

CITATION: Bridgepoint Financial Services Limited Partnership I v. Steinberg, 2025 ONSC 444

COURT FILE NO.: CV-24-00476-000

DATE: 2025-01-21

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

Bridgepoint Financial Services Limited Partnership I

Applicant

- and -

Rudolf Steinberg

Respondent

)
)
) *Stephen N. Libin*, for the Applicant,
) Bridgepoint Financial Services Limited
) Partnership I

)
)
)
) *Self-Represented*

)
)
) *Dawson E. Somerville and Alex W. Demeo*,
) for the non-party Pamela Adderley

)
) **HEARD:** January 8, 2025
) at Thunder Bay, Ontario

Mr. Justice S.J. Wojciechowski

Decision On Motion

Introduction

[1] In this motion, the moving party, Pamela Adderley (“Adderley”), seeks standing in an application brought by Bridgepoint Financial Services Limited Partnership I (“BridgePoint”) against Rudolf Steinberg (“Steinberg”).

[2] The Application was commenced as Thunder Bay Court File Number CV-24-0476-00 (“the Application”) by BridgePoint pursuant to an endorsement of the court dated November 15, 2024, which included the following directions:

1. BridgePoint shall prepare, serve and file an Application Record on or before December 15, 2024, with a return date of March 28, 2025.
2. All parties involved in the November 15, 2024 case conference shall be served with a copy of the Application Record.
3. The hearing scheduled for March 28, 2025 will address the entitlement of BridgePoint to advance a claim against the settlement monies of Steinberg. If any party wishes to participate in that hearing, they may come before me to determine if that party should be granted standing.

[3] In accordance with the endorsement, the Application was filed, seeking relief including the following:

- (a) a declaration that BridgePoint is a secured creditor with a valid security interest in the respondent’s settlement funds;
- (b) a declaration that the settlement funds from the respondent’s accident benefits settlement form part of BridgePoint’s collateral secured by a grant of security in each of the loan agreements between BridgePoint and the respondent;
- (c) a declaration that BridgePoint is entitled to payment of its outstanding loan balance from the respondent’s settlement funds;
- (d) a declaration that the dismissal of the respondent’s tort action constitutes a material adverse change.

[4] In this motion, Adderley seeks standing by requesting the following:

- a. She be added as a respondent to the Application;
- b. She be joined to the Application as a necessary party pursuant to Rule 5.03 of the *Rules of Civil Procedure* (“the Rules”); and

- c. Her ability to participate in the Application be determined within the context of s.67(1) of the *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended (“the PPSA”).

Background

[5] Steinberg brought an action against Adderley arising out of a motor vehicle accident that occurred on October 29, 2011 (“the Tort Action”). In addition to the Tort Action, he advanced a claim for accident benefits under the terms of his motor vehicle insurance policy (“the AB Claim”).

[6] Litigation is an expensive endeavour. In order to support his efforts in seeking compensation for the injuries sustained during the motor vehicle accident with Adderley, Steinberg obtained a series of monetary advances from BridgePoint which were to be paid back once the litigation had been resolved. These advances were the subject matter of a loan agreement dated May 21, 2013 (the “Loan Agreement”) between Steinberg and BridgePoint.

[7] As collateral security for the monies owed under the Loan Agreement, the Loan Agreement required a security interest be granted in monies received by Steinberg as “Settlement Funds”, a term used – but not specifically defined – in the Loan Agreement. This security interest was registered under the PPSA.

[8] The Tort Action was eventually dismissed in its entirety with costs on September 29, 2022. Steinberg attempted several times to appeal this dismissal, but his efforts were unsuccessful and only resulted in a number of additional costs’ orders being made against him.

[9] This also resulted in no damages being awarded to Steinberg on account of his Tort Action.

[10] The AB Claim, however, was not part of the Tort Action against Adderley, and Steinberg was able to negotiate a lump sum amount of \$1.25 million in settlement of this claim (“the AB Settlement”).

