



Civil Resolution Tribunal

Date Issued: January 9, 2026

Files: CS-2023-008965
and CS-2024-007324

Type: Societies and Cooperatives

Civil Resolution Tribunal

Indexed as: *Heisler v. Keys*, 2026 BCCRT 22

BETWEEN:

CRYSTAL HEISLER, COURTNEY CARDY, OWEN DAVIDSON,
RHONDA DAVIDSON, DOUGLAS BUSST and CHARLES CARDY

APPLICANTS

AND:

BIRGIT KEYS, BRENDAN KEYS, COLLEEN BELAND, PHILIP
COOPER, GREGORY COWAN, TONY REID and STAVE GARDENS
COMMUNITY ASSOCIATION

RESPONDENTS

AND BETWEEN:

STAVE GARDENS COMMUNITY ASSOCIATION

APPLICANT

A N D :

COLLEEN BELAND, GREG COWAN, BRENDAN KEYS, BIRGIT KEYS
and TONY REID

RESPONDENTS

REASONS FOR DECISION

Tribunal Member:

Eric Regehr, Vice Chair

INTRODUCTION

1. These 2 linked disputes are about the governance of a registered society, the Stave Gardens Community Association (SGCA). I will refer to CS-2023-008965 as the first dispute and CS-2024-007324 as the second dispute.
2. The applicants in the first dispute are Crystal Heisler, Courtney Cardy, Owen Davidson, Rhonda Davidson, Douglas Busst, and Charles Cardy. I will call them the applicants even though they are only applicants in the first dispute.
3. The applicants claim against the SGCA and Birgit Keys, Brandon Keys, Colleen Beland, Philip Cooper, Gregory Cowan, and Tony Reid, who are all former SGCA directors. They allege that in 2018, the former directors filed bylaws that the membership had not voted on or approved. The applicants initially asked for an order forcing them to resign as directors, but they have all since ceased being directors. The applicants also ask for an order that the former directors all pay fines.
4. The former directors say that the applicants' claims are largely moot. They also say that the Civil Resolution Tribunal (CRT) lacks jurisdiction to order them to pay fines.
5. The SGCA is the applicant in the second dispute. The respondents are 5 of the former directors, Ms. Beland, Mr. Cowan, Mr. Keys, Ms. Keys, and Mr. Ried. When context requires, I will call them the respondents to differentiate them from the group of 6 former directors who are the respondents in the first dispute. The SGCA

alleges that the respondents failed to provide the SGCA with documents when they ceased being directors. The SGCA asks for an order that the respondents provide documents to the SGCA. The respondents say that they have already provided all the documentation in their possession.

6. Ms. Heisler represents the applicants. The SGCA is represented by a current director. The former directors and respondents are represented by a lawyer, Shelley Braun.

JURISDICTION AND PROCEDURE

7. These are the CRT's formal written reasons. The CRT has jurisdiction over certain society claims under section 129 of the *Civil Resolution Tribunal Act* (CRTA). CRTA section 2 says the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between the dispute's parties that will likely continue after the CRT process has ended.
8. CRTA section 39 says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. The applicants question the honesty of the former directors, but I found it unnecessary to resolve those allegations. I explain why below. There are no relevant credibility issues. So, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary.
9. CRTA section 42 says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, even where the information would not be admissible in court.

The SGCA as both Respondent and Applicant

10. At the time the applicants started the first CRT dispute, their purpose was to challenge the actions of the former directors who were then in charge of the SGCA. Since then, the former directors all ceased to be directors. The current board includes 2 of the applicants, Mr. Davidson and Ms. Davidson, and appears to be generally aligned with the applicants. This is why the SGCA is a respondent in the first dispute, technically in opposition to the applicants, but the applicant in the second dispute, in opposition to the respondents.
11. The SGCA's submissions in the first dispute reflect its change in position, as it asks to be considered an applicant instead of a respondent and essentially adopts the applicants' position. Given my decision set out below to either dismiss or refuse to resolve all the claims in the first dispute, I find it unnecessary to amend the Dispute Notice or Dispute Response to reflect the SGCA's changed position.

