

SUPERIOR COURT

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: 500-17-118476-210

DATE: April 24, 2026

PRESIDED BY THE HONOURABLE IAN DEMERS, J.S.C.

INTERACTIVE BROKERS CANADA INC.

Plaintiff / Cross-defendant

v.

XING WANG

GENGHONG ZHAO

Defendant / Cross-plaintiffs

JUDGMENT

OVERVIEW

[1] Xing Wang, an experienced trader, and his wife Genghong Zhao were engaged in the very risky business of trading uncovered options on margin. A trade occurs on margin where the trader uses partly his own funds, partly a broker's loans to whom he offers his assets as security. As a counterpart, the trader must comply with margin requirements—a minimal amount in the account—that account the riskiness of the trade. Options are

derivatives where a trader offers to buy (called a put) or sell (call) shares at a fixed price. Call options are “uncovered” where a trader offers to sell shares he does not own already.

[2] From 2016 to the closure of their account, the defendants traded options on margin through Interactive Brokers Canada Inc. Their trade included uncovered options on Zoom Video Communications, Inc. shares.

[3] After Zoom Inc. released positive financial results on August 31, 2020, the price of the shares increased instantly. The effect on the defendants’ account was immediate as well: the price they would pay to buy shares to satisfy an uncovered option increased as did the risk of their account falling into deficit and the calculation of margin requirements.

[4] Although Interactive Inc. was explicitly exempted from notifying the defendants that they needed to replenish their account, it issued a written margin call one hour after Zoom Inc.’s announcement and one of its employees called Mr. Wang personally. As Mr. Wang refused to comply with the margin requirements, Interactive Inc. enforced the brokerage contract that governs the parties’ relationship and liquidated the assets in the defendants’ account. As the liquidation did not prove sufficient to reimburse the loan, Interactive Inc. claims the balance. Its originating application will be granted.

[5] The defendants’ counterclaim will be dismissed. The power to liquidate is reflective of the high risks associated with uncovered option trading on margin and compliant with art. 2759 para. 1 of the *Civil Code of Québec*.¹ And the defendants adduced no evidence that the automated liquidation process, in this case supervised by Interactive Inc.’s global risk manager, was flawed.

ANALYSIS

1. Ms. Zhao will be condemned by default

[6] Despite having signed the brokerage contract² and being a defendant to the claim, Ms. Zhao did not appear at trial. As Mr. Wang was not mandated to represent her,³ she was solely responsible for her defense. She did not present any and will accordingly be found by default liable to compensate Interactive Inc.

[7] The remainder of these reasons will refer to Mr. Wang only, but it must be kept in mind that both defendants were a party to the brokerage contract and are equally liable.

2. Courts should resort to the principles of contractual interpretation only if the contract is unclear

[8] As this case turns on its facts, a summary of the legal principles will suffice.

[9] Contracting parties are liable for any injury their failure to honour their obligations has caused.⁴ A finding of fault is dependent on the two-step interpretation of contracts.

¹ CQLR, c. C-1991 (**C.C.Q.**).

² Exhibit P-2 (January 23, 2016).

³ *Code of Civil Procedure*, CQLR, c. C-25.01, art. 91 (**C.C.P.**).

⁴ C.C.Q., art. 1458 para. 1.

[10] First, the contract is classified to determine its nature, which in turn will determine the rules of interpretation applicable to it. The inquiry is not purely objective; it must rest on an examination of the parties' common intention, the obligations imposed upon them, and other effects of the contract.⁵

[11] Second, the contract itself is interpreted, again consistent with the parties' common intention, but with a view of determining their respective undertakings.⁶ That second step follows a two-stage inquiry.

[12] At the first stage, the court determines whether the contract's wording is clear when replaced in its proper context. In the affirmative, the court's role is limited to applying the wording to the facts of the case. If an ambiguity survives the first stage, the court moves on to the second stage at resorts to the principles set out in art. 1425–1432 of the C.C.Q.⁷

[13] A court is not bound by the literal meaning of the contract;⁸ its breadth depends on its nature, the circumstances of its formation, the parties' prior interpretation, and usage.⁹ It is interpreted globally with a preference for giving effect to each clause¹⁰ and resolving ambiguity in favour of the interpretation "that best conforms to the subject matter of the contract;¹¹ the debtor of an obligation, or the adhering party, and against the person who stipulated it.¹² A clause "intended to eliminate doubt" does not restrict the general terms of other clauses;¹³ and clauses cover only what the parties appear to have intended to include.¹⁴

3. Mr. Wang is liable for the outstanding deficit in his brokerage account

[14] Interactive Inc. claims that after having liquidated Mr. Wang's assets, a balance of \$2,483,649.14 remains due. The amount reflects the change in the margin requirements following Zoom Inc.'s publication of its financial results on August 31, 2020, and the lack of sufficient assets in Mr. Wang's account to cover for the missing equity in his account.

