



**Citation: Reyes Villasenor v. Nordic Insurance Company of Canada, 2026 ONLAT
24-009750/AABS**

Licence Appeal Tribunal File Number: 24-009750/AABS

In the matter of an application pursuant to subsection 280(2) of the *Insurance Act*, RSO 1990, c I.8, in relation to statutory accident benefits.

Between:

Sergio Armando Reyes Villasenor

Applicant

and

Nordic Insurance Company of Canada

Respondent

DECISION

ADJUDICATOR: Lisa Holland

APPEARANCES:

For the Applicant: Moira Gracey, Counsel

For the Respondent: Purva Vaidya, Counsel

HEARD: By Way of Written Submissions

OVERVIEW

- [1] Sergio Armando Reyes Villasenor, the applicant, is the father of Mariana Reyes Gonzalez (the “insured”), who died as the result of injuries sustained in an automobile accident on June 6, 2023. The applicant sought benefits pursuant to the *Statutory Accident Benefits Schedule - Effective September 1, 2010 (including amendments effective June 1, 2016)* (the “*Schedule*”). The applicant was denied benefits by the respondent, Nordic Insurance Company of Canada, and applied to the Licence Appeal Tribunal - Automobile Accident Benefits Service (the “Tribunal”) for resolution of the dispute.

ISSUES

- [2] The issues in dispute are:
- i. Is the applicant entitled to \$10,000.00 for death benefits?
 - ii. Is the respondent liable to pay an award under s. 10 of Reg. 664 because it unreasonably withheld or delayed payments to the applicant?
 - iii. Is the applicant entitled to interest on any overdue payment of benefits?

RESULT

- [3] The applicant’s daughter was not a dependent of the applicant as defined in section 3(7)(b) of the *Schedule* and therefore, the applicant is not entitled to a death benefit.
- [4] No interest or award is payable.

ANALYSIS

Death Benefit

- [5] Section 3(1) of the *Schedule* defines an “insured person” as “the named insured, any person specified in the policy as a driver of the insured automobile and, if the named insured is an individual, the spouse of the named insured and a dependent of the named insured or of his or her spouse.”
- [6] Section 26 of the *Schedule* provides that an insurer shall pay a death benefit of \$10,000.00 to a person in respect of whom the insured person was a dependant at the time of the accident.

- [7] Subsection 3(7)(b) provides “a person is a dependent of an individual if the person is principally dependent for financial support or care of the individual or individual’s spouse.”
- [8] The leading case on this issue is *Miller v. Safeco Insurance Co. of America*, 1985 CanLII 2022 (ONCA), which set out four factors to be considered when determining whether someone is dependent: the amount and duration of dependency; the financial and other needs of the alleged dependent; and, the ability of the alleged dependent to be self-supporting.
- [9] The applicant submits that his daughter, Mariana was principally dependent on her parents, (the applicant and his spouse, Alicia Gonzalez Sanchez), for 51% of her financial needs at the time of the accident. The applicant submits that Mariana expected to graduate on June 14, 2023, just 8 days before she was killed in the accident. The applicant argues that although Mariana had a part-time co-op placement in her final term, she was still in transition toward financial independence.
- [10] The applicant relies on a summary of income and expenses for the period from August 2021 to June 2023, his Death and Funeral Benefits Application (OCF-4) and the assessment of financial needs report dated January 2, 2024, by Gloria Garcia. The applicant argues that Mariana was working in a co-op placement at the time, and that Ms. Garcia incorrectly estimated Mariana’s financial needs based on statistics rather than her actual needs.
- [11] The respondent submits that Mariana graduated with a post graduate degree in business from Humber College in May 2023, and she was working full-time at Rockwell Automation at the time of the accident.
- [12] I find that although the applicant submits that Mariana did not graduate until June 14, 20
- [13] 23, the tuition expenses end after the winter term 2023. I find that the Application for Accident Benefits (OCF-1) dated March 4, 2024, submitted on behalf of the Estate indicates that Mariana graduated on April 30, 2023, and she was working 40 hours per week at Rockwell Automation, with access to extended benefits. I further find that the pay statements from Rockwell Automation verify that by May 1, 2023, Mariana was working full-time hours and her hourly rate increased from \$24.00 per hour to \$40.51 per hour and she earned \$18,768.19 for the period from January 9, 2023 to June 3, 2023. I further find there are no records of payments to Mariana from her parents after February 9, 2023.

Was the applicant's daughter principally dependent on the applicant?

- [14] I find that the applicant's daughter was not principally dependent on the applicant at the time of the accident because she had graduated from school and she was working full-time.
- [15] The applicant submits that the factors in *Miller* are used to determine dependency based on the amount of dependency (over 50%); duration of dependency; the financial needs of the dependent person; and the ability of the person to be self-supporting. The applicant submits that the time frame for determining dependency should be the entire period that Mariana was in Canada from August 2021 to the date of the accident. The applicant argues that she had expenses such as travel expenses to return to Mexico, cell phone bills, medical insurance and a Canadian licence that the respondent's report did not consider. The applicant further submits that Mariana was in transition toward financial independence, which she had not yet achieved, at the time of the accident.
- [16] The applicant relies on a summary of income and expenses paid by the applicant, which includes all the income Mariana earned from August 2021 to June 2023 and the transfers and expenses paid by her parents for the same period, including expenses for tuition, medical insurance, and Telcel (a Mexican cell phone service provider). The summary does not include Mariana's actual living expenses. The applicant also relies on a summary of tuition paid to Humber College for 2021-2023; a tenancy agreement; and Mariana's credit card statements, which include charges for FIDO mobile and Rogers (Canadian cell phone providers), as evidence of Mariana's actual living expenses. On review of these documents, Mariana's actual living expenses include her rent of \$800.00 per month and average credit card expenses of \$1,649.22 per month in the 52-weeks before the accident.
- [17] The respondent relies on the assessment report of financial dependency dated January 2, 2024, prepared by Gloria Garcia, and a forensic accountant report dated December 4, 2024, by April Cugalj and Robert Pellegrini, accountants. The respondent submits that Mariana was able to contribute over 60% of her own basic financial needs.
- [18] The respondent argues that the applicant omits consideration of the mathematical, Low Income Cut Off ("LICO") and Market Basket Measure ("MBM") approaches to dependency. The LICO method uses statistical averages for estimated living expenses in the community where the person resides, and the MBM method uses the cost of meeting basic needs depending on family size, and community size in Canada. The respondent submits that April Cugalj and