Jurisdiction over Criminal Matters

12. As noted, one of the applicants' claims is that the former directors should each be fined. They do not explicitly say what the legal basis for this claim is, but I agree with the former directors that the applicants implicitly rely on *Societies Act* section 225(1). I say this because there is no other provision in the *Societies Act* about fines. There are also no SGCA bylaws about fines.
13. Section 225(1) says that a person who commits an offence under *Societies Act* section 221 or 222 is liable to pay a fine. Sections 221 and 222 generally say that a person commits an offence if they contravene certain other provisions of the *Societies Act*.
14. *Offence Act* section 2 says that if a provision creates an offence, it is punishable by summary conviction. In other words, committing an offence under the *Societies Act* is a criminal matter. *Offence Act* section 8 says that the BC Provincial Court has jurisdiction over proceedings under the *Offence Act*. The CRT does not have any authority over criminal matters.

15. The applicants also say that in the Dispute Notice that “should any criminality be suspected, report to the police of jurisdiction, Mission RCMP, and cooperate with a criminal investigation.” It is unclear whether they expect the CRT to assess the potential for criminal conduct and independently report anything suspicious to the RCMP. It is not the CRT’s role to investigate a society or its directors or to report people to the police. The CRT’s role is to resolve legal disputes involving societies that fall within its authority under the CRTA.
16. CRTA section 10 says that I must refuse to resolve any claim that is not in the CRT’s jurisdiction. So, I refuse to resolve these claims about fines.

Standing

17. The former directors say that some of the applicants do not have standing to bring claims because they are not SGCA members. I find that at least 2 applicants, Mr. Davidson and Ms. Davidson, are current members. Their standing is sufficient for me to resolve the remaining claims on their merits.

Moot Claim

18. The applicants initially asked for an order that the former directors be forced to resign. It is undisputed that all the former directors have since ceased to be directors. I agree with the former directors that this claim is moot. This means there is no longer a present dispute between the parties about whether the former directors should be forced to resign. I dismiss this claim on that basis.

Claim about Records in the First Dispute

19. The applicants also initially asked for an order that the former directors “hand over all of the correspondence and documents of SGCA to a community appointed [board of directors]”. On its face, this seems to be a similar order to the one the SGCA is seeking in the second dispute. It also seems to relate to the applicants’ previous goal of replacing the former board of directors.

20. The applicants' submissions do not clarify this order. They also do not mention any outstanding records requests from the SGCA. The SGCA started the second dispute to try to obtain allegedly missing records from the respondents, who are all former directors. In that context, I find that the applicants have effectively abandoned this claim, and I dismiss it on that basis.

ISSUES

21. The remaining issues are:

- a. Must the respondents provide any documents to the SGCA?
- b. Should I order the applicants to pay any of the former directors' legal fees?

EVIDENCE AND ANALYSIS

22. In a civil claim such as this, the applicants in each dispute must prove their claims on a balance of probabilities. This means more likely than not. I have read all the parties' evidence and submissions, but only refer to what is necessary to explain my decision.

23. The SGCA is a community association whose constitution lists its various purposes, which are generally aimed at improving the lives of the citizens living in the Stave Lake area of Mission, BC. Despite this seemingly simple and uncontroversial purpose, the SGCA has become a focal point of deep community divisions.

24. Some of the individuals involved in this dispute are also involved in defamation proceedings in the BC Supreme Court. On April 8, 2025, the court published a decision about several preliminary issues, *Beland v. Cardy*, 2025 BCSC 656, which provides a detailed background of the rift in the Stave Lake community. It also illustrates the depth of distrust within the community, which is reflected in the materials before me.