[11] The Application seeks to assert that the Loan Agreement applies to monies arising from a resolution of the Tort Action of Steinberg, as well as any monies paid as the AB Settlement. BridgePoint asserts that both tort monies and accident benefit monies constitute “Settlement Funds” under the Loan Agreement.

[12] Steinberg, and the lawyer and law firm which were counsel of record for Steinberg during the Tort Action litigation – Mark Stoiko (“Stoko”) and Masgras Law PC (“Masgras PC”) - take the position that the Loan Agreement only applies to monies received from a settlement of the Tort Action. They maintain that the AB Settlement, which involved the \$1.25 million resolution of the accident benefit claim of Steinberg, are not available to satisfy the Loan Agreement.

[13] Adderley concurs with the position of Steinberg.

Litigation Process

[14] After the Tort Action was dismissed, several issues arose involving non-parties, including BridgePoint, with respect to Steinberg’s indebtedness for the litigation loans, the costs of his legal counsel, and the distribution of the monies paid to Steinberg as the AB Settlement.

[15] Some of these issues were litigated between Steinberg and the non-parties within the context of the Tort Action. In fact, BridgePoint's entitlement to interest on the monies advanced pursuant to the Loan Agreement was decided on motion and then ultimately resolved by a decision of the Court of Appeal for Ontario.

[16] Chris Hacio, the lawyer initially retained by Steinberg, passed away before the Tort Action was dismissed, and his estate's claim for outstanding fees and disbursements has been determined.

[17] Following the death of Chris Hacio, Steinberg's file was taken over by Allan Blott, who handled the file until November 2019. Allan Blott has since also passed away, and his estate has its own claim for fees and disbursements against Steinberg.

[18] In or about December 2019, Steinberg retained Paul DeLuca of Masgras PC. Stoiko of Masgras PC assumed carriage of the Tort Action after Paul DeLuca passed away in October 2020. Outstanding fees and disbursements are owed by Steinberg to Masgras PC.

[19] Adderley was awarded costs of the various proceedings in which she was sued by Steinberg. These costs have not yet been paid.

[20] In 2023 and early 2024, it appears that issues between Steinberg and BridgePoint were being addressed through case management efforts of Warkentin J. These efforts resulted in several endorsements involving Ruby Egit, who was counsel for Bridgepoint, Stoiko, who represented Steinberg, and presumably because issues had arisen with respect to the Tort Action and the distribution of the AB Settlement, Louis Covens, was also involved as LawPRO counsel

acting on behalf of Stoiko. In addition, Lori Kruse, on behalf of the Estate of Chris Hacio (“Hacio Estate”), and Salman Rana, on behalf of the Estate of Allan S. Blott (“the Blott Estate”), also participated in these case conferences. All case conferences were conducted within the context of the Tort Action, which had been dismissed at that point in time.

[21] It appears that, in an effort to streamline the issues – including the claims of BridgePoint, Hacio Estate, Blott Estate, Stoiko and Masgras PC, and Adderley against the AB Settlement – the matter proceeded within the Tort Action court file which effectively no longer existed.

[22] During a case conference dated February 8, 2024, Justice Warkentin made the following orders:

1. The motion scheduled for March 18, 2024 at 10:00 am shall not proceed before me or before Justice Fitzpatrick. If another judge cannot be assigned to that date, the earliest possible date after March 18, 2024 should be obtained, in consultation with counsel for the plaintiff and Bridge Point.
2. The only issue to be determined on the March 18, 2024 motion is whether Bridge Point is entitled to recover its litigation loans from the Accident Benefits settlement.
3. Because this is such a narrow issue, the documentation for use on the motion shall be as follows:
 - (a) Mr. Stoiko shall produce an affidavit with a copy of his law firm trust account statement setting out receipt of the Accident Benefit settlement funds, a detailed list of payments made from those settlement funds and the balance remaining in his trust account. It was the understanding of the parties that the balance in that trust account should be in the range of \$597,000.00.
 - (b) Ms. Egit shall produce an affidavit setting out the documentation Bridge Point is relying upon to support its claim to an entitlement to payment from the Accident Benefit settlement funds.
 - (c) Both Mr. Stoiko (or Law Pro counsel, if they are representing Mr. Stoiko) and Ms. Egit shall serve and file facta setting out the facts and their legal

positions regarding Bridge Point's entitlement or lack thereof to the Accident Benefits settlement funds.

