

COURT OF QUEBEC
Small Claims Division

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL
Civil Division

No: 500-32-725485-249

DATE: June 9, 2026

BY THE HONOURABLE SCOTT HUGHES, J.C.Q.

JEREMY COOPERSTOCK
Plaintiff

v.

BANK OF MONTREAL
Defendant

JUDGMENT

[1] Jeremy Cooperstock is claiming moral and punitive damages from the Bank of Montreal (« BMO ») for its alleged negligence in its programming causing an incompatibility between its Online banking system and the VOIP¹ telephone line used by Mr. Cooperstock. Tardiness in advising him of the situation is also alleged.

[2] BMO denies liability and argues that the damages are grossly exaggerated.

¹ Voice Over Internet Protocol service.

CONTEXT

[3] Mr. Cooperstock is a longtime client of BMO and had, for many years, used its online banking system with VOIP telephone line without encountering any problems.

[4] As of April 2024, Mr. Cooperstock was no longer able to use the system correctly. He was intermittently but repeatedly blocked out of the system. Certain transactions were refused.

[5] Mr. Cooperstock contacted different BMO services, both by telephone and in person at his branch office to attempt to find the cause of the problem as well as the solution. All his efforts were fruitless. He also made complaints without receiving satisfactory answers to solve the problems.

[6] After one complaint, the BMO paid Mr. Cooperstock a \$200 goodwill indemnity.

ANALYSIS

[7] Mr. Cooperstock alleges that BMO is liable for the damages he claims because the modification of the programming caused the technical difficulties he suffered, and he was never made aware that his telephone line would no longer be compatible.

[8] As evidence of this, he invokes article 7 of the Online Banking Agreement² which in its 2024 version states that when using online banking, verification codes may be sent from time to time to validate a client's identity. This is referred to as the "2 Factor authentication". The agreement states that "We may send you a verification code via SMS, automated voice call, email or push notification to your mobile device".

[9] It is only in November 2025 that Mr. Cooperstock was advised that his problems were due to the programming and consequential incompatibility. As well, at this date, the Online Banking Agreement is modified with several additional provisos. The relevant indication is "Verification codes sent using SMS/text message can only be delivered to Canadian and US mobile numbers, SMS text messages may not be delivered to a Canadian or US mobile number that are associated with or assigned to voice over Internet Protocol (VOIP) service".

[10] Mr. Cooperstock argues that BMO should have known that its own programming, after years of correctly functioning with his VOIP system, would cause him the difficulties that he suffered. He should have been advised of this situation to allow him to organise his affairs accordingly. Neither BMO's technical department, nor its representatives at the branch office were able to resolve the sudden issues that its client was facing. In fact, BMO did at some point between April 2024 and November 2025 realise that its own

² Exhibit P-7.

programming had caused this situation since it added the relevant information to its Online Banking Agreement.

[11] The Court concludes that BMO did not act in a reasonably prudent and diligent manner,³ thereby engaging its responsibility. Its programming unwittingly caused incompatibility with Mr. Cooperstock's system without advising him (certainly, his situation using a VOIP system, must not be unique); it did not provide him with a swift diagnosis of its own system and no solution was offered thereby causing him inconvenience for nearly 18 months; it then discovered the problem and changed its agreement without any specific notice to its clients (a change in the Agreement, will, most likely, not be noticed by clients).

[12] This constitutes fault.

[13] BMO alleges that if Mr. Cooperstock was locked out of his account and some transactions were refused it was because of its fraud protection protocol. It pleads this proves it acted prudently. There is no probative evidence of this. Mr. Cooperstock's use of the online banking is not out of the ordinary. For instance, his use of the system while travelling is not, of itself, a risk of fraud. BMO's representatives who testified proved nothing that could warrant worries of fraud in Mr. Cooperstock's activities. In any case, the evidence shows that the real cause was the unknown incompatibility with VOIP telephone lines.

[14] However, BMO is correct in pleading that the damages claimed by Mr. Cooperstock are grossly exaggerated.

[15] These damages are allegedly both moral and punitive.

[16] There is no basis, in fact or in law, to grant punitive damages. The evidence does not show that BMO committed gross negligence, nor that it intentionally hid the truth thereby causing damage to its client (Mr. Cooperstock has presented no probative evidence of this serious accusation). It took too long to discover that its own system was causing the difficulties and even longer to advise Mr. Cooperstock of the situation. The technical support offered by BMO was not sufficient.

[17] The moral damages claimed are for the inconvenience Mr. Cooperstock suffered. The evidence shows that he spent, in the Court's estimation, at most four hours of his time either on the telephone with the bank or meeting personally with representatives at his local branch. Certainly, he suffered stress, but it is far from serious. In fact, the Court concludes that Mr. Cooperstock's motivation is, to some extent, to make an example of this situation. His evaluation for lost time and inconvenience (some \$3,000) is clearly an exaggeration.

³ Article 1458 C.c.Q. And a similar example : *Gervais c. Banque Royale du Canada*, 2025 QCCQ 2955.

[18] The Court must attempt to arbitrate in a just manner the value of the inconvenience suffered. The best evaluation available in this situation is to compare the damages here with the goodwill payment BMO made to Mr. Cooperstock after his first complaint in 2024. A goodwill payment of \$200 was then paid to him. The Court will use this value as a basis in its calculations now.

[19] An amount of \$400 will correctly indemnify Mr. Cooperstock for his time and frustration. His fees for professional services are certainly not the appropriate gauge to do this evaluation. His time was wasted, nothing else.

[20] Mr. Cooperstock has also proven one example of pecuniary damages. Because of BMO's fault, on one occasion when he was locked out of the system, he was unable to make a credit card payment on time. The evidence shows that an amount of \$77.15⁴ was charged as interest/penalty for late payment. This amount will also be granted.

WHEREFORE THE COURT HEREBY:

GRANTS plaintiff's application in part;

CONDEMNS Bank of Montreal to pay Jeremy Cooperstock the sum of \$477.15, plus interest at the legal annual rate and the additional indemnity provided for in section 1619 of the Civil Code of Québec, from October 3, 2024, date of the Demand letter, and legal costs in the amount of \$115.00.

SCOTT HUGHES, J.C.Q.

Date of hearing: April 13, 2026

⁴ Exhibit P-10.