

CITATION: **STUDERUS ELECTRIC INC. v. EDDJO INC.**, 2026 ONSC 2764
COURT FILE NO.: CV-25-2387
DATE: 2026-05-11

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:)
)
STUDERUS ELECTRIC INC.)
)
) David M. Sanders, Counsel for the
Plaintiff) Plaintiff
)
- and -)
)
)
)
EDDJO INC. c.o.b. as Strano Property)
Management) Jason DiFruscia, Counsel for the
) Defendant
DAVID L. STRANO)
)
BRAXX RAILINGS INC.)
)
)
)
Defendants)
)
)
)
) **HEARD: May 1, 2026**

2026 ONSC 2764 (CanLII)

REASONS FOR DECISION

MOSER J.

Overview

[1] Studerus Electric Inc. ("Studerus") brings a motion for partial default judgment against the defendants. The defendants were noted in default.

[2] Garson J. provided an opportunity to set aside the noting in default prior to the motion date. The defendants did not avail themselves of that opportunity.

[3] Counsel for the defendants attended and sought leave to make submissions, advising that the defendants did not oppose default judgment for liquidated damages, but opposed findings of fraud and mandatory relief. Counsel had no instructions to set aside the noting in default.

[4] Leave was denied. The defendants had notice and sufficient opportunity to respond. The motion proceeded.

Background

[5] The plaintiff supplied electrical equipment, installation, and services between 2022 and 2025. Numerous invoices were unpaid or partially paid.

[6] The parties entered into two acknowledgment agreements ("AA1" and "AA2"), confirming debt and payment terms. In reliance, the plaintiff continued to extend credit and supply services. The agreements were breached.

[7] Studerus is a corporation based in London, Ontario. Vincent Studerus is its principal.

[8] Eddjo Inc. operates as Strano Property Management. David Strano is its directing mind and signed AA1 and AA2 both personally and corporately.

[9] Braxx Railings Inc. is also an Ontario corporation and a signatory to AA2.

[10] The claim for liquidated damages is detailed and unopposed. Under Rule 19.02(1)(a), the defendants are deemed to admit the pleaded facts.

Breach of Contract

[11] The elements of breach of contract are established. The defendants must pay all outstanding amounts with pre-judgment interest at 26.82%.

Fraud and Negligent Misrepresentation

[12] The pleadings support findings of fraud. The defendants made representations they would pay debts, which were false and known to be false, or made with reckless indifference.

[13] The plaintiff relied on those representations and continued providing goods and credit, resulting in increased losses.

[14] The defendants undertook to provide lists of assets in AA1 and AA2 to secure the debt. These were not provided. The representations were fraudulent.

[15] The defendants acted to delay enforcement.

[16] The elements of negligent misrepresentation are also established.

[17] The defendants obtained services by fraudulent misrepresentation. The debt is not released by a discharge under s. 178(1)(e) of the *Bankruptcy and Insolvency Act*.

Additional Claimed Relief

[18] A valid contract bars unjust enrichment. Having awarded contractual damages, no unjust enrichment analysis is required.

[19] There is insufficient evidence to support a claim under the Fraudulent Conveyances Act.

[20] Piercing the corporate veil requires complete control and use of the corporation for fraud. While fraud is established, veil piercing is not necessary in this case.

[21] An oppression remedy is not warranted. The dispute is contractual and tortious, and the existing remedies are sufficient.

[22] Specific performance is incompatible with an award of full damages. A plaintiff cannot obtain both specific performance and full damages for breach of contract because the remedies are conceptually inconsistent. Simply put, when a contract is treated as breached it is compensated with damages, the contract is terminated. When the award is specific performance, the contract is treated as ongoing and enforced. Similarly, the request for mandatory injunctive relief is also incompatible with the award of full damages. The request for equitable relief is denied.

Order

[23] The defendants are liable for breach of contract and fraudulent misrepresentation.

[24] The contractual interest rate of 26.82% applies pre-judgment. The pre-judgment interest rate of 26.82% was contracted to as between the parties. There was no contractual term that extended this interest rate post judgment. Post-judgment interest is set at 4% under the *Courts of Justice Act*.

Costs

[25] Counsel for the plaintiff argued that he charges a lower than typical rate for a lawyer of his level of experience and year of call. He explained that he does this to allow access to justice for his mid-level corporate clients who would be unable to afford the hourly rate of counsel at larger firms. He argued that because of this his hourly rate is already being charged at a partial indemnity rate and asks for full indemnity of his fixed costs at \$15,000.

[26] I find this argument unsupported and inappropriate.

[27] Partial indemnity costs of \$9,000 are awarded.

Moser J.

Date: May 11, 2026