

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

ROYAL BANK OF CANADA

Plaintiff

– and –

1108135 ONTARIO INC. OPERATING  
AS TRENDS DÉCOR AND ROGER  
ALONZO

Defendants

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)  
) Amanda McInnis for the Plaintiff  
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) Emraan Dharsi for the Defendants  
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) **HEARD:** May 23, 2025

**REASONS FOR JUDGMENT**

**JUSTICE L. SHEARD**

**Overview**

- [1] The plaintiff, Royal Bank of Canada (“RBC”), moves for summary judgment as against the defendants in respect of (a) a Business Operating Line (the “BOL”) and (b) a Visa Credit Card #xxxx-xxxx-0558 1003 (the “VISA”).
- [2] The parties agree that the issues before this court are suitable to be determined on a summary judgment motion (“SJM”). Furthermore, except for any costs claimed by the RBC, the corporate defendant, 1108135 Ontario Inc. operating as Trends Décor (“135 Ontario”), admits liability for the amounts claimed by RBC.
- [3] RBC claims that:
- a) the amount owing on the BOL is \$10,615.46, plus interest on that amount from January 3, 2025, at the rate of 8.950% per annum (the “BOL Debt”); and
  - b) the amount owing on the VISA is \$57,844.23 plus interest on that amount from

- November 25, 2024, at the rate of 19.990% per annum (the “VISA Debt”).
- [4] Based on the admission of 135 Ontario, the RBC is entitled to judgment as against 135 Ontario as claimed. Costs will be addressed later in these reasons.
- [5] The defendant, Roger Alonzo, disputes that he is personally liable to pay the BOL Debt or the VISA Debt.
- [6] Mr. Alonzo’s position is that he did not apply for the BOL or the VISA: he did not sign any documents by which he could, or should, be found personally liable to pay the BOL Debt or the VISA Debt; he was never told by RBC that he would be personally liable to pay the BOL Debt or the VISA Debt; and he never agreed to be personally liable therefor.
- [7] For the reasons above, the central issue to be determined on the SJM is whether Mr. Alonzo is personally liable to the RBC in respect of either, or both, the BOL Debt or the VISA Debt.
- [8] In the event he is not found personally, liable, Mr. Alonzo asks for a “boomerang order”: i.e. an order dismissing RBC’s action as against him.

**Issue #1: Is Mr. Alonzo personally liable to pay the BOL Debt?**

**The Evidence**

*The RBC’s Evidence and Position*

- [9] The RBC evidence consisted of affidavits, sworn by the following three RBC Employees:
1. Shiela Olan, a Collateral Management and Enforcement Associate, swore an affidavit on January 10, 2025. Included as exhibits to her affidavit were a copy of the Business Banking Loan Agreement dated January 10, 2019 pursuant to which 135 Ontario was provided with the BOL (the “BOL Agreement”) and a copy of VISA Agreement, which is unsigned and undated (the “VISA Agreement”).
- Also included as exhibits were copies of recent VISA Statements. These are addressed to 135 Ontario and Mr. Alonzo. The statements reference two separately numbered VISA cards, one issued in the name of 135 Ontario and one in the name of Mr. Alonzo. The statements list the charges made against each card and, at the end of the statement, set out the combined balance then owing.
2. Winsom Drake, a business advisor team manager, swore an affidavit on May 8, 2025. This affidavit purported to describe a telephone call with Mr. Alonzo that took place on March 16, 2015, and included her notes made of that call.
  3. Richa Bansal, a Collateral Management and Enforcement Associate, swore an affidavit on May 8, 2025, in which she reproduced the signing page of the BOL Agreement, which had been signed electronically. This affidavit responded to Mr. Alonzo’s assertion that he had not seen the whole of the BOL Agreement and had no reason to believe that he was personally liable for the BOL Debt.

- [10] Ms. Bansal's affidavit reproduces the words printed on the signing page of the BOL Agreement, just above where Mr. Alonzo signed, which read as follows:

THE CUSTOMER AND THE OWNER SIGNING BELOW (WE) ACKNOWLEDGE THAT WE HAVE REVIEWED THIS AGREEMENT, WHICH INCLUDES THE TERMS AND CONDITIONS AND UNDERSTAND THAT THEY ARE LEGALLY BINDING.