3.1. Trading uncovered options on margin

[15] Interactive Inc. provides its clients with an electronic platform where they can trade on margin. In a trade on margin, Interactive Inc. lends their clients money for them to buy securities. The clients must maintain a certain amount of equity in their account and offer their securities (or other valuables, called "account positions") as collateral.

[16] A client may trade covered or uncovered options. An option is either a call or a put. When selling a call, a trader guarantees another trader that he will sell a specific number

⁵ *Uniprix inc. v. Gestion Gosselin et Bérubé inc.*, 2017 SCC 43, [2017] 2 S.C.R. 59, 76–77, paras. 27–29 (**Uniprix inc.**).

⁶ *Uniprix inc.*, [2017] 2 S.C.R. 59, 80–81, paras. 38–39.

⁷ *Uniprix inc.*, [2017] 2 S.C.R. 59, 79–80, paras. 35–37.

⁸ C.C.Q., art. 1425.

⁹ C.C.Q., art. 1426.

¹⁰ C.C.Q., art. 1427–1428.

¹¹ C.C.Q., art. 1429.

¹² C.C.Q., art. 1432. The presumption favoring the consumer, also created by the same provision, is inapplicable to this case.

¹³ C.C.Q., art. 1430.

¹⁴ C.C.Q., art. 1431.

of shares at a fixed price at the expiration of a certain delay; the co-trader has the option to force the sale, for example if the market price of the shares is lower than the fixed price.

[17] A call is uncovered if the trader who agrees to sell the shares does not own them already: to satisfy the call, he must buy the shares either at price market or under a put. The loss occurs where the trader pays more for the shares he buys to satisfy the call than the fixed price of the shares he sells.

[18] When selling a put, a trader undertakes to buy shares at a fixed price at the latest on the day the option expires. A put is advantageous only if the market price is higher at the time the option is exercised or later; the shares may be sold again with a profit.

[19] Exercised or not, options are subject to the payment of a premium and a broker's fees. They cannot be traded after the markets close. But the value of shares may increase nonetheless. Markets Mr. Wang traded on were open from 9:30 am to 4 pm ET.

3.2. In case of deficit, the brokerage contract authorizes Interactive Inc. to liquidate assets without notice

[20] The parties' brokerage contract is of adhesion:¹⁵ it was drafted by Interactive Inc. only; the evidence does not reveal that any of its clauses were negotiable. It is clear and unambiguous as well: in exchange for loans allowing Mr. Wang to engage in uncovered trade on margin, Interactive Inc. was authorized to liquidate his account partially or totally and without notice if he did not always maintain sufficient equity.

[21] That risk is reflected in the brokerage contract Mr. Wang signed when he opened an account with Interactive Inc.¹⁶ on January 23, 2016.¹⁷ Before and after the signature block, the contract reads, in capital letters:

CUSTOMER REPRESENTS THAT THE FOREGOING INFORMATION AND ALL OTHER INFORMATION PROVIDED DURING THE ACCOUNT APPLICATION PROCESS IS TRUE AND CORRECT AND AGREES TO NOTIFY IB-CAN BY EMAIL OF ANY MATERIAL CHANGES THEREIN. CUSTOMER AUTHORIZES IB-CAN TO CONFIRM THE ACCURACY OF THE INFORMATION AS IT DEEMS NECESSARY.

[signature block]

TYPING NAME IS EQUIVALENT TO A HANDWRITTEN SIGNATURE

BY TYPING MY SIGNATURE AND SENDING IT VIA THE INTERNET, I ACKNOWLEDGE THAT I HAVE READ AND UNDERSTAND ALL INFORMATION PROVIDED DURING THE APPLICATION PROCESS; THAT I INTEND IB-CAN TO RELY UPON IT; THAT I INTEND TO BE BOUND THEREBY; AND THAT I UNDERSTAND AND AGREE THAT MY ELECTRONIC SIGNATURE IS THE EQUIVALENT OF A MANUAL WRITTEN SIGNATURE.

¹⁵ C.C.Q., art. 1379.

¹⁶ Exhibit P-3, screenshot of account.

¹⁷ Exhibit P-2, brokerage contract (January 23, 2016).

