and damages for losses incurred by 203AB due to the failure. 203AB filed the Statement of Claim against the eight defendants on February 18, 2021.

[6] On March 18, 2021, counsel for 203AB sent the Statement of Claim via registered mail to MR Engineering's registered corporate address. However, the registered mail was not claimed after two weeks. Counsel for 203AB then proceeded to personally serve the document at the address on MR Engineering's website. The document was handed to Purobi Chowdhury, an employee who confirmed that the address was the office of MR Engineering.

[7] 203AB had MR Engineering noted in default on May 31, 2021. On April 24, 2023, 203AB obtained partial summary judgment against MR Engineering in the amount of $445,872.69 plus costs and interest, without prejudice to 203AB's right to seek further damages and costs against MR Engineering. The application was made pursuant to r 3.37.

[8] Counsel for 203AB served the judgment on MR Engineering sometime between July 4 and 14, 2023. Md Mizanur Rahman, the sole shareholder and director of MR Engineering, became aware of the judgment on July 17, upon his return from out of country.

[9] MR Engineering filed an application on August 11, 2023, to set aside the default judgment and permit it to file a Statement of Defence.

Positions of the Parties

[10] MR Engineering recognizes the traditional three-part test for setting aside default judgment: 1) an arguable defence; 2) a lack of intention to allow default and a reasonable excuse; and 3) moving promptly to set aside judgment. However, it submits that the test is not rigid, such that all three elements need not be met. Thus, the Court maintains discretion to grant relief if fairness requires it. MR Engineering urges this Court to consider both prejudice either party may suffer from an adverse outcome of the application and the overall integrity of the administration of justice. Further, MR Engineering argues that, so long as the defendant shows an "air of reality" to the proposed defence, this may be sufficient on its own to have judgment set aside. MR Engineering relies upon ***Kraushar v Kraushar***, 2019 ABCA 186.

[11] 203AB submits that MR Engineering has only applied to set aside default judgment and has not applied to set aside the noting in default, which are separate civil procedures. Further, an application to set aside a noting in default must be brought within 20 days of service of the judgment upon the defendant, unless the applicant requests leave for the deadline to be extended and there is a basis in the evidence to support such an extension. The tests for setting aside a

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noting in default and setting aside a default judgment are separate and unique. The former is a flexible test involving the consideration of various factors in the broad discretion of the court to determine if it is fair and just to grant relief. 203AB submits that it obtained summary judgment pursuant to r 3.37, as judgment under that rule is not default judgment. A test has not been established for setting aside a judgment for unliquidated damages under r 3.37. 203AB recognizes that, should the defendant be successful in setting aside a noting in default, this would have the effect of necessarily setting aside any judgment granted. However, if the noting in default is not set aside, then the court may only set aside the summary judgment. In the absence of an established test, 203AB submits that the analysis for setting aside the default judgment is flexible and based on any factor the court considers appropriate, but it is limited to the granting of the judgment and the evidence regarding the assessment of the quantum of damages, distinct from the review of the noting in default. 203AB relies upon ***Liberty Mortgage Services Ltd v River Valley Development Corp***, 2025 ABCA 346.

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Is Judgment Granted Under Rule 3.37 a Default Judgment

[12] 203AB's partial judgment was obtained upon its application under r 3.37. The application was not made for summary judgment under r 7.3. Rules 3.36 and 3.37 provide, in part:

> 3.36(1) Subject to [rules not applicable], if a defendant does not file a statement of defence or demand for notice, or if the defendant's statement of defence is struck out, the plaintiff may, on filing an affidavit of service of the statement of claim,
>
> (a) enter judgment against the defendant under rule 3.38 [Judgment for recovery of property] or 3.39 [Judgment for debt or liquidated demand], or
>
> (b) require the court clerk to enter in the court file of the action, in Form 14, a note to the effect that the defendant has not filed a statement of defence or demand for notice and consequently is noted in default.
>
> 3.37(1) The plaintiff may, without notice to any other party, on proof of the plaintiff's claim, apply to the Court for judgment in respect of a claim for which default judgment has not been entered if
>
> (a) one or more defendants are noted in default, or
>
> (b) the defendant's statement of defence is struck out.