(d) No other material is required for this motion – in other words, a Notice of Motion is not required, however, any fees owing to the court for bringing a motion are payable by the plaintiff through his counsel. Mr. Stoiko shall provide confirmation prior to the motion that the requisite fees have been paid to the court.

4. Mr. Stoiko and Ms. Egit shall obtain a further settlement meeting before me that includes Law Pro Counsel whom Mr. Stoiko has consulted, to determine if all or some of the outstanding issues can be resolved without the need for a motion. This settlement meeting should be obtained at the earliest possible date.

5. After the decision on the motion of March 18, 2024 has been rendered and if the issue of priority of payment of fees between the plaintiff's counsel and former counsel and Bridge Point remains an issue, counsel shall arrange a further settlement meeting before me.

[23] Warkentin J. retired from the bench in September 2024, and the matter was assigned to me.

[24] A further date for case management was agreed upon and is currently scheduled for February 19, 2025, followed by full argument on the Application to determine BridgePoint's claim to the AB Settlement on March 28, 2025.

[25] In the interim, an urgent case conference was arranged before me on November 15, 2024, at which all parties attended, namely Steinberg appearing in person on his own behalf without counsel, D. Somerville appearing on behalf of Adderley, L. Kruse appearing on behalf of the Hacio Estate, L. Covens appearing on behalf of Stoiko and Masgras PC, S. Rana appearing on behalf of the Blott Estate, and R. Egit and H. Ahmed appearing on behalf of BridgePoint.

[26] At the case conference, based upon materials filed and the parties' submissions, it was apparent that there was no structure to frame the issues to be decided between BridgePoint and Steinberg. The Tort Action had been dismissed, and the entitlement of the parties to the AB Settlement was not clearly defined by pleadings nor a court process.¹ Most of the parties were judgement creditors who were seeking a piece of the AB Settlement. BridgePoint wanted its own piece, but it was not clear if that was contemplated by the Loan Agreement. There were also issues relating to the size of the pot from the AB Settlement, and allegations exist that portions of the \$1.25 million had been improperly disbursed by Stoiko and/or Masgras PC, leaving only \$409,983.13 available.

[27] Following the urgent case conference, the following was agreed upon by the parties as a way to proceed forward:

1. Despite the endorsement of Warkentin J. dated February 8, 2024, in order to clearly identify the issues to be addressed at the March 28, 2025 hearing, and in light of the fact that this action has been dismissed, BridgePoint shall prepare, serve and file an Application Record on or before December 15, 2024. The Notice of Application shall identify March 28, 2025 as the return date.
2. All parties involved in this Case Conference shall be served with a copy of all materials filed by the parties in respect to the hearing scheduled for March 28, 2025.
3. The hearing scheduled for March 28, 2025 will address the entitlement of BridgePoint to advance a claim against the settlement monies of the plaintiff, and as such this "entitlement" issue arguably affects only these two parties. However, during the Case Conference some parties expressed an interest in the outcome of

¹ This was the information I was provided at the case conference. However, in reviewing the motion materials filed by Stoiko and Masgras PC in their effort to obtain standing – to which BridgePoint consented – included was a statement of claim with Court File No. CV-24-0143-00 was issued on April 25, 2024 by BridgePoint advancing a claim against Steinberg and the AB Settlement based upon the terms of the Loan Agreement. This claim was issued a couple of months after the case conference with Warkentin J., and almost eight months before the November 2024 case conference. If I had been presented with this claim, my endorsement of November 15, 2024 may have been different.

this hearing, and I encouraged them to discuss their interest with counsel for BridgePoint. If no agreement can be made with respect to the standing of any party other than BridgePoint and the plaintiff to make submissions at the March 28, 2025 hearing, then the issue of standing shall be brought back to me for determination.