25. By way of brief background, the SGCA was initially created in the 1955 when it acquired land with a community hall. Over the decades, the community hall fell into disrepair and the SGCA was dissolved. In 2016, the SGCA was reinstated. However, the SGCA had a substantial tax debt and decided to sell the property to pay it off. The different factions in the community have strongly held and opposing views on how the SGCA handled the property sale.
26. Another key disagreement is about whether the SGCA filed the correct bylaws as part of its transition application from the old *Society Act* to the current *Societies Act* in 2018. This was a focus of the applicants' submissions. The former directors admit they made an error, but say they simply misunderstood the legal advice they received about the transition application.
27. The applicants see something much more suspicious about the former directors' actions. However, the applicants ask for no remedies about the bylaw amendments other than fines, which I already dealt with. For this reason, I find it unnecessary to resolve the disagreement between the parties about the transition application or the bylaws, and I decline to do so. I make this choice, in part because of the ongoing defamation action, which may touch on the same issues.

Must the respondents provide any documents to the SGCA?

28. The SGCA says that when the respondents handed over records to the new board in 2024, they were disorganized and incomplete. The SGCA also says that the following documents are missing:
- a. Legal files from the law firms Davison North and Macushlaw.
 - b. Documents related to a BC Supreme Court action 4 of the former directors started in 2023.
 - c. Documents related to the SGCA's defence in the first CRT dispute.
 - d. Certain financial records.
 - e. A 2024 membership list.

29. None of the respondents dispute that they had an obligation to provide SGCA records to the new board when they stopped being directors. Ms. Beland provided a statement that on March 11, 2024, she provided the new board with all physical records in her possession, organized in envelopes and separated by year. She says that on the same day she provided a USB stick containing more records. She was the SGCA's treasurer in 2018, 2019, 2022, and 2023, and secretary in 2016, 2017, 2021, 2022, and 2023. She says she provided the passwords to the SGCA's registry and email accounts. I will now address each set of records in turn.
30. The SGCA says that the former directors hired both Davison North and Macushlaw on the SGCA's behalf but have failed to hand over records related to those legal matters.
31. I will start with Macushlaw, which undisputedly represented the SGCA. The respondents say they have provided all the records in their possession. To the extent the SGCA believes there are missing records, the respondents say it is free to get copies of its client file directly from Macushlaw. In reply, the SGCA says that it obtained a "partial file" from Macushlaw but it believes it is missing some invoices. The SGCA says that Macushlaw said it did not want to "be involved" in the dispute between the parties. There is no supporting evidence of this. In any event, I agree with the respondents. If Macushlaw has declined to provide the SGCA with client records as alleged, then that is a matter between the lawyer and the client. I dismiss this claim.
32. The issue with Davison North is more complicated. The respondents say that they (or some of them) hired Davison North in their personal capacities to help with their defamation claims. They say the SGCA was never a Davison North client. The SGCA says this is not true. It points to a cease and desist letter Davison North sent in March 2023 that identified the SGCA as its client. Davison North's letter appears to be about the same general defamation claims that are at issue in the court case discussed above. Notably, the SGCA is not a plaintiff in the defamation case. The respondents say the lawyer made a mistake when they referred to the SGCA as their client.