[22] In sum, Mr. Wang agreed that he understood the contract's key features, which for the purposes of this case are following (bold in the original text):

[22.1] Interactive Inc. does not provide his clients with investment, tax or trading advice, and is not authorized to solicit orders (clause 2);

[22.2] The client must accept Interactive Inc.'s system "as is" and declines to hold Interactive Inc. liable for any loss or damage caused by hardware or software malfunction, among others (clause 29);

[22.3] Interactive Inc. does not guarantee the execution of every order at the best posted price and is not responsible for orders a client directs at a particular market (clause 4);

[22.4] The client is responsible for monitoring each order until Interactive Inc. either confirms or cancels it (clause 7A);

[22.5] The client acknowledges that "[m]argin trading is highly risky and may result in a **loss of funds greater than [Client] has deposited in the account**. [Client] represents that he ... has read the "Disclosure of Risks of Margin Trading" provided as Addendum 2 to this [contract]" (clause 11A; see also clause 25 regarding risks of trading on foreign markets);

[22.6] The client is required to monitor his account to maintain sufficient margin at all times in keeping with the margin requirements that Interactive Inc. may modify at any time and in its sole discretion; Interactive Inc. may reject any order made at a time where the margin is insufficient; the client has the corresponding obligation to replenish his margin without demand (clause 11B);

[22.7] Interactive Inc. will not issue margin calls, i.e. it will not notify his clients they failed to maintain sufficient margin; in such a case, it may liquidate all or part of the client's assets through any market or dealer and is not liable for any loss; the client is liable for any remaining deficit (clauses 11C and 11D(a)), with interest and fees incurred to collect it (clause 24);

[22.8] Interactive Inc. is not bound by the client's request for a particular order or manner of liquidation (clause 11D(b));

[22.9] Any margin call must be satisfied forthwith but does not prevent Interactive Inc. from liquidating assets at any time (clause 11D(c)).

[23] Addenda 2 and 4 to the contract further elaborate on the important risks associated with margin trading and reiterates key features of the contracts. Addenda 4A and 5 speak to the specific risks of trading uncovered options, including unlimited losses and the need for substantial margin payments in such a case, and highlights it should be reserved "only for the knowledgeable investor". Addendum 8 notifies the client as to "after-hours risks", that is the possibility that an event—such as news stories or press releases—could impact on the price of shares. The legal acknowledgement signed by Mrs. Zhao¹⁸ recoups some of this information.

¹⁸ Exhibit P-3.

[24] Technical information, such as the formula for calculating margin requirements—which did not change between 2016 and 2020—is found on Interactive Inc.’s website.

3.3. The sudden rise in the price of Zoom Inc. shares created a deficit in Mr. Wang’s account

[25] Shortly after the markets closed on August 31, 2020, Zoom Inc. released excellent financial results: revenues of USD663.5 million for the second quarter of fiscal year 2021, up 355% year-over-year, to give only one example.¹⁹ The effect on the price of the shares was immediate. Interactive Inc.’s system calculated a theoretical value of the shares and the ensuing increased margin requirements for Mr. Wang’s calls.

[26] Despite the corresponding decreased margin requirements regarding Mr. Wang’s puts, his account fell short. Approximately 50 minutes after Zoom Inc.’s announcement, Interactive Inc. issued Mr. Wang a written margin call for the transfer of \$1,462,942.83.²⁰ He ignored it.²¹

[27] Before the markets opened on September 1, 2020, Mr. Wang’s account prompted on Interactive Inc.’s monitoring system. Typically, a deficit into an account would trigger liquidation without human intervention at the best possible price at that moment. But the changes in Mr. Wang’s account were too substantial. Interactive Inc.’s risk management team manually reviewed the prices for Mr. Wang’s positions and one of their colleagues called him. Mr. Wang refused again to replenish his account.²² The global risk manager then decided that liquidation should start.

[28] After liquidation of his assets, Mr. Wang’s account net value decreased to a deficit of \$2,573,039.19 (USD1,969,409.02).²³ Interactive claimed that amount on September 3, 2020.²⁴ A formal letter of demand followed on December 11, 2020.²⁵ The amount of the deficit has fluctuated due to changing exchange rates, and as of April 20, 2021, was set at \$2,483,649.14.²⁶ Interactive Inc. had closed the account the day before.

[29] Despite Mr. Wang’s argument to the contrary, Interactive Inc.’s reaction complied with the brokerage contract. No provision required that it suspend liquidation until markets were more favorable, sell only parts of Mr. Wang’s positions, or follow his orders. Hence, the fact that, at the expiration of Mr. Wang’s call options, the market price of Zoom Inc. shares was lower than on the day of the liquidation does not show that Interactive Inc. was at fault for selling positions when their market price was higher.²⁷

¹⁹ Exhibit P–5, Zoom Inc. press release (August 31, 2020).

²⁰ Exhibit P–28, margin call (August 31, 2020, at 5:01 pm).

²¹ Exhibit P–25, pretrial examination of Xing Wang, p. 57–58.

²² Exhibit P–29, recording of telephone call (September 1, 2020) and testimony of Hinan He.

²³ Exhibit P–7, account activity statement (September 1, 2020); for the net value on the day before, see exhibit C–4, margin report (August 31, 2020).