4. Responding materials to the application of BridgePoint shall be served and filed on or before January 15, 2025.

5. If any party wishes to cross exam on the affidavit materials filed, that shall be initiated and completed on or before January 31, 2025.

6. On February 19, 2025, a Case Management Conference shall proceed via Zoom at 9:00 a.m.

7. The factum of BridgePoint shall be served and filed on or before February 21, 2025.

8. The factum of the plaintiff and any other parties with standing shall be served and filed on or before February 28, 2025.

[28] Since one of the issues raised by the parties was the disbursement of a portion of the AB Settlement by Steinberg’s previous counsel, the funds totaling \$409,983.13 being held in trust by Masgras PC (“the Trust Funds”) were ordered to be deposited with the Accountant for the Superior Court of Justice and remain there until further order of the court.

[29] The parties who attended the case conference also raised issues relating to their respective interests in the Trust Funds, as well as the initial AB Settlement amount of \$1.25 million. While some legal proceedings may have been commenced by some parties to address these issues, other issues had not been advanced through a litigation process, including the following:

(a) the priority of each of the parties to a claim against the Trust Funds,

(b) whether Blott Estate is entitled to be paid disbursements totaling \$43,235.39 from the Trust Funds before the March 28, 2025 hearing is resolved; and

(c) whether Stoiko and Masgras PC need to account for that portion of the AB Settlement in the amount of \$225,796.96 which was used to pay their legal accounts.

[30] As such, as part of my endorsement at the November 15, 2024 case conference, I directed that separate court proceedings would have to be commenced to the extent that these issues were unable to be resolved by the parties.

[31] Within that background, Adderley brought this motion seeking standing to participate in the Application.

Motion for Standing of Mark Stoiko and Masgras Professional Corporation

[32] Another motion was brought by Stoiko and Masgras PC returnable on January 8, 2025, the same date this matter was heard.

[33] Like Adderley, Stoiko and Masgras PC sought standing to participate in the Application.

[34] Before the motion of Stoiko and Masgras PC was heard, it was resolved on the basis that Stoiko and Masgras PC would be permitted to participate in the Application scheduled to be heard on March 28, 2025. Despite being resolved, some reference to the background of this motion is warranted.

[35] In an action commenced by BridgePoint against Stoiko and Masgras PC on April 25, 2024, Court File No. CV-24-00719073-0000, BridgePoint alleges that Stoiko and Masgras PC improperly disbursed and distributed monies from the AB Settlement contrary to the Loan

Agreement in an acknowledgement dated February 5, 2020 signed by Masgras PC (“the Acknowledgement”).

[36] Stoiko and Masgras PC take the position that monies from the AB Settlement were not included in the Loan Agreement. Any disbursement of these monies, therefore, was not contrary to the terms of the Loan Agreement nor the Acknowledgement.

[37] I reviewed the motion materials filed by Stoiko and Masgras PC because evidence filed in those materials were referenced and relied upon during the arguments of BridgePoint in the motion brought by Adderley. Those materials clearly demonstrate that the issues which will be argued at the Application will have a direct impact upon the litigation between BridgePoint and Stoiko and Masgras PC in Court File No. CV-24-00719073-0000.

Position of Adderley

[38] Adderley submitted that the Application changed the litigation landscape.

[39] Before the Application was issued, the core issue discussed by the parties was whether the Loan Agreement applied to the AB Settlement. The arguments submitted to date were that the Loan Agreement was limited to settlement funds resulting from the Tort Action, not the AB Claim. The position of BridgePoint insofar as the AB Settlement required a determination.

[40] However, in response to the endorsement of November 15, 2024, which directed BridgePoint to formalize its position by filing the Application, BridgePoint’s claim has not only been framed as an entitlement claim to the AB Settlement, but also as a “priority claim” defined by the Loan Agreement and secured by a PPSA registration.

