

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**BETWEEN:** )  
 )  
BANK OF MONTREAL )  
 ) Mehrnaz Asad, for the Plaintiff/Defendant  
Plaintiff/Defendant by Counterclaim ) by Counterclaim  
 )  
– and – )  
 )  
HARPREET KAUR DUA also known as )  
HARPREET DUA and NANAK PARTAP ) Harpreet Kaur Dua and Nanak Partap Singh,  
SINGH also known as NANAK SINGH ) Self-Represented, Defendants/Plaintiffs by  
 ) Counterclaim  
Defendants/Plaintiffs by Counterclaim )  
 )  
 )  
 ) **HEARD:** March 19, 2026

2026 ONSC 1907 (CanLII)

**REASONS FOR DECISION**

**CHARNEY J.:**

**Introduction**

- [1] This motion relates to a mortgage default action that was dealt with by Christie J. in Reasons for Judgment on Summary Judgment Motion, released on May 7, 2025: *Bank of Montreal v. Dua et al.*, 2025 ONSC 2816.
- [2] After the release of this decision, the Defendant requested a case conference “concerning the discharge statement of the Bank”.
- [3] The case conference was held on July 16, 2025. At the Case Conference, Sutherland J. issued the following direction:

[Mr. Singh] wishes to pay off the mortgage. The parties do not agree on what is outstanding. Justice Christie rendered a Decision on the summary judgment motion brought by the Bank on the mortgage. This Decision is dated May 7, 2025. That Decision did not indicate the amount owing. Mr. Singh has appealed that Decision.

A hearing pursuant to the Mortgages Act is required to determine the amount owing. I have indicated my concerns to the Bank on its discharge statement dated June 23, 2024, especially a charge for \$20,000 for holdback on appeal costs.

Timetable is required for the motion to determine the amount owing on the mortgage.

- [4] A timetable was set for the exchange of the motion material.
- [5] It is clear from this Direction that the only issue on this motion is to determine the amount owing on the Mortgage. The Defendants' "Notice of Application" raises a number of other issues, which I will not address, for reasons given below.

### **History of this Action**

- [6] The Defendants are the registered owners of the Mortgaged Property and gave a Mortgage on title to the Plaintiff, the Bank of Montreal (BMO) on November 22, 2016 (the "Mortgage") as security for a loan in the principal sum of \$900,000.00. BMO's standard charge terms 201506 ("STC 201506") forms part of the Mortgage.
- [7] The Defendants' initial term under the Mortgage was from 2016 to 2021 at the fixed interest rate of 2.55% per annum. Their regular payment was \$1,639.13 biweekly for principal and interest only. The Mortgage was renewed in July 2021 for a further 5-year term at a variable rate of interest comprised of the Plaintiff's prime rate of interest in effect from time to time minus 1.04% per annum. At that time, regular payment was \$1,480.99 biweekly for principal and interest. Following the rising prime rate, by March 13, 2025, the applicable interest rate on the Mortgage became 4.95% per annum.
- [8] The Mortgage defaulted when the Defendants failed to make their property tax payments when due. The Plaintiff paid the tax arrears of \$23,964.18 on behalf of the Defendants and required the Defendants to start making regular tax deposits to the Plaintiff to allow the bank to make regular remittances to the municipality to keep property taxes in good standing. As such, as of October 28, 2022, regular payment was changed to \$1,782.99 biweekly, out of which \$1,480.99 was for principal and interest, and \$302.00 for taxes.
- [9] By September 1, 2023, the Defendants paid the property tax arrears by payment the Plaintiff made on their behalf. By June 7, 2024, the Defendants made up the Mortgage arrears. However, the Defendants refused to pay the Plaintiff's enforcement costs or provide proof of insurance.
- [10] The Plaintiff commenced this action on May 24, 2023, seeking payment of the amount owing under the Mortgage (alleged to be \$824,456), plus possession of the property, plus payment of an outstanding line of credit and credit card debt.
- [11] On August 29, 2023, the Defendants, Nanak Singh and Harpreet Dua, filed a Statement of Defence and Counterclaim.