[13] Rule 3.36 sets out the parameters for noting in default or obtaining default judgment for certain claims without the need to first note a defendant in default. Rule 3.37 addresses all remaining types of claims, where a defence has not been filed or has been struck out. Under r 3.37, to obtain a judgment where a defence has not been filed, the plaintiff must 1) obtain a noting in default and 2) provide proof of the claim. 203AB argues that the need to prove the claim and the Courts ability to direct assessment of the claim by various methods, means a judgment under r 3.37 is summary judgment, rather than default judgment, and thus the test for setting aside such judgment is different.

[14] I disagree. Obtaining a judgment under r 3.37 requires more steps than simply establishing a failure to defend, due to the need for the Court to assess jurisdiction, available remedies, and the amount of damages. However, it remains a default judgment as it is granted only after a defendant has defaulted by not filing their defence (or the defence is struck out,

which has equivalent effect), because liability is admitted by the default of not filing a defence: ***Boyer v Boyer***, 2024 ABKB 727 at para 52-78; ***TLA Food Services Ltd. v. 1144707 Alberta Ltd.***, 2011 ABQB 550 at para 24, 51-52; ***Smith v Tuchscherer***, 2024 ABCA 186 at para 9; ***Pinsent v Sandstrom***, 2014 ABQB 269 at para 14-23.

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[15] This principle is also reflected in the two appellate decisions relied upon by the parties. In ***Kraushar***, the judgment must have been granted under r 3.37, as the remedy was sought pursuant to r 9.15(3)(a) – setting aside a noting in default – and r 9.15(3)(b) - setting aside judgment under r 3.37. The Court identified such judgment as default judgment: ***Kraushar***, at para 3-5. In ***Liberty Mortgage***, the Court distinguished ***Kraushar*** on the basis that it was dealing with a default judgment granted after the noting in default: ***Liberty Mortgage***, at para 29. It did not indicate that a default judgment under r 3.37 should be regarded as a summary judgment, even though the decision involved a summary judgment application.

[16] Further, while MR Engineering's application did not specifically reference either the Rules applicable to the application nor use the words "setting aside noting in default", the application does request an order "to allow the said Defendant to file a Statement of Defence in these proceedings". Such a remedy can only be granted if the Court sets aside the noting in default. Therefore, although poorly drafted, the application does seek a setting aside of the noting in default.

[17] (It should be noted that simply referencing the Alberta Rules of Court in an application, without reference to the specific rules being relied upon, is very poor drafting and is of no assistance to the opposing parties or the Court).

[18] Therefore, the proper tests to apply on the application are the tests for setting aside a noting in default and default judgment.

Applicable Tests for Setting Aside Noting in Default and Default Judgment

[19] Rule 9.15(3) grants the Court a discretion to set aside a default judgment and permit a party who has been noted in default to file a defence:

> (3) The Court may, on any terms the Court considers just,
>
> (a) permit a defence to be filed by a party who has been noted in default,
>
> (b) set aside, vary or discharge a judgment granted upon application against a defendant who was noted in default, or whose statement of defence was struck out under rule 3.37, or
>
> (c) set aside, vary or discharge a judgment entered in default of defence by the plaintiff for the recovery of property under rule 3.38, or for a debt or liquidated demand under rule 3.39.

[20] MR Engineering does not argue that there was a flaw in the service of the Statement of Claim, such that judgment should be opened up as of right. I find that 203AB has established that the Statement of Claim was properly filed on April 9, 2021.

[21] Where service of the Statement of Claim has been properly effected, the test for setting aside a noting in default and resulting default judgment has three elements: ***Kraushar***, at para 5;

Alberta v Fjeld, 2008 ABQB 558 at para 16; ***Palin v Duxbury*** 2010 ABQB 833, at para 21). The defendant must show:

(a) they have an arguable defence;

(b) they did not deliberately let judgment go by default and have some excuse for the default, such as illness or a solicitor's inadvertence; and

(c) after learning of the default judgment, they moved promptly to open it up.

[22] Ordinarily, a party is expected to meet all three parts of the test: ***Fjeld***, at para 17; ***Palin***, at para 42. However, the Court retains a discretion under r. 9.15(3) to grant relief where the interests of fairness require it, although merely showing a good arguable defence is insufficient to open up default judgment: ***Kraushar***, at para 6, 11; ***Secure Energy Services Inc. v 1331616 Alberta Ltd.***, 2024 ABKB 604 at para 8; ***SFM v MRM***, 2020 ABQB 302 at para 31-32; ***Kim v Choi***, 2020 ABQB 51 at para 19; ***Atlantis (HS) Financial Ltd v Punjabi***, 2017 ABQB 87 at para 50-51. Although ***Palin*** is oft cited to stand for the requirement that all three elements must be met, at para 43, Justice Poelman recognized that the Court has discretion to do what is fair overall and that assessment of fairness "usually" requires proof of all three elements.