[41] Adderley maintains that the priority issues were to be determined with the participation of all parties after BridgePoint’s entitlement to the AB Settlement was determined. Adderley wants the opportunity to address BridgePoint’s “place in line” if the Application results in a finding that the AB Settlement is subject to the loan agreements. However, if the Application is heard as it has been framed by BridgePoint – which seeks a declaration that BridgePoint is a secured creditor with respect to the AB Settlement – then BridgePoint’s “place in line” will be determined without any opportunity for Adderley or the other judgment creditors to make submissions on the issue.

[42] Adderley also made the point that these issues have been outstanding since July 2022. Over the past two and a half years, Adderley has participated in case management hearings on the assumption that only the entitlement of BridgePoint to the AB Settlement was in issue, and that priority of the claims to these monies would eventually be determined with the participation of all parties seeking satisfaction of their judgments from the proceeds available through the AB Settlement. Letting BridgePoint now “reshape” the process through its Application, which seeks secured creditor status, is prejudicial to Adderley, and had Adderley known this would happen, Adderley would have commenced her own application or court process to protect her claim to the AB Settlement.

[43] As such, Adderley seeks standing such that she be added as a party to the Application, either through Rule 5.03 or s. 67 of the PPSA.

Position of BridgePoint

[44] BridgePoint submitted that the Application was brought in direct response to my endorsement of November 15, 2024, and that BridgePoint's position has not changed over the past couple of years.

[45] BridgePoint claims an interest in the AB Settlement as created by the Loan Agreement. What the Application will determine is whether this claim has any merit and what BridgePoint's entitlement is to any portion of the AB Settlement.

[46] Still to be decided later is the priority of those seeking satisfaction of their judgments or claims as against the AB Settlement. If BridgePoint's interest in the AB Settlement is that of a secured creditor as opposed to simply a judgment creditor, then BridgePoint admits that this will impact the determination of priority as between those advancing a claim against the AB Settlement. However, that priority issue is different than the entitlement issue, and the Application being advanced only seeks an acknowledgement of BridgePoint's right to advance a claim as against the AB Settlement.

[47] Entitlement will be sorted out at the March 28, 2025 hearing.

[48] The issue of how the AB Settlement will be divided amongst the parties after the priorities of the parties are addressed will be determined once a decision in the Application has been made.

The Law

[49] Adderley seeks standing on the basis of joinder pursuant to Rule 5.03, as well as on the basis of section 67 of the PPSA.

Joinder

[50] Rule 5.03 provides as follows:

5.03(1) Every person whose presence is necessary to enable the court to adjudicate effectively and completely on the issues in a proceeding shall be joined as a party to the proceeding.

...

(4) The court may order that any person who ought to have been joined as a party or whose presence as a party is necessary to enable the court to adjudicate effectively and completely on the issues in the proceeding shall be added as a party.

[51] Where a proceeding will determine the rights of a person, then that person is a necessary party and should be added to the proceeding: see *Ontario Federation of Anglers and Hunters v. Ontario*, 2015 ONSC 7969, 128 O.R. (3d) 501, aff'd 2017 ONSC 441 (Div. Ct.).

[52] If a court is able to adjudicate the case effectively and completely, then it can properly decline to add a party to the proceeding: see *Canada (A.G.) v. Anishnabe of Wauzhushk Onigum Band* (2001), 9 C.P.C. (5th) 374 (Ont. S.C.).

Personal Property Security Act

[53] Section 67(1) of the PPSA provides as follows:

Upon application to the Superior Court of Justice by a debtor, a creditor of a debtor, a secured party, an obligor who may owe payment or performance of the obligation secured or any person who has an interest in collateral which may be affected by an order under this section, the court may,

...

(c) make any order necessary to determine questions of priority or entitlement in or to the collateral or its proceeds;

...