- [12] On October 17, 2023, the Plaintiff filed a Reply and Defence to the Counterclaim.
- [13] Christie J. noted, at para. 20 of her Reasons, that the parties agreed that summary judgment was appropriate. She set out the issues in that case as follows:
- a. Did the Defendants default on the Mortgage, line of credit, and /or Mastercard?
  - b. Is BMO entitled to the relief sought?
  - c. Has the Plaintiff conducted itself in the manner described by the Defendants (refused to mediate / continued harassment / mischievous and false reporting to the credit bureaus) so as to establish a reasonable cause of action for which the Defendants are entitled to relief?

[14] Christie J. was satisfied that the Defendants had defaulted on the Mortgage, line of credit and Mastercard (para. 29).

[15] With respect to the Mortgage default, the Court concluded that the Defendants had failed to pay their property taxes due to a dispute with the municipality about the amount. The Court concluded, at para. 32:

This ongoing dispute with the municipality does not excuse the Defendants from their obligations under the mortgage which clearly state that unpaid property taxes will result in a default.

[16] By the time the matter came to court, however, the Defendants had paid all amounts owing under the Mortgage, including repaying the tax remittance, with the exception of the legal fees claimed by the Plaintiff. As such, the Court refused to grant judgment for the entire amount owing under the mortgage, stating, at para. 33:

In these circumstances, it would seem entirely unfair and unjust to grant judgment to the Plaintiff for the entire amount owing under the mortgage and possession. The Plaintiff advances an alternative solution, in that the court can order that the mortgage be reinstated upon payment by the Defendants of reasonable legal fees.

[17] Christie J., at para. 34, assessed “reasonable legal fees” at \$3,000, all inclusive. If the legal fees were not paid within 90 days, the Plaintiff was entitled to judgment against the Defendants for the full amount owing on the Mortgage and possession.

[18] With respect to the line of credit, Christie J. held, at para. 39:

The obligations and responsibilities of the Defendants are clear in relation to the line of credit. The bank is entitled to payment as set out in the monthly statements. There is no obligation on the bank to reduce the interest rate or amount owing. The plaintiff is entitled to judgment on the full balance plus interest as requested.

[19] With respect to the Mastercard, the Court held, at paras. 41 and 43:

As for the Mastercard, the card was used and payments were made over a number of years. Ms. Dua was notified on monthly statements of the payments due and that the account was overdue and exceeded its credit limit. Ms. Dua did not pay the balance owing. On its statement dated January 18, 2023, BMO informed Ms. Dua that the account had been closed due to default and that the Air Miles earned had been removed.

...

The minimum amount was not paid, the amounts remain owing, and the Plaintiff is entitled to judgment on the balance owing, plus interest.

[20] Finally, the Court dismissed the Defendants' counter claim, concluding, at para. 45:

As for the Counterclaim, BMO has no obligation to reduce the amount owing or interest rate as the Defendants suggest. There is no mandatory mediation mandated for these proceedings. The Plaintiff was entitled to pursue this legal action to enforce its rights, and this certainly does not constitute harassment. The Defendants have not provided any particular evidence as to which credit reporting was mischievous or false or how this caused loss of income and inability to produce income. It would appear that reporting was done in accordance with applicable guidelines. This Counterclaim discloses no reasonable cause of action and must be dismissed.

[21] Christie J. granted the Plaintiff's motion for summary judgment in part, and issued the following order, at para. 47:

- a. In relation to the Mortgage, the Defendants, Dua and Singh, are required to pay legal fees and disbursements to the Plaintiff in the amount of \$3000, all inclusive, within 90 days of this judgment, at which point, the Mortgage is to be reinstated. If the legal fees are not paid within 90 days, the Plaintiff will be entitled to judgment against the Defendants for the full amount owing on the Mortgage and possession.
- b. In relation to the line of credit, the Defendants, Dua and Singh, are required to pay the sum of \$71,480.88, plus pre-judgment interest from March 12, 2023 and post judgment interest on this sum, at the rate of 9.81% per year.
- c. In relation to the Mastercard, the Defendant, Harpreet Dua, is to pay the sum of \$30,557.81, plus pre-judgment interest from February 18, 2023 and post-judgment interest on this sum, at the rate of 24.99% per year.