[23] At least, that was the law until the Court of Appeal released its decision in ***Liberty Mortgage***. While that case involved a noting in default and an application for summary judgment, the Court reviewed both setting aside a noting in default and setting aside a default judgment. The unanimous panel emphasized that the tests for setting aside a noting in default and setting aside a default judgment are unique and must not be comingled: ***Liberty Mortgage***, at para 13. Unlike previous Alberta caselaw that used the same test for both setting aside a noting in default and a default judgment where the defendant was properly noted in default, the Court expressed that:

a) Setting aside a noting in default under r 9.15(3)(a) may be done on any terms the Court considers just, provided that in the circumstances it is "fair and just" to allow the defendant an opportunity to defend the claim on the merits. The Court exercises broad discretion in this regard and may consider a number of non-exclusive factors, but a defendant will rarely be required to show an arguable defence except in the face of significant delay: ***Liberty Mortgage***, at para 21-22.

b) Setting aside a default judgment requires the strict application of the prescriptive tri-partite test set out in ***Fjeld*** and ***Palin***: ***Liberty Mortgage***, at para 23.

[24] Now the law is no longer clear, as there are at least two Court of Appeal decisions that appear to conflict with one another. In ***Steinkey v First Capital Holdings (Alb) Corporation***, 2026 ABKB 51, Justice Lema recognized this apparent conflict between ***Liberty Mortgage*** and the line of jurisprudence followed in ***Kraushar***. He provided an extensive and helpful review of caselaw that addressed the dilemma of a trial court when faced with binding appellate decisions that conflict and the basis upon which the trial court should choose which case or line of cases to follow: ***Steinkey***, at para 44-51.

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[25] Justice Lema ultimately determined that he did not need to choose which decision to follow as they both led to the same result. I am not in the same position but find my choice answered in the reasoning of both decisions.

[26] The Court in ***Liberty Mortgage*** stated that the tri-partite test for setting aside a default judgment is not to be applied to setting aside a noting in default, distinguishing ***Kaushar*** on the basis that it dealt with a "…defendant [that] had been noted in default *before* the plaintiff proceeded to a default judgment": ***Liberty Mortgage***, at para 29 (emphasis in original). Thus, the Court concluded that ***Kraushar*** was an application of the test for setting aside a default judgment and not setting aside a noting in default in the absence of a default judgment.

[27] This case involves a default judgment obtained pursuant to r 3.37 after the defendant was noted in default. This mirrors the situation from ***Kraushar***. Therefore, I will follow the test as set out in ***Kraushar***, being consideration of the elements of the tri-partite test, followed by a consideration of the overall interests of fairness in assessing whether to exercise my discretion to open up default judgment. If this test is met so as to set aside the default judgment, then the noting in default will also be set aside.

[28] I decline to rely upon the Ontario decisions presented by MR Engineering, as the Alberta caselaw provides the most persuasive and, in the case of appellate decisions, the binding jurisprudence. I do not need to resort to consideration of extra-provincial authorities.

Arguable Defence

[29] The defendant must do more than simply assert that there is an arguable defence; it must show the defence is triable through its proposed pleadings or evidence: ***Palin*** at para 22, 31. This element is of significant importance. Opening up judgment and allowing a defendant to proceed in the absence of an arguable defence is illogical and would waste resources of both the parties and the court, by ultimately delaying the inevitable: ***Atlantis (HS) Financial***, at para 51. However, the defendant need only show that the proposed defence is arguable or triable, not that it will ultimately be successful: ***Fort McKay***, at para 14; ***Utah v Zelisko***, 2025 ABKB 582 at para 83.

[30] MR Engineering submits that it has an arguable defence. As an engineering consulting firm, it was retained by 203AB to prepare a plot plan and necessary documents so that 203AB could obtain an approved building permit from the City to construct a duplex on the lot. MR Engineering completed these tasks, and the City approved the building permit, which ended MR Engineering's involvement with the project until after the duplex was constructed. MR Engineering denies that it was involved in the construction stakeout services, excavation, or construction for the duplex. After the duplex was constructed, it did provide stakeout services for the rear detached garages, but these are not related to the issue that led to the City's order for demolition.