Robert Pellegrini considered Mariana's net income of \$2,559.00 per month, and using the adjusted LICO method, estimated her living expenses of \$3,862.00 per month, including additional expenses for travel, tuition and medical insurance in the amount of \$21,999.38, for a period of 52-weeks before the accident. The respondent submits that Mariana was able to contribute 66% toward her financial needs using the adjusted LICO method.

- [19] The respondent further submits that their accountants also used the MBM method to calculate Mariana's dependency based on an estimated cost of living of \$2,397.00 per month, 51% of which is \$1,222.47. The respondent submits that the accountants' report also considered the additional expenses of \$21,999.38 for travel, tuition and medical insurance, and concluded that Mariana was able to meet 60% of her financial needs in the 52 weeks before the accident.
- [20] The respondent submits that using both the LICO and MBM methods, based on Mariana's average monthly income in the 52 weeks before the accident, she was able to meet a basic standard of living plus additional expenses.
- [21] While I appreciate that the applicant provided financial assistance to Mariana for a period of two years while she was enrolled at Humber College from the fall 2021 to the spring 2023, Mariana secured employment in January 2023, working 65 hours bi-weekly, and the applicant has not provided evidence that he continued to provide any financial support to Mariana after February 2023. I find that by May 2023, Mariana's position became permanent, and full-time with a substantial increase in her hourly rate.
- [22] I prefer the reasoning of the respondent and the forensic accounting report that Mariana was not principally dependent on the applicant. Firstly, Mariana's tax records indicate she was employed since her arrival in Canada in 2021 and her income increased significantly in 2022 to \$25,751.86. Further, Mariana's income climbed steadily in 2023 to over \$3,000.00, gross, bi-weekly at the time of the accident.
- [23] I find that the applicant has not established that Mariana was financially dependent on her parents in the 52-weeks before the accident. I accept the calculations of the respondent's accountants in applying the LICO and MBM methods, which concluded that Mariana was able to meet her basic financial needs using her average net income of \$2,559.00 per month over a period of 52 weeks before the accident. In addition, the respondent's accountants considered the additional expenses of travel for \$1,211.89; tuition for \$19,960.00; and medical insurance for \$827.49, which resulted in Mariana covering approximately 60-66% of her needs.

- [24] I find that a period of 52 weeks before the accident is a reasonable period of time to calculate Mariana's income and living expenses. I find that the respondent's calculations include the actual additional expenses of \$21,999.38 for tuition, travel and medical insurance in the 52 weeks before the accident. I find that the respondent's methods of calculating Mariana's living expenses using a statistical average of \$2,559.00 per month is comparable to Mariana's actual living expenses of \$800.00 rent plus average credit card expenses of \$1,649.22 per month, totaling \$2,449.22 per month.
- [25] In addition, I find that based on the applicant's summary, Mariana earned an income of \$34,637.62 and her parents sent her \$5,094.10, in addition to paying tuition, medical insurance, travel and cell phone expenses (Telcel), totaling \$21,963.40 in the 52 weeks before the accident. I find that the respondent has accounted for these additional expenses for tuition, travel and medical insurance in their accountants' report.
- [26] Therefore, the applicant has not met his burden to establish that Mariana was financially dependent on him in the 52-weeks before the accident.

The applicant is not entitled to interest or an award

- [27] Interest applies on the payment of any overdue benefits pursuant to s. 51 of the *Schedule*.
- [28] The applicant sought an award under s. 10 of Reg. 664. Under s. 10, the Tribunal may grant an award of up to 50 per cent of the total benefits payable if it finds that an insurer unreasonably withheld or delayed the payment of benefits.
- [29] The applicant submits that the respondent acted unreasonably for the following reasons:
- a. unnecessarily requiring an OCF-1;
 - b. failing to access documents;
 - c. failing to take action between January 2, 2024 to March 24, 2024; and
 - d. failing to provide the respondent's accountant with dependency documents.
- [30] The applicant submits that the respondent unreasonably withheld or delayed the payment of funeral expenses from the date they were submitted on August 8, 2023 to the date payment was received on November 20, 2023.

[31] The applicant filed his application to the Tribunal on August 7, 2024, which did not include funeral benefits as an issue in dispute. The applicant now seeks interest and an award for funeral benefits that were paid on November 20, 2023, before the date of the application.

[32] Since funeral benefits were not owed or delayed at the time the application was filed, I find that the applicant is not entitled to interest or an award. I further find that since the applicant is not entitled to a death benefit, interest and an award are not payable.

ORDER

[33] For the reasons set out above, I find that:

- i. The applicant's daughter was not a dependent of the applicant as defined in section 3(7)(b) of the *Schedule* and therefore, the applicant is not entitled to a death benefit.
- ii. The applicant is not entitled to interest or an award.
- iii. The application is dismissed.

Released: April 15, 2026



**Lisa Holland
Adjudicator**