(e) make any order necessary to ensure protection of the interests of any person in the collateral, but only on terms that are just for all parties concerned ...

[54] This section impacts “any person who has an interest in collateral” and allows court orders which are “necessary to determine questions of priority or entitlement” to collateral and make any necessary orders which are just.

Decision

[55] In terms of making an order pursuant to Rule 5.03, the test for joinder relies upon the rights of a party being impacted by a litigation matter.

[56] The Application will not determine Adderley’s rights.

[57] The Application will address the ability of BridgePoint to advance a claim under the Loan Agreement against the AB Settlement. This will not impact Adderley’s right to obtain costs as against Steinberg. Those rights are secured by costs’ orders, judgments, and writs of seizure and sale which have been obtained and/or filed by Adderley. The Application will not impair Adderley’s right to advance a claim against Steinberg’s assets, including the AB Settlement.

[58] It is true that if the AB Settlement is deemed to be caught by the Loan Agreement, BridgePoint may have secured creditor status as alleged in its Statement of Claim, issued on April 25, 2024, against Steinberg by virtue of a PPSA registration dated May 30, 2013, which was renewed and expires July 17, 2026. In fact, the Application clearly seeks a declaration of BridgePoint's secured creditor status.

[59] Adderley's rights to realize upon its claims against Steinberg will not be impacted by the Application. Adderley's ability to seize the AB Settlement in order to satisfy judgment may be impacted if BridgePoint is successful in the Application. But while Adderley seeks the opportunity to share in the AB Settlement, she does not have a "right" to the AB Settlement, nor any of Steinberg's assets for that matter.

[60] One case put to me by both parties in support of their positions was *1889072 Ontario Limited v. Globealive Wireless Management Corp*, 2016 ONSC 3578, 37 C.B.R. (6th) 39.

[61] In that case, Globealive sought declarations that (i) it had a security interest in specific funds owing to a debtor and (ii) its interest took precedence over a judgment creditor relying on a garnishment.

[62] At para. 10 of the decision, Newbould J. commented that a determination of entitlement was a private matter between the secured creditor and debtor:

[The judgment creditor] argues that . . . the applicant had no right to require that receivable to be paid to it. That may be, depending on the terms of the security between the applicant and [the debtors], but it is only a matter between [the secured creditor] and [the debtor]. It cannot affect the rights as between the [secured creditor] and [the judgement debtor].

[63] My read of this case favours the position of BridgePoint, in that it makes clear Adderley has no right to have her judgment satisfied by monies from the AB Settlement. The issues of priority, i.e., the ability of the parties to satisfy their judgments from the AB Settlement, will be determined after the Application is decided. Priority of claims will depend on if, and when, the interests of the judgment creditors were secured.

[64] The presence of Adderley at the Application is not necessary to enable the court to properly determine the impact of the terms of the Loan Agreement. Whether or not Adderley is able to access the AB Settlement to satisfy her judgment for costs will not impact the interpretation of the Loan Agreement. The only parties who will be directly impacted by a determination of the terms of the Loan Agreement are Steinberg and BridgePoint.

[65] In addition, the determination of whether the Loan Agreement applies not only to monies from the Tort Action but also the AB Settlement, will be determinative of the issues between BridgePoint and Stoiko and Masgras PC. Presumably, it was on this basis that BridgePoint agreed that Stoiko and Masgras PC could participate in the Application hearing.

[66] Accordingly, I do not find that the test for joinder is made out and decline to exercise my discretion pursuant to Rule 5.03(1).

[67] On the other hand, the language and test for joinder is different than that expressed in the PPSA.

[68] Joinder deals with the rights of the party seeking standing.

[69] The PPSA deals with the interests of the party seeking standing.

[70] While Adderley's "rights" are not at stake in the issues to be determined in the Application, clearly Adderley's interests in the AB Settlement could be impacted by the outcome of the Application.