[31] 203AB argues that MR Engineering is one of the parties responsible for the construction of the duplex too close to the property line, contrary to the terms of the building permit. MR Engineering was retained to not only prepare the plot plan and other documents needed to obtain the building permit, but also to perform the stake out services.

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[32] Errors in the stakeout services for the duplex are a major foundation to 203AB's claim, as such errors would cause the building to be constructed outside of the City's approved specifications.

[33] It is the defendant's burden to establish that they have an arguable defence, although the plaintiff may introduce evidence to show that the defence is not arguable.

[34] A mere assertion of a defence is not sufficient. Therefore, MR Engineering needs to provide some evidence to support its assertion of a defence that it did not provide stake out services for the duplex.

[35] Several emails were produced by the parties, which show that the building permit was not approved until some time after August 8, 2017.

[36] Both invoices from MR Engineering to 203AB and cheque stubs of payment from 203AB to MR Engineering were provided, which documents generally match up. Other than garage staking on the invoice from 2018, there is no indication of staking services in these documents.

[37] After the City required demolition of the building, 203AB made a complaint to the Alberta Land Surveyors Association against the surveyors hired by MR Engineering. One of the land surveyors advised both MR Engineering and the ALSA that the surveyors did not do the stake out of the duplex but did do the stake out of the garages. The cheques and invoices produced in this action were also provided to the ALSA. The ALSA dismissed the complaint, as 203AB was unable to provide sufficient information that MR Engineering was involved in the stake out services of the duplex.

[38] In his questioning on affidavit, Mr. Rahman advised that he spoke on behalf of the MR Engineering, but it is evident that he did not fully inform himself of the corporation's information. He was unable to articulate with certainty what services were and were not provided by MR Engineering.

[39] 203AB points to an email dated May 9, 2017, in which MR Engineering provides a quote for services that includes staking services. They argue that MR Engineering's denials of providing the stake out services of the duplex are not persuasive in the face of this email.

[40] In this element of the test, I am to determine if there is an arguable or triable defence, not if such a defence would be successful. MR Engineering has an arguable defence that it did not provide the stake out services and therefore, is not liable.

Reasonable Excuse for Failing to Defend

[41] This element consists of two parts. First, did the defendant deliberately let judgment go by default? Second, did the defendant have a reasonable excuse for failing to defend?

[42] MR Engineering submits that it did not intend to avoid the litigation, as it took prompt steps upon learning of the judgment. It argues that it has established a reasonable excuse. The claim did not come to the attention of Mr. Rahman, the sole director and shareholder of MR Engineering, even though it was properly served on the corporate office.

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[43] 203AB submits that a reasonable excuse has not been established, because it is not an excuse to fail to respond when a manager of the company has received the statement of claim. Lack of due diligence is not a reasonable excuse.

[44] In 2020, 203AB sent a demand letter to MR Engineering, which Mr. Rahman received and responded that MR Engineering took the position that it was not liable for the damages claimed by 203AB. Once Mr. Rahman obtained notice of the claim when he received the judgment, he took immediate action to determine his options with respect to the claim. I find that MR Engineering did not intend to let judgment go by default, because its consistent position has been that it is not liable for the claim.

[45] The Statement of Claim was served on April 9, 2021, by personal service. It was handed to Ms. Chowdhury, who was a manager of MR Engineering. MR Engineering does not know what happened to the Statement of Claim after it was served. It has established that Mr. Rahman never saw the Statement of Claim until July 2023. Ms. Chowdhury, the employee who received the Statement of Claim, advised Mr. Rahman that she may have forgotten about the document as she was caught up with her regular work duties.

[46] There is a difference between accident and mistake, which contain the element of inadvertence, and lack of due diligence, which is not inadvertent. The former give rise to a reasonable excuse; the latter does not: ***Secure Energy***, at para 13-14. I find that Ms. Chowdhury, by inadvertence, failed to bring the Statement of Claim to Mr. Rahman's attention and that the Statement of Claim became misplaced. This is a reasonable excuse for failing to defend.