²⁴ Exhibit P–8, notice of deficit (September 3, 2020).

²⁵ Exhibit P–9.

²⁶ Exhibit P–10, account activity statement (April 20, 2021).

²⁷ Exhibit P–6, Zoom Inc. historical data on Nasdaq.

[30] Mr. Wang, who considers himself a sophisticated trader,²⁸ knew the high risks he was taking.²⁹ The deficit in his account is a breach of the brokerage contract for which he is liable.

[31] This finding disposes of both Interactive Inc.'s claim and Mr. Wang's counterclaim. As Interactive Inc. did not commit a contractual fault, there would normally be no point in deciding whether Mr. Wang is entitled to compensation for the loss he incurred. But for the sake of completeness, I will nonetheless deal with his claim.

4. The counterclaim does not raise any fault

[32] Mr. Wang claims \$10,603,733.57. He advances that Interactive Inc.'s software that triggered automatically the liquidation of his assets is "flawed, defective, faulty, technically bad, and negligent[ly] designed". The claim is not based on Québec law or evidence. And Mr. Wang's testimony was devoid of any credibility. This issue must be dealt with first.

4.1. Mr. Wang is not a credible witness

[33] Two elements of Mr. Wang's testimony stand out: (1) he reneged on his admission that he signed a brokerage contract with Interactive Inc.; (2) he pretended not being able to understand the simplest of questions because of a language barrier.

[34] At para. 4 of his Statement of Defence and Cross-Application, Mr. Wang admits he held a trading account with Interactive Inc. At paras. 17 and 20, he alleges the contract he signed is unjust, unenforceable, and unconscionable, and lacks a valid signature. And at paras. 63–67, he identifies the clauses of the contract he considers to be objectionable and the reasons why his electronic signature is invalid. During cross-examination at trial, he acknowledged that he read and signed the contract when he opened the account.³⁰

[35] During argument, Mr. Wang went as far as alleging that before the litigation started, he had never been aware he was bound by contract with Interactive Inc. This allegation had not been made before.

[36] From a legal standpoint, Mr. Wang is bound by his judicial admission.³¹ But from a factual standpoint, his insistence showed he was ready to say anything that could help him evade his liability, even contradicting his own testimony.

[37] English may not be Mr. Wang's first language. But undoubtedly, he is proficient in that language. He filed multiple pleadings in English. He authored all of them; his wife's ability to speak English is apparently limited. He was examined before trial and at trial in English without the services of an interpreter. Yet at the hearing, he constantly asked that the questions be repeated to him.

[38] The source of the problem was not technical. Mr. Wang testified remotely, but the connexion was excellent. He could hear counsel for Interactive Inc. or myself; apparently,

²⁸ Exhibits P–25, pretrial examination of Xing Wang, p. 1, 10, 13, 55; and P–3, screenshot of account; Statement of Defense and Cross-Application, para. 32.

²⁹ Exhibit P–25, pretrial examination of Xing Wang, p. 32–33, 43.

³⁰ See also exhibit P–25, pretrial examination of Xing Wang, p. 15.

³¹ C.C.Q., art. 2852 para. 1.

he did not understand English. But he understood perfectly well when I admonished him to stop pretending he suffered from a language barrier. He denied right away.

[39] This further illustrates Mr. Wang's readiness to avoid liability at all costs: he signed a contract in English, trades in English on U.S. markets and, in addition to his pleadings, tried to adduce documents he authored in English. His lack of understanding of English was meant to avoid answering questions he disliked.

[40] These elements combined lead me to find that Mr. Wang is not a credible witness.

4.2. The counterclaim does not raise any Québec law ground and does not rest on evidence

[41] Although the brokerage contract is subject to the law of Québec, Mr. Wang's legal arguments are for the most part based on common law or nonlegal principles. This leaves only three grounds: the validity of the liquidation clauses of the brokerage contract, the lack of a valid signature and unjust enrichment.

[42] Provided that it is expressly stipulated, liquidation without notice of securities not under the control of Interactive Inc. is authorized by art. 2759 para. 1 of the C.C.Q. The brokerage contract is valid.³²

[43] Mr. Wang signed the brokerage contract through his account when he opened it. Interactive Inc.'s system does not create personalized electronic signature. The contract specifically provides that the electronic signature replaces any actual signature.

[44] Of the total amount claimed, \$4,735,822.01 allegedly represents the loss incurred directly from the liquidation of his assets on September 1, 2020. Most of the evidence on which this allegation is based was ruled to be inadmissible at the trial; the rest is devoid of probative value.

[45] Exhibits C-7, D-1 and D-6 consist in tables drafted by Mr. Wang based on partial data; he did not file the raw data he used. They could not be considered to prove that the automated liquidation system failed to obtain a better price for Mr. Wang's assets—which is not a requirement under the brokerage contract—or should have sold a limited number of similar positions during the liquidation.