We agree to be bound by this Agreement, which includes the terms and conditions. We further agree that if Royal Bank sends us a revised set of terms and conditions and we do not cancel the Royal Business Operating Line service (if applicable) and repay all Loans and Debt before the effective date of the revised terms and conditions, it will attest that we have received a copy of and agreed to the revised terms and conditions.

**OWNER READ CAREFULLY:** By signing this Agreement, you agree to be personally responsible for the full repayment of all Debt and Royal Bank may demand payment from you. This liability remains in full force and effect even if the Customer or the Bank were to amalgamate with another legal person.

- [11] RBC asserts that even if Mr. Alonzo read *only* the last page of the BOL Agreement, he would have seen the above words; he would have seen that he was signing both on behalf of 135 Ontario and also as an owner and that, as owner, Mr. Alonzo was agreeing to be personally responsible for full repayment of amounts owing under this credit facility.

*The Defendants' Evidence and Position*

- [12] The defendants' evidence, which consisted of Mr. Alonzo's affidavit sworn April 11, 2025, is summarized below.
- [13] At all times, Mr. Alonzo has been the sole shareholder, director, and operator of 135 Ontario. In 2012, Mr. Alonzo opened a bank account at the RBC's Beaver Creek Branch. At the time, he was advised that 135 Ontario had been preapproved for the VISA, which he "happily accepted on" behalf of 135 Ontario. Mr. Alonzo asserts that he was never told, nor did he agree, that he would be personally liable for any amounts owing on the VISA. He signed no documents to that effect.
- [14] Mr. Alonzo acknowledges that he signed a "Master Client Agreement for Business Clients". This document does not relate to either the BOL or the VISA and is not relevant to the issues on the SJM.
- [15] Mr. Alonzo also acknowledges that he signed the BOL Agreement, which provided a maximum loan amount of \$10,000. However, he denies that he agreed to be personally liable with 135 Ontario to pay any amounts owing under the BOL.

- [16] Mr. Alonzo states that he accepted the RBC offer for the BOL by clicking an online link, which directed him to sign at the bottom of the last page of the BOL Agreement. Mr. Alonzo asserts that there was nothing on this page to indicate that he was signing in his personal capacity.
- [17] Mr. Alonzo asserts that he was not given an opportunity to read the BOL Agreement in its entirety before signing.
- [18] I note that there are two signing boxes on the last page of the BOL Agreement, both of which were signed by Mr. Alonzo electronically. In the lefthand box, Mr. Alonzo's signature is identified as "Authorized Person's Signature" and in the righthand box, as "Owner's Signature."
- [19] Mr. Alonzo asserted that he believed he was signing the BOL Agreement in his capacity as a director of 135 Ontario and that there was nothing in the signing area to indicate to him that he was also signing in his personal capacity. Mr. Alonzo also says that in RBC's email of January 10, 2019, congratulating him on accepting the pre-approved offer for a business line of credit, there is no mention of his personal liability. Finally, Mr. Alonzo asserts that RBC never sent him or 135 Ontario a copy of the BOL Agreement after it was signed.
- [20] Mr. Alonzo asserts that he would never have accepted the BOL had he known that he would personally liable. In the alternative, he submits that the provisions in the BOL Agreement imposing personal liability upon him are "onerous" terms and therefore unenforceable, referring to the 1978 Ontario Court of Appeal decision, *Tilden Rent-A-Car Co. v. Clendenning*, 1978 CanLII 1446, at paragraph 30 ("*Clendenning*").

### **The Law: BOL Debt**

- [21] *Clendenning* involved the enforceability of exclusions under an insurance policy for rental car: the renter purchased supplementary insurance that he assumed would cover all damages to the vehicle. He did not read the policy, nor was he told that there would be no coverage if the damage occurred while the vehicle was driven by an impaired driver (as occurred).
- [22] At para. 30, the court stated

In modern commercial practice, many standard form printed documents are signed without being read or understood. In many cases the parties seeking to rely on the terms of the contract know or ought to know that the signature of a party to the contract does not represent the true intention of the signer, and that the party signing is unaware of the stringent and onerous provisions which the standard form contains. Under such circumstances, I am of the opinion that the party seeking to rely on such terms should not be able to do so in the absence of first having taken reasonable measures to draw such terms to the attention of the other party, and,

in the absence of such reasonable measures, it is not necessary for the party denying knowledge of such terms to prove either fraud, misrepresentation or *non est factum*.