33. The SGCA essentially asks me to determine that it was Davison North's client solely based on one letter. There is no evidence before me from Davison North about its perspective on who its client or clients were. I am mindful that if I were to determine that the SGCA was Davison North's client and order the respondents to disclose their materials from Davison North, I would likely be forcing them to disclose privileged information related to the ongoing defamation case to their legal adversaries. I find the evidence is not sufficient to make such a drastic order. So, I dismiss this claim on the basis that it is unproven.
34. I also note that there is no evidence that the SGCA has attempted to get any records directly from Davison North, other than its vague statement that Davison North, like Macushlaw, does not want to "be involved". I find that Davison North will know who its past clients are. I also find that Davison North is in the best position to determine the extent to which the SGCA is entitled to records bearing in mind its obligation to protect solicitor-client privilege. If the SGCA is dissatisfied with Davison North's response, that is a matter between them.
35. Regarding the court action, the SGCA's claim is not entirely clear. The SGCA says that it requested records from the law firm involved (which was neither Davison North nor Macushlaw) but says that "all files that were the property of the SGCA have yet to be returned". Based on its reply submissions, I infer the SGCA's claim is about an allegation Mr. Cowan made in a court application that a "shadow board" had attempted to access the SGCA's bank account. The SGCA says there is no evidence this attempted access ever happened, and it has consistently demanded proof. So, I find this request is less about the SGCA obtaining society documents and more about making a point about its belief that Mr. Cowan lied to the court. I find the SGCA has not proven there is an undisclosed document Mr. Cowan or any other respondent must provide about the court action, so I dismiss this claim.
36. The SGCA has not fully explained what documents it expects to receive about the first dispute. It is true that the SGCA's Dispute Response is largely identical to the other former directors' Dispute Responses. That suggests that the former directors' lawyer was also the SGCA's lawyer at one point. There is no evidence before me

about the scope of that lawyer's agreement with the SGCA. As with Davison North, the SGCA asks me to make an order that could force the respondents to disclose privileged information with little evidence to support such a drastic order. There is also no evidence that the SGCA has requested any records from the lawyer involved. That lawyer is in the best position to assess the SGCA's entitlement to records. I dismiss this claim.

37. Regarding the financial records, the SGCA points to various cheques that it says are missing "back-ups". It also generally says the respondents failed to keep adequate records. I do not need to decide whether or not the respondents kept every record they should have. Even if it is true that the respondents failed to keep adequate records, I see no point in ordering the respondents to produce records they say they do not have.
38. The respondents say they do not have a 2024 membership list because Ms. Beland stopped being a director before one was created. The SGCA says they should have created one before her directorship terminated. Again, even if that is true, I cannot order Ms. Beland or any other respondent to produce a document that does not exist.
39. The SGCA also asked for an order that the respondents explain why there are missing records. I find no purpose in ordering anyone to give an explanation, since the respondents' submissions already explain their position. There are also several emails from 2024 between Ms. Beland and Ms. Keys setting out Ms. Beland's perspective on the records she provided. I find that the SGCA is therefore aware of the respondents' explanation for the scope of records they provided.
40. Finally, the SGCA asked for an order that the respondents pay any costs its lawyers may charge for access to its client files. The SGCA provided no legal basis for this claim, and it provided no documentary evidence showing how much its lawyers had charged for records. I dismiss this claim as well.

Should I order the applicants to pay any of the former directors' legal fees?

41. The former directors ask for reimbursement of their legal fees. They say that both disputes were an abuse of process or otherwise deserving of punishment. They rely on CRT rule 9.5(3), which says the CRT will only order a party to pay another party's legal fees in extraordinary circumstances. They also rely on various CRT cases that have applied the law of special costs, such as *Simpson v. The Owners, Strata Plan BCS 536*, 2024 BCCRT 536. I agree with that approach.
42. Briefly put, the court awards special costs when a party's conduct during litigation is reprehensible and deserves rebuke. The BC Court of Appeal explained the concept in detail in *Garcia v. Crestbrook Forest Industries*, 1994 CanLII 2570 (BC CA). The scope of what is "reprehensible" encompasses a broad range of misconduct. See *Westsea Construction Ltd. v. 0759553 B.C. Ltd.*, 2013 BCSC 1352.
43. The former directors make 2 arguments. The first is that the applicants pointlessly pursued the first dispute even after the former directors were no longer on the board. The former directors say this largely resolved the dispute.
44. In *Casses v. Canadian Broadcasting Corp.*, 2016 BCSC 949, the court said that special costs may be awarded when "a party made the resolution of an issue far more difficult than it should have been". This principle is reflected in CRT rule 9.5(4)(c), which says the CRT may consider whether a party has caused unnecessary delay or expense.
45. I agree that most of the applicants' claims were resolved by the time the first dispute reached the adjudication stage. All that remained were the claims about fines, which are outside the CRT's jurisdiction. However, I find that the CRT should generally avoid attributing an improper motive when a self-represented party misunderstands the scope of the CRT's authority. So, while I recognize that the former directors' lawyer had to spend time responding to those claims, I find that failing to withdraw the first dispute was not reprehensible conduct.