[46] Neither should the TD Bank document on margin requirements³³ and the decision the U.S. Commodity Futures Trading Commission rendered on March 22, 2013.³⁴ Margin requirements are not federally or provincially regulated, and no evidence shows that TD Bank's set industry standards. And assuming that the U.S. Trading Commission decision blamed Interactive Inc. for a faulty software, it does not prove that the software it used in Canada seven years later was defective.

[47] The remainder of the amount claimed—\$5,867,911.56—represents loss allegedly incurred between the day the account was activated and the day prior to the liquidation.

³² See, for cases where a similar contract was found executable, *Vachon v. Scotia Capitaux inc.*, 2024 QCCS 1824; *Deumie v. BMO Investorline Inc.*, 2014 QCCS 146; *Fortin v. Scotia Capitale inc.*, 2025 QCCQ 6721.

³³ Exhibit C-5.

³⁴ Exhibit D-2.

However, Interactive Inc. did not liquidate any of Mr. Wang’s assets at that time and no evidence shows that it should otherwise be blamed for the loss, if any.

5. Interactive Inc. is not entitled to additional legal costs

[48] Interactive Inc. rightly blames Mr. Wang for obstructing the proceedings and claims \$50,000 in damages for abuse of procedure or legal costs for substantial breaches in the conduct of the proceedings. Its claim will be dismissed; absent evidence of the extent of Interactive Inc.’s injury, an award would be arbitrary. Before addressing the merits of the claim, I must distinguish the alternative legal principles on which it is based.

5.1. Abuse of procedure and substantial breaches in the conduct of the proceedings

[49] Subject to an abuse of procedure and substantial breaches in the conduct of the proceedings, each party must bear his legal fees. Normally, the successful party is only entitled to costs and fees listed in art. 339 para. 1 of the *C.C.P.*³⁵

[50] The common feature of both exceptions is to impose financial consequences for a party’s conduct either upon the court’s initiative or following a party’s application. But their objectives and means of attaining them remain distinct.

[51] An abuse of procedure, which can be ruled upon at any step of the proceedings,³⁶ takes many forms: an application or pleading “clearly unfounded, frivolous or intended to delay”, vexatious or quarrelsome conduct, excessive or unreasonable use of procedure, use “that causes prejudice to another person”, or “attempts to defeat the ends of justice”, namely by restricting “another person’s freedom of expression in public debate”.³⁷

[52] If the abuse amounts to a fault, the abusing party may be ordered to pay damages, including the other party’s legal fees and disbursements.³⁸ Other remedies are available as well, including dismissal of an application or a pleading.³⁹

[53] A substantial breach in the conduct of the proceedings is serious enough to warrant a blame and a sanction.⁴⁰ It offends the guiding principles of procedure,⁴¹ which impose on parties a significant duty of cooperation, diligence, and transparency.⁴² Four principles

³⁵ *C.C.P.*, art. 339 para. 1, 340 para. 1.

³⁶ *C.C.P.*, art. 51 para. 1.

³⁷ *C.C.P.*, art. 51 para. 2.

³⁸ *C.C.P.*, art. 54 para. 1; See *9401–0428 Québec inc. v. 9414–8442 Québec inc.*, 2025 QCCA 1030, para. 76 (**9401**); *Ferme BDR v. Municipalité régionale de comté de Rouville*, 2025 QCCA 510, para. 30; *Vandal v. Municipalité de Boileau*, 2020 QCCA 777, paras. 6–8; *2741–8854 Québec inc. v. Restaurant King Ouest inc.*, 2018 QCCA 1807, paras. 21, 28; *Trudel v. Laurin*, 2016 QCCA 1376, para. 20; *Charland v. Lessard*, 2015 QCCA 14, para. 183; *Paquette v. Laurier*, 2011 QCCA 1228, paras. 26–27; *Acadia Subaru v. Michaud*, 2011 QCCA 1037, [2011] R.J.Q. 1185, 1194, paras. 41–42; *Duni v. Robinson Sheppard Shapiro, s.e.n.c.r.l., L.L.P.*, 2011 QCCA 677, para. 14; *Royal Lepage Commercial inc. v. 109650 Canada Ltd.*, 2007 QCCA 915, paras. 38–39; *Viel v. Entreprises immobilières du terroir ltée*, [2002] R.J.Q. 1262, 1276, paras. 78–80 (C.A.).

³⁹ *C.C.P.*, art. 53–54.

⁴⁰ *Biron v. 150 Marchand Holdings inc.*, 2020 QCCA 1537, para. 99 (**Biron**).

⁴¹ *C.C.P.*, art. 19–20.