Moved Promptly to Set Aside

[47] Rule 9.15(2) provides a 20 day time limit for making an application, starting from the earlier of the service of the judgment or the date that the judgment came to the applicant's attention.

[48] It is not clear whether the 20 day period in r 9.15(2) is limited to applications made under r 9.15(1) or applies to any application made under r 9.15. In ***Kraushar***, at para 9, the Court did not decide this point but proceeded on an assumption that the 20 day limit applied to an application under r 9.15(3). Rule 13.5 permits a justice to extend the time limit for filing this type of application: ***Kraushar***, at para 12. Mere delay will not be a bar absent irreparable harm to the plaintiff or wilful delay, but the 20 day limitation signals an expectation that the defendant will move promptly to bring the application to have the default judgment set aside: ***Big Plans for Little Kids Ltd v Souster***, 2022 ABCA 384 at para 12-13.

[49] 203AB has the burden of proving when service of the judgment occurred. 203AB did not file an affidavit of service of the judgment upon MR Engineering. The only evidence as to service of the judgment came from Mr. Rahman. He stated that he became aware of the judgment on July 17, which judgment had been received by MR Engineering while he was away from July 8 to 14. For the purposes of this application, I find that the judgment was served on July 14, 2023. Assuming that 20 days applies, the application should have been filed by August 3. MR Engineering filed its application to set aside the default judgment on August 11, 2023.

[50] Immediately after receiving the judgment, Mr. Rahman states that he began to seek legal counsel. When he was finally able to retain legal counsel, his lawyer obtained a copy of the Statement of Claim and Affidavit of Service through court searches. It was at this point that he

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learned service had been affected by providing the Statement of Claim to Ms. Chowdhury. He then spoke to Ms. Chowdhury on July 26, and she provided her recollection (or lack thereof) of service to counsel by email on July 28. There is no further explanation as to why the application was not filed until two weeks later on August 11. Presumably, counsel was working on preparing the necessary affidavit, which was sworn on August 9, and application.

[51] MR Engineering takes the position that these steps show the defendant was moving promptly to make the application. 203AB relies upon a strict application of the 20 day limit in r 9.15(2) as showing a failure to move promptly. 203AB submits that MR Engineering was not duly diligent in making the application promptly. Further, MR Engineering did not make an application to extend the timeline, prior to the end of the time period.

[52] I find the Court may extend the 20-day deadline, both by the wording "[u]nless the Court orders otherwise" in r 9.15(2) and by r 13.5. R 13.5(3) allows this extension, even when the time period expires. I find that MR Engineering proceeded promptly to file the application, as steps were taken quickly to obtain legal counsel and determine whether service of the Statement of Claim had occurred. The latter was an important consideration for MR Engineering in how to move forward. The application was filed only 8 days beyond the time limit.

[53] However, this element is not limited to consideration of how quickly a defendant files their application to set aside default judgment. It is also relevant to consider how quickly the defendant moves to have the application heard, with regard also to any settlement discussions.

[54] The application was filed on August 11, 2023, but the hearing did not occur until January 21, 2026. Questioning of Mr. Rahman occurred on August 29, 2023. However, his undertakings were not completed until January 4, 2024. Arminder Batra swore an affidavit on behalf of 203AB, which was filed on April 12, 2024; questioning occurred on June 17, 2024; undertakings were completed on August 13, 2024. There were numerous appearances in regular chambers. In March 2024, 203AB brought an application seeking the dismissal of the application for delay. This application was adjourned at the request of MR Engineering to August 23, 2024, when the chambers justice directed it to a Special Chambers hearing because the record was perfected and the matter was ready for a hearing. It again appeared in regular chambers on October 9, 2024. But MR Engineering did not obtain a special chambers date, until after 203AB brought a second application to dismiss MR Engineering's application and, on September 19, 2025, a chambers judge again ordered it to a special chambers hearing.

[55] I was advised that there were some settlement discussions during this time period, but I do not know when those occurred and what, if any, representations were made that the application should not be pursued in light of the settlement discussions.

[56] I conclude that the year following the filing of the application was not delay. Steps were taken to establish the evidentiary record. The length of time for this to occur lies with both parties, as 203AB did not file any evidence until Spring of 2024.