- [23] In concluding that the rental agency was not entitled to rely on the exclusionary clause, the court determined that the terms were onerous and contained in a “standard form” contract and that “the important provisions on the reverse side and in very small type would discourage even the most cautious customer from endeavouring to read and understand it” (at para. 31).
- [24] *Clendenning* was considered by the court in *RBC v. Petitclerc*, 2016 ONSC 19, relied upon by the RBC. *Petitclerc* was a SJM for amounts claimed to be owing on a Visa credit card. Similar to the facts here, at issue was the liability of one cardholder for the charges incurred by a joint cardholder. Among other defences, the defendant argued that the Visa Agreement contained onerous terms – namely that each cardholder was jointly and severally liable for card usage.
- [25] The motions judge, Hood J., held that the “joint and several liability” term of the Agreement was not onerous. In addition, even if the terms were onerous or unusual, he found that the RBC had taken reasonable measures to draw the provisions to the attention of the defendant: “the Agreement was online, it was available by phone and could be obtained at any RBC branch. ... [the defendant]... obtained the benefits offered from [the card]”... and after using the card for 14 years, was not entitled to complain that he did not know what the Agreement said (at para. 23).

**Analysis: Mr. Alonzo’s Liability for the BOL Debt**

- [26] In my view, the evidence in this case supports a finding that Mr. Alonzo knew or ought to have known that by signing the BOL Agreement, he was agreeing to be personally liable – as the “Owner” - for the BOL Debt.
- [27] Firstly, I do not accept Mr. Alonzo’s argument that RBC’s requirement that the owner of a one-person corporation assume liability for the debts of their corporation to be either unusual or onerous. He provided no evidence or case law to support that argument which, in my view, runs contrary to the commonly known practice among lenders. Secondly, the facts here are entirely distinguishable from those in *Clendenning*: Mr. Alonzo’s liability as owner was clearly highlighted on the BOL Agreement which spelled out that liability using capital letters and bold font, located immediately above where Mr. Alonzo signed.
- [28] Finally, I adopt the reasoning of Hood J., in *Petitclerc*: after using the credit facility for his business for some 14 years, Mr. Alonzo is not entitled to complain that he had never read the BOL Agreement nor knew what it said. The RBC evidence is that he could have asked for a copy at any time.
- [29] For these reasons, I find that in signing the BOL Agreement Mr. Alonzo agreed to be personally liable for the BOL Debt.

**Disposition of Issue #1: Is Mr. Alonzo personally liable to pay the BOL Debt?**

[30] For the reasons set out, I find that Mr. Alonzo is jointly and severally liable with 135 Ontario to pay the BOL Debt.

**Issue #2: Is Mr. Alonzo personally liable to pay the VISA Debt?**

[31] RBC's evidence is that in March 2015, it provided 135 Ontario with a business credit card on which 135 Ontario was the primary card holder and Mr. Alonzo, as the "owner" was a co-borrower. As noted above, VISA cards were provided to 135 Ontario and to Mr. Alonzo. Both cards were used, and VISA statements were jointly addressed to 135 Ontario and Mr. Alonzo, showing the charges and payments on each card, and the monthly combined balance owing.

[32] In her affidavit, Ms. Drake asserts that she had a telephone call with Mr. Alonzo on March 16, 2015, in which they discussed the RBC offer for a VISA card. Ms. Drake says that the VISA card was in respect of an RBC Avion Visa Business account, on which both 135 Ontario and Mr. Alonzo would be personally responsible.

[33] In her May 8, 2025 affidavit, Ms. Drake asserts that, in accordance with her practice, when she spoke to Mr. Alonzo on March 16, 2015 about the pre-approved offer" and explained to him that he would be personally liable for the VISA Debt, together with 135 Ontario. She asked Mr. Alonzo if he accepted the offer, to which he said he did. In support of her evidence, Ms. Drake included a copy of her phone log of this telephone call, during which, she asserts, Mr. Alonzo gave his verbal consent and accepted the pre-approved offer.