46. The former directors' second argument is that the applicants made defamatory comments throughout the CRT's process, including in submissions. They say the applicants persistently breached CRT rule 1.3(1)(c), which requires parties to behave and communicate in a respectful manner. They point, in particular, to persistent allegations of criminal behaviour.
47. Parties in legal proceedings are generally free to make allegations about fraud, criminal conduct, and other misconduct. This is part of the adversarial legal process that empowers parties to vigorously argue their positions. However, there are limits. Making unfounded allegations of fraud or other serious misconduct may amount to reprehensible conduct. On that point, in *Gichuru v. Smith*, 2014 BCCA 414, the BC Court of Appeal said that "a party who alleges serious misconduct against another in a civil lawsuit must be prepared to prove such allegations or reap the consequences" of special costs. In *The Owners, Strata Plan LMS3259 v. Sze Hang Holding Inc.*, 2015 BCCA 424, the BC Court of Appeal explained that the same reasoning applies to self-represented parties, stating that any accusations of dishonesty must be made responsibly and be grounded in evidence.
48. The former directors rely on the judge's findings in *Beland v. Cardy*, which I referred to above. That decision was not on the merits of the defamation claims. However, as part of its decision, the court discussed the evidence of 2 of the applicants, Ms. Cardy and Ms. Davidson. The court found that both witnesses were "willing to make inflammatory statements ... with little regard to whether there was a factual foundation for those statements". The court also found that there were grounds to believe the defendants were motivated by malice.
49. The applicants say it is inappropriate for the former directors to refer to the court's decision. I disagree. I find it is relevant context for assessing the applicants' submissions, given the overlap in the parties.
50. The applicants' submissions suggest criminal wrongdoing in relation to the filed bylaws. They describe the former directors as manipulative, secretive, and dishonest. They say Ms. Keys, in particular, lied to the SGCA's paralegal and to the

CRT about her role and motivation in filing the bylaws. While it is true that Ms. Keys made a mistake in the transition application, which the former directors admit, there is no evidence to support the applicants' belief that there was criminal intent behind doing so. Given the evidence, I find that these were not responsible arguments to make. However, the applicants' submissions do not contain the same level of scandalous or inflammatory content as the statements the court discussed in its decision. On balance, while problematic, I find the applicants' submissions in the first dispute were not so outrageous that they deserve rebuke.

51. The second dispute was unsuccessful, but it was also relatively straightforward. I do not agree with the respondents that the SGCA abused the CRT's process by starting it. The SGCA was a respondent in the first dispute so it is unclear how it could have asked for these orders within that proceeding. I find it was appropriate to start a fresh dispute, and as noted above the applicants effectively abandoned the document production aspect of the first dispute. So, there was no duplication of effort required.

52. I have some concerns about the SGCA's motive behind the aspect of the second dispute that sought disclosure of privileged information. However, I am left with uncertainty about whether that claim was made in bad faith, or was simply misguided. I ultimately find there is insufficient evidence to conclude that aspect of the claim had an improper purpose. So, I decline to award legal fees in the second dispute as well.

53. In conclusion, I dismiss the claims for reimbursement of legal fees in both disputes.

CRT FEES AND EXPENSES

54. Under CRTA section 49, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. The applicants in both disputes were unsuccessful, so I dismiss their claims for CRT fees and dispute-related expenses.

ORDERS

55. I refuse to resolve the applicants' claims about fines and criminal conduct.

56. I dismiss the parties' remaining claims in both disputes.

A handwritten signature in black ink, appearing to read 'Eric Regehr', is written over a horizontal line.

Eric Regehr, Vice Chair