[71] My assessment that the PPSA is engaged on behalf of Adderley is based upon the following:

- a. Section 67(1) identifies a number of parties to whom this section applies, namely a debtor, a creditor of a debtor, a secured party, and obligor, or any person who has an interest in collateral.
- b. In considering whether "interest in collateral" means "security interest", I find that it does not, since the legislature could have used the term "security interest" and chose not to.
- c. "Any person who has an interest in collateral" is to be distinguished from a secured party who would have a security interest in collateral. Since "interest" and "security interest" are two different terms, they must have two different meanings which supports the view that Adderley is a person who has an interest in the AB Settlement which is collateral allegedly secured by BridgePoint.
- d. If not a person with an interest in collateral, then Adderley is a creditor of a debtor by virtue of Steinberg's debt owed to Adderley for costs.

[72] With Adderley's interests being engaged by this section of the PPSA, the question becomes whether or not any orders are necessary to determine questions of priority or entitlement in the AB Settlement in order to ensure Adderley's interests in the AB Settlement are protected.

[73] My understanding of the issues relating to the AB Settlement and the Trust Funds is that all parties who attended the November 25, 2024 case conference are advancing a claim or an interest in the AB Settlement. Adderley has maintained her right to be paid from the AB Settlement, and at no time during the case conferences before me or Warkentin J. were there any objections to Adderley or any of the other parties – Hacio Estate, Blott Estate, Stoiko, Masgras PC – participating in the process.

[74] In fact, the process set up to determine what happens with the Trust Funds includes the hearing of the Application to determine BridgePoint’s entitlement to the AB Settlement, and then a further process to determine the priority of all those seeking to be paid out of the Trust Funds.

[75] Adderley has consistently maintained a position that her costs’ orders should be paid out of the Trust Funds. While I do not find that she has a legal right to the AB Settlement or the Trust Funds, she clearly has an interest that will be impacted by the decision in the Application.

[76] I therefore exercise my discretion and permit Adderley to participate in the Application pursuant to s.67 of the PPSA.

[77] What terms, then, are just insofar as Adderley’s participation?

[78] The factual issues to be determined in the Application arise from the Loan Agreement signed by BridgePoint and Steinberg. Since the Application seeks to interpret that Loan Agreement, there is no basis for Adderley to contribute to the evidentiary record. Adderley is not a party to the Loan Agreement, was not involved in any negotiations that might have gone

into the formation of the Loan Agreement, and Adderley is therefore not granted leave to file any evidence with respect to the Application.

[79] I also direct that while Adderley can attend any cross examinations which are scheduled, she cannot participate in these cross examinations.

[80] I also take notice that Adderley's position on the Application will likely be very similar, if not identical, to the positions of Steinberg and Stoiko and Masgras PC. Adderley's participation is therefore only necessary to ensure that no stone is left unturned. Assuming that all relevant issues will be canvassed through the participation in the Application by Steinberg and Stoiko and Masgras PC, I am going to limit the extent to which Adderley can advance her position during the hearing scheduled for March 28, 2025.

[81] Adderley shall be permitted to file a Factum in support of her position limited to ten pages, not including Schedules A and B. In addition, Adderley's submissions during the Application shall be restricted to a total of twenty minutes, and shall follow the submissions of Steinberg and Stoiko and Masgras PC.

Costs

[82] Both Adderley and BridgePoint submitted costs' outlines and requested an order for costs following the decision in this motion.

[83] In considering the factors in Rule 57.01, including the expectations of the parties, I note that BridgePoint submitted a claim for partial indemnity costs in the amount of approximately \$4,000, and Adderley's partial indemnity claim totaled just over \$5,100.

[84] My decision agreed with the position of BridgePoint on the joinder issue. Adderley was successful based on the PPSA arguments. Ultimately, Adderley prevailed, and I am prepared to make an order for costs considering the success of both parties.

[85] Costs shall be ordered to be paid forthwith by BridgePoint in the amount of \$1,500 to Adderley.

“Original signed by”
The Hon. Justice S.J. Wojciechowski

Released: January 21, 2025

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Wojciechowski J.

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