[34] The phone log attached to Ms. Drake's affidavit reads as follows:

Verbal consent given by Roger Charles Alonzo on March 16, 2015/  
campaign code GA7002 Role appointments to Visa card number  
XX6142/Winsom Drake position name: Business Advisor/Team  
Manager: Johnny Lamb Team Ms-7/Delegated Landing Authority  
Limit: \$75M CLNT accepted pre-approved offer, thanks.

[35] Notably missing from the phone log is any reference to Ms. Drake advising Mr. Alonzo that he would be personally liable if he accepted the RBC "offer" or any reference to Mr. Alonzo's acknowledgement and agreement to be personally liable.

[36] I also note that the log makes reference to a "pre-approved offer". However, RBC could not produce a copy of the pre-approved offer and cannot provide evidence as to what it said.

[37] Mr. Alonzo states that the "pre-approved offer" was communicated electronically and that he spoke briefly with a representative of the bank [Ms. Drake]. He asserts that she never told him that he would be personally liable.

- [38] RBC was also unable to provide any evidence of what printed terms might have accompanied the VISA cards later mailed to 135 Ontario and Mr. Alonzo.
- [39] Ms. Olin’s affidavit attached a copy of the 20-page RBC Royal Bank Business Credit Card Agreement (the “VISA Agreement”), which RBC asserts governs its agreement with the defendants. The copy of the VISA Agreement produced, is unsigned and undated. RBC concedes that it has no evidence that the VISA Agreement was ever signed or dated or that a copy was sent to 135 Ontario or to Mr. Alonzo.
- [40] Mr. Alonzo denies that he was ever told that he would be personally liable to pay the balance owing on the VISA. He says that he believed that he had been issued a VISA card in his name as an authorized user only, and that at all times, only 135 Ontario would be liable to pay the outstanding balance.

### **The Law: VISA Debt**

- [41] The RBC urges this court to follow *Petitclerc* and relies also on *Oakley v Royal Bank of Canada*, 2013 ONSC 145 (CanLII), *TD Bank v Cormier*, 2018 ONSC 1788 (CanLII), and *Royal Bank v. Raincock*, 2013 ONSC 2876 (CanLII), cases in which the court found the account holder to be liable despite the “paucity” of evidence that the agreement was signed.
- [42] In *Petitclerc*, Hood J. rejected the defendant’s argument that because he neither signed, nor received, a copy of the Visa Agreements, he could not be bound by their terms. He held that use of the card established that the defendant had agreed to the Agreements.
- [43] A similar conclusion was reached in *Oakley*, in which the defendant admitted that he had activated the card, which, among other things, had been used by the co-account holder to provide cash advances to the defendant and his company. In contrast to the evidence put forth on this SJM, in *Oakley*, a copy of the Visa agreement was produced, which the co-account holder testified was identical to the Visa agreement sent to the defendant. Again, contrary to the facts here, in *Oakley*, the Visa Agreement “stipulated that the person who either activated the card or whose name appeared on it was individually or severally liable for any unpaid balances” (at para. 20).
- [44] The court in *TD v Cormier* followed *Royal Bank v. Raincock*. At para. 14, the court set out why it concluded that no genuine issue existed for trial, including that:
14. c. The fact that there was no *written* agreement between the parties is immaterial. The agreement between the parties was conducted through the internet and did not require signature. It is akin to the circumstances in *Royal Bank v. Raincock*, [2013] O.J. No. 2216 (SCJ), where Morgan J. stated:

9. It does not matter that the Defendant never signed the Visa agreement or that she did not notice the note on the back of the Visa card that she signed. Section 68(1) of the *Consumer Protection Act, 2002*, SO 2002, ch 30, Sch A

(the "Act"), provides that "a consumer who ... receives a credit card from a credit card issuer without applying for it shall be deemed to have entered into a credit agreement with the issuer with respect to the card on first using the card."

10. Once the Defendant began using her Visa card and accumulating the charges recorded on her monthly statements, she was liable to pay the balance owing on the joint account. As this court held in *Oakley v. Royal Bank of Canada*, 2013 ONSC 145, one of two joint account holders is liable for the unpaid balance on the entire credit card account despite a paucity of evidence that the co-account holder had actually signed a credit card agreement.