⁴² *Biron*, 2020 QCCA 1537, paras. 101, 114.

come into play: the parties must (1) restrict proceedings to what is necessary to dispose of the litigation; (2) refrain from causing harm or acting in an unreasonable manner or in bad faith; (3) collaborate, namely by disclosing facts and material that foster a fair debate and preserving relevant evidence; and (4) disclose the facts and the evidence they intend to rely on.⁴³ The magnitude of the breach is assessed globally and accounts for the reality of litigation; it does not focus on the optimal execution of each step of the proceeding.⁴⁴

[54] The objective of additional legal costs is to impose a punishment proportionate to the breach and dissuade a party from misusing the procedure. Although the wording of art. 342 para. 1 of the *C.C.P.* is somewhat misleading—it refers to “professional fees” and “compensate”—its goal is not to compensate.⁴⁵ Indeed, legal costs consist in a fair and reasonable amount covering—but not equivalent to⁴⁶—professional fees or time and work spent on the case, if the victim party is self-represented.⁴⁷ All circumstances are relevant, including the fact that the party against whom legal costs are claimed is self-represented, although this should not serve as an excuse to an excessive use of the procedure.⁴⁸

[55] Whatever its basis, the claim must be proved upon the balance of probabilities.⁴⁹

5.2. Mr. Wang has overly complexified a simple proceeding

[56] Mr. Wang’s conduct stands out as worthy of blame. He multiplied applications and tried to delay the trial as much as possible. Thus Interactive Inc.’s claim will be examined under art. 342 of the *C.C.P.*

[57] As the following table shows, setting this case for trial was nothing but difficult and involved too many steps for a case where execution of a contract based on one event is claimed:

DOCKET	DATE	PROCEEDINGS
1	October 5, 2021	Filing of the originating application
7	November 17, 2021	Service of originating application
11	December 7, 2021	Filing of application to set down case by default
10	December 9, 2021	Filing of answer
14–15	February 2, 2022	Interactive Inc.’s notice of case management and proposed case protocol
21	February 9, 2022	Case management order and ratification of case protocol in defendants’ absence

⁴³ *Biron*, 2020 QCCA 1537, para. 100, reiterated in *9401*, 2025 QCCA 1030, para. 85.

⁴⁴ *Biron*, 2020 QCCA 1537, paras. 113, 123.

⁴⁵ *9401*, 2025 QCCA 1030, paras. 84, 86; *Chicoine v. Vessia*, 2023 QCCA 582, para. 20, reiterating *Lavoie v. Latouche*, 2019 QCCA 2116, para. 149; *Biron*, 2020 QCCA 1537, para. 99.

⁴⁶ *Soltron Realty GP inc. v. Syndicat des copropriétaires les Résidences Mont-Royal (Tour Sud)*, 2024 QCCA 395, para. 68.

⁴⁷ *C.C.P.*, art. 342 para. 1.

⁴⁸ *Droit de la famille — 20125*, 2020 QCCA 186, para. 34.

⁴⁹ *C.C.Q.*, art. 2803 para. 1, 2804.

DOCKET	DATE	PROCEEDINGS
23	April 22, 2022	Filing of second application to set down case by default
26	May 4, 2022	Filing of statement of oral grounds of defense
	May 8, 2022	Expiry of delay to apply to set down for trial
27	May 19, 2022	Filing of application for an extension of time to file a defense
30	May 31, 2022	Application for an extension of time to file a defense (docket 27) dismissed
	February 2, 2023	Appeal from the judgment of May 31, 2022 (docket 30), granted ⁵⁰
38	April 3, 2023	Defendants' defense
39	July 17, 2023	Modified case protocol
40	August 15, 2023	Unnotified defendants' defense and counterclaim
	November 29, 2023	Pretrial examination of Mr. Wang
41	March 28, 2024	Filing of application to extend time to apply to set down for trial
42	April 12, 2024	Filing of first application for dismissal of abusive defense and counterclaim and legal costs
44	April 15, 2024	Filing of second application for dismissal of abusive defense and counterclaim and legal costs
50	May 13, 2024	Applications for dismissal of abusive defense and counterclaim and legal costs (dockets 42, 44) postponed sine die
51	May 16, 2024	Filing of case management notice to set a hearing date for application for dismissal of abusive defense and counterclaim and legal costs (docket 42)
54	June 27, 2024	Filing of application to extend time to apply to set down for trial
55	November 6, 2024	Filing of defense
60	December 10, 2024	First application for dismissal of abusive defense and counterclaim and legal costs (docket 42) dismissed at this stage only
62	December 18, 2024	Filing of summary of grounds of defense against counterclaim

50

Wang v. Interactive Brokers Canada Inc., 2023 QCCA 165 (**Wang**).