[57] However, it cannot be said that MR Engineering moved promptly to set aside the default judgment. It failed to obtain a special chambers date in August 2024, when counsel should have known what the chambers justice confirmed – the matter was ready for a hearing. And it took another 13 months before counsel obtained a special chambers date, and only when the second chambers justice had ordered it. That is unexplained delay and a failure to move promptly.

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[58] In addition, it is standard practice for a defendant to provide a proposed Statement of Defence on this type of application. MR Engineering has not done so. This also shows a lack of due diligence.

[59] MR Engineering has not met this element.

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Overall Fairness

[60] Even if a defendant fails to meet one or more of the elements of the tri-partite test, the Court has a discretion to set aside the default judgment, if necessary to achieve a fair result. In deciding whether to exercise that discretion, the Court may engage in a comparison of the potential prejudice to each party of an adverse outcome on the application or the effect of granting relief on the overall integrity of the administration of justice: ***Utah***, at para 109-110; ***SFM***, at para 32.

[61] I find that there is potential prejudice to MR Engineering, if I do not set aside the default judgment. First, the evidence establishes that MR Engineering's arguable defence that it did not provide the relevant stake out services is not a weak defence. The only evidence in support of MR Engineering's liability is a quote provided several months prior to the construction of the duplex and the bare assertion by Mr. Batra, 203AB's representative, that such services were provided. There were other parties involved in the construction of the duplex. Therefore, it is a distinct possibility that MR Engineering is not liable or only partially liable. Second, it is my understanding that the duplex was not demolished. Instead, 203AB rectified the construction issues by removing the duplex, constructing a new foundation within the approved parameters, and placing the duplex onto the new foundation. There were representations made at the hearing that the costs incurred to rectify the situation were less than the judgment granted. A party should not obtain a windfall through the court process.

[62] There is also potential prejudice to 203AB. MR Engineering has not moved promptly, despite bearing the onus of moving this matter forward after judgment. Therefore, 203AB has incurred unnecessary costs in moving this matter forward. However, this prejudice can be addressed by terms and a costs award.

[63] Therefore, I find that MR Engineering has met the test to have the default judgment and the noting in default set aside, subject to strict terms. Its application is granted.

Terms on Ability to Defend

[64] The ability of MR Engineering to have the default judgment set aside and file their Statement of Defence shall be conditional upon the following terms.

[65] While MR Engineering has been successful on this application, this is one of those cases where costs should not be awarded to the winning party. This application, and all steps taken by 203AB since service of the Statement of Claim, would not have been necessary if MR Engineering had engaged in the litigation and filed its defence when required to do so. Therefore, costs are payable to 203AB.

[66] If the parties are unable to agree upon the level of costs payable by MR Engineering by April 15, then the parties shall provide written submissions on costs, limited to 10 pages double spaced and paragraphs numbered of argument. Counsel shall attach to the written submissions, a

draft Schedule C bill of costs and disbursements, a draft solicitor-client bill of costs, and any settlement offers to be considered. The parties are at liberty to argue both the scale (i.e., Schedule C, multipliers, enhanced costs, or solicitor-client costs) of, and litigation steps to be captured by, the costs award. 203AB shall provide its submissions by April 29. MR Engineering shall provide its submissions by May 13. If 203AB wishes to provide a reply submission (limited to 3 pages), that shall be done by May 25. These deadlines may not be extended, except with leave of the Court.

[67] MR Engineering shall pay the costs within 30 days of the costs award.

[68] MR Engineering shall provide its finalized, but unfiled, Statement of Defence to 203AB by April 3, 2025.

[69] If MR Engineering fails to meet either of these conditions – provision of the unfiled Statement of Defence and payment of costs within the required timelines – then MR Engineering shall not be permitted to have the default judgment set aside and 203AB may take steps to enforce the default judgment.

[70] Following 203AB's receipt of the costs and unfiled Statement of Defence within the required timelines, the parties shall take all reasonable steps to promptly have the default judgment and noting in default set aside, the Statement of Defence filed, and schedule an appearance in Civil Appearance Court (including completing all mandatory steps) with all remaining parties in the action for the purpose of establishing a litigation plan.

Heard on the 21st day of January, 2026.
Dated at the City of Edmonton, Alberta this 11th day of March, 2026.

L.M. Angotti
J.C.K.B.A.

Appearances:

Navdeep Singh Bamrah, Unity Legal Services
for the Applicant

Avnish Nanda, Avnish Nanda Professional
for the Respondent

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