- [45] Mr. Alonzo submits that the *TD v Cormier* and *RBC v Raincock* are distinguishable because both relied on the *Consumer Protection Act*, which does not apply here. I accept those submissions.

### Analysis

- [46] Mr. Alonzo says that he never received the VISA Agreement and has no memory of any personal obligations being referenced in the on-line pre-approved offer. RBC has no evidence to dispute Mr. Alonzo's assertion. The onus of proving its case rests with the RBC.
- [47] I do not accept that on May 8, 2025, Ms. Drake had any memory what she may have said to Mr. Alonzo in her telephone call with him of March 16, 2015, more than a decade earlier. In the absence of any reference in Ms. Drake's phone log to her having told Mr. Alonzo that he was personally responsible for payment of the VISA card, I reject RBC's evidence on this point.

### *The VISA Agreement*

- [48] The VISA Agreement is a 20-page document, prepared by the bank. There appears no opportunity or invitation for any signing party to make any changes to it.
- [49] At paragraph 2 it reads: "If a Cardholder signs, activates, or uses their Card or Card number, it will mean that each Owner has received and read this Agreement and agrees to and accepts all of its terms".
- [50] RBC asserts that the VISA Agreement need not be signed: activation of the card is enough for the card user to be bound by its terms. I agree. I accept and follow the reasoning in *Petitclerc* and find that by using the VISA card, Mr. Alonzo accepted and was bound by the terms of the VISA Agreement.

[51] Mr. Alonzo submits that even if the court were to find that by using the card he agreed to the terms of the VISA Agreement, on a plain reading of the VISA Agreement, liability is imposed on an “Owner” only if the owner has signed the VISA Agreement.

[52] On the first page of the VISA Agreement “Owner” is defined as follows:

“Owner” means each individual **who signs this Agreement as such**, and includes any individual who owns a business as a sole proprietor, or has invested in a business as a partner, shareholder, member, limited partner, or beneficial owner, and who is authorized to act and make financial decision on behalf of the Applicant including, but not limited to, opening an Account, asking for additional Cards on an Account, or asking for an Account Credit Limit increase. [Emphasis added.]

[53] Mr. Alonzo submits that RBC is bound by the terms of the VISA Agreement, which it authored, and which, by its terms, defines an Owner as an individual who has signed the Agreement.

[54] Mr. Alonzo asserts that he did not sign the VISA Agreement and the RBC has no evidence to challenge that assertion.

[55] Relying on *Oakley*, the RBC responds that there is ample authority and case law to support that the failure of the claimant bank to produce a signed credit card application or a signed credit card agreement is not fatal to a claim for payment.

[56] I find that *Oakley* is distinguishable on its facts. In any event, the VISA Agreement to which Mr. Alonzo is subject clearly states that liability is imposed on an “Owner” as defined in the VISA Agreement.

[57] Paragraph 12 of the VISA Agreement reads, in part, as follows:

**12. Liability for Debt:**

Except as otherwise set out in this Agreement..., the Applicant, together with each Owner, will be jointly and severally... liable to us for all Debt charged to the Account, no matter how it is incurred or who has incurred it and even though we may send Account Statements to Cardholders and not to any of you...

[58] Mr. Alonzo submits that the language at para. 12 is consistent with his understanding that this was a business credit card account and that he was issued a card in his own name under the auspices of 135 Ontario, which, alone, was liable to the RBC for payment of the VISA Debt.

[59] I note that para. 37 of the VISA Agreement includes a “Complete Agreement” clause. It reads follows:

This Agreement constitutes the complete agreement between you and us with respect to the Account and the Card(s) and related matters. No failure on your part to exercise,

and no delay by us in exercising, any right under the Agreement will operate as a waiver thereof; nor will any single or partial exercise by us of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, by us under this Agreement.