DOCKET	DATE	PROCEEDINGS
65	December 20, 2024	Filing of individual application to set down for trial
69	January 7, 2025	Filing of defendants' first application for disclosure of documents
71	January 14, 2025	First application for disclosure of documents (docket 69) dismissed
72	February 4, 2025	Filing of notice of leave to appeal against dismissal of first application for disclosure of documents (docket 71)
74	February 14, 2025	Notice of readiness for trial
	March 5, 2025	Application for leave to appeal from the judgment made on January 14, 2025 (docket 71), dismissed; Interactive Inc.'s undertakings as to the communication of documents acknowledged
78	April 1, 2025	Filing of defendants' first application for contempt of court and declaration of abuse of procedure
80	April 7, 2025	Filing of defendants' second application for contempt of court and declaration of abuse of procedure
82	April 10, 2025	Defendants' first application for contempt of court and declaration of abuse of procedure (docket 78) referred to trial
83	June 2, 2025	Defendants' second application for disclosure of documents
84	June 6, 2025	Second application for disclosure of documents (docket 83) dismissed
85	September 29, 2025	Defendants' third application for disclosure of documents
86	October 3, 2025	Defendants' third application for disclosure of documents (docket 85) struck
87	October 6, 2025	Filing of defendants' fourth application for disclosure of documents
89	October 7, 2025	Filing of defendants' fifth application for disclosure of documents
90	October 10, 2025	Defendants' fifth application for disclosure of documents (docket 89) struck
91	October 8, 2025	Fourth application for disclosure of documents (docket 87) dismissed

DOCKET	DATE	PROCEEDINGS
92	October 27, 2025	Notice of trial date
	November 7, 2025	Application for leave to appeal from the judgment made on October 8, 2025 (docket 91), dismissed ⁵¹
	January 15, 2026	Filing of amended first application for dismissal of abusive defense and counterclaim and legal costs

[58] The Court of Appeal and this Court repeatedly underlined Mr. Wang's failure to act diligently.⁵² This led Interactive Inc. to notices of case management at the very beginning of the file (dockets 14–15), two applications to extend time to apply to set down for trial (dockets 41, 54), and the filing of an individual application to set down for trial, normally made jointly.⁵³ The delay was caused in part by Mr. Wang lack of collaboration in setting a date for pretrial examinations, the technical difficulties he allegedly experienced the first time he was examined, and Mrs. Zhao unavailability throughout.

[59] Notably, Mr. Wang failed to attend the case management hearing where the case protocol was discussed, and the Court imposed a timeline for the filing of the defense and counterclaim (docket 21). He did not comply with the delays either: his first defense was two months late (docket 26) and his counterclaim, 18 months (docket 40). His application to extend time to file a defense (docket 27) was granted in appeal,⁵⁴ but that only accounts for a delay of nine months.

[60] A party may file a pleading and amend it at any time prior to trial.⁵⁵ However, once a pleading has been filed, amendment is the only procedural way to alleged new facts, seek new conclusions, or remove, replace, correct, or complete allegations already made. Amendments must be identified clearly on the amended pleading⁵⁶ and notified.⁵⁷

[61] That is not how Mr. Wang proceeded. He filed a first statement of oral grounds of defense (docket 26), which is normally but not mandatorily included in the case protocol;⁵⁸ a defense (docket 38); an unnotified defense and counterclaim (docket 40); and another defense (docket 55).

[62] Mr. Wang is also responsible for repeatedly attempting to obtain documents, even at the hearing on the merits. He cannot be blamed for filing the first application; although the Court dismissed it (docket 71), the Court of Appeal on March 5, 2025, acknowledged Interactive Inc.'s undertaking to disclose several documents. However, the following four applications (dockets 83, 85, 87, and 89), filed over a period of four months, were useless,

⁵¹ *Wang v. Interactive Brokers Canada Inc.*, 2025 QCCA 1408 (applications judge) (**Wang**).

⁵² See for example, the Court of Appeal's judgment of March 5, 2025, para. 3 (No. 500–09–700346–257), *Wang*, 2023 QCCA 165, paras. 11–12, and this Court's orders of October 8, 2025 (docket 91), January 14, 2025 (docket 71), December 10, 2024, para. 3 (docket 60), May 31, 2022 (docket 30), rev'd on other grounds, 2023 QCCA 165.

⁵³ *C.C.P.*, art. 174 para. 1.

⁵⁴ *Wang*, 2023 QCCA 165.

⁵⁵ *C.C.P.*, art. 206 para. 1.

⁵⁶ *Regulation of the Superior Court in civil matters*, CQLR, c. C–25.01, r. 0.2.1, s. 11.

⁵⁷ *C.C.P.*, art. 207 para. 1.

⁵⁸ *C.C.P.*, art. 148 para. 2(5°).

repetitive, and amounted to appeals of judgments already made. Two applications were not even heard.