[22] The Defendants have appealed from the decision of Christie J., and that appeal is scheduled to be heard by the Court of Appeal on April 7, 2026.

## Notice of Application

- [23] Instead of bringing a motion as directed by Sutherland J., the Defendants served a document titled “Notice of Application” on January 11, 2026.
- [24] A “Notice of Application” is an “originating process” under Rule 14.05 of the Rules of Civil Procedure. The Defendants’ “Notice of Application” used the same style of cause and was assigned the same court file number as the Plaintiff’s original action (CV-23-00000946-0000). The “Notice of Application” was treated as a Notice of Motion, in keeping with the Direction of Sutherland J. of July 16, 2025.
- [25] The Defendants’ “Notice of Application” was not restricted to a determination of the amount owing under the Mortgage. The Notice of Application sought the following relief:
- (a) Discharge of the mortgage # 3554443831 and providing a detailed framework for discharge.
  - (b) Finalising the mortgage payout statement as of summary judgment order on May 7, 2025, and as of current date after factoring payments made towards the mortgage by Applicants.
  - (c) Holding Respondent responsible for not providing a timely discharge, demanding \$2,500 for discharge statement and continuing to obstruct discharge putting the Applicants in an IMPOSSIBLE SITUATION with no solution in sight.
  - (d) Holding Plaintiff responsible for continuing to damage credit of Applicants by FALSE reporting to the credit bureaus well past summary judgment order on May 7, 2025.
  - (e) Awarding adequate damages and compensation for the ‘deliberate’ and ‘wilful’ conduct of the Respondent for obstructing mortgage discharge and continuing ‘with impunity’ to damage credit score of applicants even after the disposal of summary judgment.
  - (f) Special damages, including but not limited to: • Additional interest costs • Lost refinancing or sale opportunities • Legal and administrative costs (particulars set out in affidavit evidence)
  - (g) Holding the Respondent and its Directors liable under Mortgages Act, Ontario’s Consumer Reporting Act, Mortgage s. 22 & 23, and Brokerages, Lenders and Administrators Act, 2006, SO 2006, c 29 (Offence re standards of practice, s.48) and various other statutes.
  - (h) Awarding costs on a full indemnity basis of this application equivalent to Toronto lawyer costs for 2 case conferences, 2 triage hearings and preparation and filing of the materials for the motion which was forced

upon the Appellants by Respondent by refusing to provide timely discharge to the appellants to pay off the existing mortgage by porting Scotia mortgage from another property.

[26] Only para. (b) above relates to the determination of the amount owing under the mortgage.

[27] The balance of the relief requested is not available on this motion for two reasons:

- a. It falls outside of the parameters set by Sutherland J. in his case conference direction of July 16, 2025; and
- b. The Defendants' counterclaim against the Plaintiff was finally determined by Christie J. on May 7, 2025, and it was dismissed. It is clear from the affidavit evidence filed by the Defendants in this motion that most of the issues raised by the Defendants in this motion are identical to the issues raised by the Defendants in their counterclaim, and they are seeking to reargue that claim. The Defendants cannot use this motion to reargue matters decided by Christie J. in her summary judgment decision.

[28] To the extent that the Defendants seek relief that they did not seek in their counterclaim, or relief in relation to conduct that post-dates the summary judgment decision, they cannot seek that relief in either a motion or application. The Defendants would have to commence a new action with a Statement of Claim. Any such action would be subject to the doctrines of issue estoppel and cause of action estoppel, which preclude an unsuccessful party from bringing a subsequent action if the basis of the subsequent action was argued or could have been argued in the prior action if the party in question had exercised reasonable diligence: *The Catalyst Capital Group Inc. v. VimpelCom Ltd.*, 2019 ONCA 354, 145 O.R. (3d) 759, at para. 50, leave to appeal refused, [2019] S.C.C.A. No. 284.