- [60] Mr. Alonzo submits that by this wording, the VISA Agreement itself precludes RBC from relying on or reading into the VISA Agreement any external documents or evidence.
- [61] RBC submits that the facts here are similar to those in *Royal Bank v. Raincock* in which the court found that, even though the Visa Agreements had not been signed, the bank could rely on the fact that the monthly invoices sent to the card holders clearly identified both names on the bank statements as account holders.
- [62] RBC produced copies of VISA statements for some months, all of which are addressed to 135 Ontario and Roger Alonzo. However, these statements do not “clearly identify” Mr. Alonzo and 135 Ontario as account holders; nor do the statements say that Mr. Alonzo is liable for the indebtedness of 135 Ontario; and nowhere is Mr. Alonzo identified as a “co-borrower”.
- [63] Mr. Alonzo asserts that the VISA statements were mailed to 135 Ontario’s business address and he interpreted the statements as showing the card usage of a 135 Ontario employee. Mr. Alonzo acknowledges that he was the principal of 135 Ontario but denies that the VISA statements him to the fact that he was receiving these statements in his personal capacity. Rather, he understood that these statements were being sent to 135 Ontario to advise 135 Ontario of the card usage by 135 Ontario and by an authorized user of the corporate credit card.
- [64] I accept RBC’s submission that Mr. Alonzo is bound by the terms of the VISA Agreement. I also accept Mr. Alonzo’s submission that, by its terms, he is not an “Owner” as defined in the VISA Agreement and, as such, he is not personally liable for the VISA Debt.

**Disposition of Issue #2: Is Mr. Alonzo personally liable to pay the VISA Debt?**

- [65] For the reasons set out, I find that Mr. Alonzo is not personally liable to pay the VISA Debt.

**Conclusion**

- [66] On a motion for summary judgment, the onus is on the moving party to put forth its best evidence and I am satisfied that the parties have done so. I am entitled to assume that the reason the RBC’s evidence does not include a copy of the “pre-approved offer” or a copy of whatever document might have accompanied the credit card mailed to Mr. Alonzo is that RBC does not have these documents. I conclude, therefore, that all the relevant evidence has been put before the court.

[67] Based on my finding above, I conclude that it is appropriate to grant Mr. Alonzo's request for a "boomerang order" i.e. a dismissal of any of RBC's claims against Mr. Alonzo, not proven on the SJM.

### **Orders Made**

[68] For the reasons set out, I make the following orders:

- (1) RBC shall have judgment as against 135 Ontario and Mr. Alonzo in respect of the BOL Debt;
- (2) RBC shall have judgment as against 135 Ontario in respect of the VISA Debt; and
- (3) RBC's claim against Mr. Alonzo in respect of the VISA Debt is dismissed.

### **Costs**

[69] As 123 Ontario admitted liability, RBC is the successful party and is presumptively entitled to its costs from 135 Ontario.

[70] RBC has also been successful in its claim as against Mr. Alonzo in respect of the BOL Debt and, therefore, RBC is presumptively entitled to its costs related to the BOL Debt claim from Mr. Alonzo and 135 Ontario, on a joint and several basis.

[71] Mr. Alonzo has been successful in defending RBC's claim against him for payment of the VISA Debt and, therefore, Mr. Alonzo is presumptively entitled to his costs of defending the VISA Debt from RBC.

[72] Given the mixed outcome, I strongly urge the parties to try to reach an agreement on costs.

[73] If they are unable to agree on costs, they may make written costs submissions as follows:

1. The parties' written costs submissions are not to exceed two pages, double-spaced, together with evidence of docketed time, and copies of any relevant offers to settle.
2. Within 7 days of the date of the release of this decision, each party shall serve their written costs submissions and submit them to me by sending them via email to the Trial Coordinator.
3. If no submissions are received within 10 days of the date of the release of this decision, the parties shall be deemed to have resolved the issue of the costs and no costs decision shall be made by this court.

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Justice L. Sheard

**Released:** June 9, 2025

**CITATION:** RBC v. 1108135 Ontario Inc. et al., 2025 ONSC 3285  
**COURT FILE NO.:** CV-24-87698  
**DATE:** 2025/06/09

2025 ONSC 3285 (CanLII)

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

Royal Bank of Canada

Plaintiff

**-and-**

1108135 Ontario Inc., Operating as Trends Décor and  
Roger Alonzo

Defendants

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**REASONS FOR JUDGMENT**

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Sheard, J.

**Released:** June 9, 2025