[63] That said, Mr. Wang could have simply asked informally Interactive Inc. to access his account to obtain documents. On December 4, 2023, he was offered in writing of that possibility. Instead, he kept complaining that his account had been inaccessible since shortly after the liquidation.

[64] His two applications for contempt of court and abuse of procedure (dockets 78 and 80), filed six days apart, were also futile. Although the first application was referred to trial (docket 82)—despite not complying with the procedure (dockets 79 and 82)—Mr. Wang never pursued it.

[65] In contrast, Interactive Inc.'s conduct has been moderate overall. As Mr. Wang has noted, it filed its first application to proceed by default (docket 11) only 28 days after the originating application was served. Although strictly speaking, a judgment by default may be rendered should a defendant fail to file an answer within 15 days of service,⁵⁹ the filing of the application Mr. Wang little room for handling his defense.

[66] Interactive Inc.'s second application to proceed by default (docket 23) was not as hasty; as we have seen, Mr. Wang had failed to comply with the court-imposed timeline.

[67] I also note that Interactive Inc. filed two applications for a declaration of abuse of procedure and dismissal (dockets 42 and 44)—one would have sufficed—two years after Mr. Wang's first defense (docket 26) and one year after the second (docket 38). By that time, Mr. Wang's defense had been made very clear; the filing of both applications came late in the proceedings. Unsurprisingly, the first application was dismissed at this stage of the proceedings (docket 60) and the second was never decided.

[68] Besides the foregoing, and the wrongful initial filing of its action in Ontario courts,⁶⁰ Interactive Inc. is not to blame for the slow progress of this case. It tried its best to be as collaborative as possible with a party that has no intention of acting the same.⁶¹

5.3. No evidence supports the claim for legal costs

[69] Interactive Inc. did not file legal fees account statements; they cannot be used as a comparator to determine the proper legal costs award. Otherwise, the evidence remains scarce.

[70] The case is not complex. Interactive Inc.'s claim is contractual and straightforward. It raises a single issue stemming from a single event: the sudden rise of the price of Zoom Inc. shares. Nothing prevented the file from being ready for trial within the required delay of six months.⁶² The notice of readiness was filed three years and a half after the filling of the originating application. Even after the file was ready for trial, Mr. Wang kept piling up applications and delayed the trial further. As a result, the originating application will have been decided after four years and a half of proceedings.

⁵⁹ C.C.P., art. 146 para. 2.

⁶⁰ See exhibits P-11, C-1 and C-2, pleadings in the Ontario Superior Court of Justice.

⁶¹ See exhibits P-12 to P-27, P-30 to P-34, correspondence.

⁶² C.C.P., art. 173 para. 1.

[71] I must not be oblivious to the fact that Mr. Wang has represented himself. Despite the principle that rules mean the same for every litigant and ought to be applied evenly, it must be recognized that civil procedure may be difficult to grasp no matter the degree of sophistication of a party.

[72] That said, Mr. Wang did not misbehave in one incident only; his conduct remained unacceptable from the service of the originating application to trial. Examined in isolation, the fact that an application for disclosure of documents is dismissed does not amount to a substantial breach. When placed in its proper context, for example the number of similar if not identical applications, the fact that none was granted, and Mr. Wang's attempts to evade pretrial examination for two years, the dismissal takes a different color.

[73] Although Interactive Inc. did not file any direct evidence as to the magnitude of the injury it suffered, some features of the file stand out: the deficit in Mr. Wang's account has run since September 1, 2020; the amount of the deficit is substantial; with interest at the legal rate and the additional indemnity provided for in art. 1619 of the C.C.Q. calculated as of the day of the filing of the originating application, the claim now amounts to close to \$3,000,000. The breaches are substantial, but its consequences are properly addressed by the contractual award I will grant.

[74] The paucity of the evidence administered on the injury suffered by Interactive Inc. leads me to dismiss this part of the claim. The award of any amount would be arbitrary.

CONCLUSION

[75] For these reasons, the Court:

[76] **GRANTS** the originating application in part, **WITH LEGAL COSTS**;

[77] **ORDERS** Xing Wang and Genghong Zhao to pay Interactive Brokers Canada Inc. \$2,483,649.14 with interest at the legal rate and additional indemnity pursuant to art. 1619 of the *Civil Code of Québec*, CQLR, c. C-1991 as of October 5, 2021;

[78] **DISMISSES** Xing Wang and Genghong Zhao's cross-application, **WITH LEGAL COSTS**.

IAN DEMERS, J.S.C.

M^e Daniel Grodinsky
M^e Thomas Stelmazuk-Côté
LANGLOIS AVOCATS S.E.N.C.R.L.
Attorneys for the Plaintiff/Cross-defendants

Dates of hearing: January 15–16, 2026