[29] Moreover, the Defendants' claims for damages for post-decision conduct cannot be commenced by Notice of Application because these claims do not fall under any of the categories authorized by Rule 14.05(3) of the Rules of Civil Procedure. In particular, this is not a proceeding "where it is unlikely that there will be any material facts in dispute requiring a trial", particularly given the Defendants' claim for unliquidated damages.

[30] Accordingly, the only issue I will determine is the one authorized by Sutherland J. in his Case Conference Endorsement: the amount owing under the Mortgage.

### **Amount Owing Under the Mortgage**

[31] The Defendant argues that there is \$581,933.28 owing under the Mortgage.

[32] This amount is calculated as follows:

- Balance owing as of January 8, 2026: \$645,149.88

- Minus \$53,062.80 received by counsel for the Plaintiff from the Defendants after July 1, 2025.
  - Minus \$5,520 e-transfer to the Plaintiff on March 1, 2026.
  - Minus “Prepayment charge loss incurred”: \$7,633.80
- =====
- Total Mortgage owed: \$581,933.28

[33] The Plaintiff argues that the total owed under the Mortgage is \$791,159.83.

[34] This amount is calculated as follows:

- Balance owing as of January 8, 2026: \$645,149.88
  - Interest to March 15, 2026: \$133,389.46
  - Prepayment charge: \$5,515.55
  - Tax account payoff balance: \$7,104.94
- =====

- Total Mortgage owed: \$791,159.83

[35] The parties agree that as of January 8, 2026, the principal balance outstanding is \$645,149.88. The Plaintiff explains that this amount takes into account the \$53,062.80 paid by the Defendants, which was all used to pay down the principal, as the Plaintiff is permitted to do following default by the Defendants. The Plaintiff argues that by deducting \$53,062.80 from this outstanding balance, the Defendants are double counting this amount paid.

[36] In addition, the Defendants’ calculation is based on the premise that no further interest has accrued over this period. The Defendants allege that the Plaintiff agreed to waive all interest charges, although there is no written documentation to support this assertion. The Plaintiff denies that any such waiver was agreed to. In the absence of written confirmation, I find that no such waiver was ever made. The Plaintiff’s calculation includes an additional \$133,389.46 in interest charges from March 2025 to March 2026, in accordance with the terms of the Mortgage.

[37] As indicated above, the Mortgage was renewed on July 2, 2021 for a further 5-year term. Accordingly, if the Defendants prepay the Mortgage prior to the July 2026 maturity date, they are liable for the Prepayment charge of \$5,515.55

[38] The Plaintiff has removed from its calculations the charge for \$20,000 for holdback on appeal costs that was of concern to Sutherland J. at the case conference, and would have been of concern to me had it been left in. This is, of course, subject to the actual result of the Defendants’ appeal and whatever costs order the Court of Appeal might make.

**Conclusion**

- [39] For the foregoing reasons, I accept the calculation provided by the Plaintiff Bank of Montreal as the correct amount owing on the Mortgage as of March 19, 2026.
- [40] If the parties cannot agree on costs, the Plaintiff may file costs submissions of no more than 3 pages, plus costs outline and any offers to settle, within 20 days of the release of this Decision. The Defendants may file responding submissions on the same terms within a further 15 days. Costs submissions should be uploaded to Case Center and forwarded to my Judicial Assistant at [Robyn.Pope@Ontario.ca](mailto:Robyn.Pope@Ontario.ca).

---

Justice R.E. Charney

**Released:** March 30, 2026

**CITATION:** Bank of Montreal v. Dua, 2026 ONSC 1907

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

BANK OF MONTREAL

Plaintiff/Defendant by Counterclaim

**– and –**

HARPREET KAUR DUA also known as HARPREET  
DUA and NANAK PARTAP SINGH also known as  
NANAK SINGH

Defendants/Plaintiffs by Counterclaim

---

**REASONS FOR DECISION**

---

Justice R.E. Charney

**Released:** March 30, 2026