

Discussion

[5] This is a motion for a default judgment. As a result, the allegations of fact in the statement of claim are admitted: Rule 19, *Rules of Civil Procedure* RRO 1990, Reg. 194. Even where facts are admitted, the motions judge is still required to scrutinize the admitted facts and any evidence to determine if the requested judgment is warranted. As stated by the Court of Appeal in *Paul's Transort Inc. v. Immediate Logistics Limited*, 2022 (ONCA) 573:

The motion judge is entitled to scrutinize both the deemed admissions in the pleading and any evidence tendered by the plaintiff to see whether the plaintiff is entitled to judgment: Salimijazi, at para. 28. (at para. 77).

[6] The deemed admissions establish money was loaned and not repaid. As such, the Plaintiff has established that there was a breach of the loan agreements: *Atlantic Lottery Corp. v Babastock*, 2020 SCC 19, para. 91. The Plaintiff is entitled to judgment in the amount of \$53,000.

[7] There is no evidence that would warrant punitive damages. The claim for punitive damages is denied.

[8] Similarly, there is no evidence that would warrant the higher substantial indemnity costs. Absent an offer triggering substantial indemnity costs, elevated costs are warranted "only where there has been reprehensible, scandalous or outrageous conduct on the part of one of the parties". *Young v. Young*, [1993 CanLII 34 \(SCC\)](#), [1993] 4 S.C.R. 3, [1993] S.C.J. No. 112, at p. 134 S.C.R. There was nothing in this proceeding that would rise to the level of warranting increased costs. Accordingly, costs shall be set using a partial indemnity scale.

[9] The Plaintiff is entitled to partial indemnity costs. There was no bill of costs submitted. Absent a bill of costs, I set the costs at \$2,500 which is an amount that is objectively reasonable, fair, and proportionate for the unsuccessful party to pay in the circumstances of the case: *Apotex Inc. v. Eli Lilly Canada Inc.*, 2022 ONCA 587, [2022] O.J. No. 3632, at para. 61, citing *Boucher v. Public Accountants Council (Ontario)* (2004), 2004 CanLII 14579, 71 O.R. (3d) 291 (C.A.).

[10] The Plaintiff is entitled to a judgment of \$53,000 plus \$2,500 with interest in accordance with the *Courts of Justice Act*. A draft order may be submitted for approval.

Callaghan J.

Released: April 20, 2026