CITATION: Security National Insurance Company et al v. Andrade, 2026 ONSC 3426
COURT FILE NO.: CV-24-00721612-0000
DATE: 20260610

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: Security National Insurance Company et al. Plaintiff

– and –

Myrna Andrade Defendant

BEFORE: Merritt J.

COUNSEL: *David Zarek, Selina Ferenac,* for the Plaintiff

Myrna Andrade, Self-Represented

READ: June 10, 2026

ENDORSEMENT

OVERVIEW

[1] Security National brings a motion for default judgment against the Defendant Myrna Andrade.

[2] The action arises out of a motor vehicle accident on January 11, 2024 in which the Plaintiff Lyubov Nakonechna was injured. Ms. Nakonechna's vehicle was rear-ended by a vehicle driven by Ms. Andrade.

[3] The Plaintiff sued Ms. Andrade and her own insurer Security National.

[4] Security National filed a defence and cross-claim against Ms. Andrade. Ms. Andrade did not defend the cross-claim and was noted in default on April 17, 2025.

[5] Security National settled Ms. Nakonechna's claim for $103,000.00 "all inclusive" and she assigned her rights against Ms. Andrade to Security National to permit it to pursue subrogation against Ms. Andrade.

[6] On July 11, 2025 Security National obtained an Order to Continue this action naming it as the plaintiff.

[7] On July 17, 2025 Brownstone J. ordered Security National to serve the motion for default judgment and a copy of her endorsement allowing the Defendant an opportunity to notify it by August 25, 2025 that she seeks to respond, failing which the motion would proceed in writing.

[8] Security National filed an affidavit of attempted service of the motion materials. The affidavit is sworn by Derek Lanctot. Mr. Lanctot's evidence is that he attempted unsuccessfully to serve the motion material and endorsement of Brownstone J. at 58 Marathon Crescent, North York on July 24, 2025 but was advised by a woman who answered the door that Ms. Andrade no longer lives at that address.

[9] The endorsement of Brownstone J. provides that the affidavit of service should provide particulars of a basis for a judge to find that the Defendant received the statement of claim and motion record or otherwise knows about the lawsuit.

[10] In my October 15, 2025 endorsement I said that I was not satisfied that Security National has made reasonable attempts to serve Ms. Andrade and adjourned the motion to be heard in writing to afford Security National an opportunity to serve Ms. Andrade or provide evidence as to why an order dispensing with service is appropriate.

SERVICE

[11] On October 28, 2025, Security National contacted Corpa Investigations to conduct a "Skip Trace" search on the Defendant. Corpa Investigations reported that the Defendant does in fact continue to reside at 58 Marathon Crescent, despite what the process server was told when they attempted service on July 24, 2025.

[12] On November 9, 2025, the process server attempted to serve Defendant again at 58 Marathon Crescent and left the motion materials with the Defendant's son, John Albelda Myrna, who appeared to be an adult in the same household as the Defendant.

[13] The process server made a further attempt at personal service at 58 Marathon Crescent on December 16, 2025 and a neighbour advised that the Defendant had moved out a week prior.

[14] Security National asked Corpa Investigations to obtain a new address for the Defendant and they on December 18, 2025 Corpa Investigations advised that the Defendant's son provided a new address for the Defendant as follows: 2 Twinberry Vaughan, Ontario, L4L 3X6. Service was attempted at this address on December 19, 2025 but the Nesars advised that they had been renting the property for two to three months and there was no one named Myrna Andrade living there.

[15] Copra Investigations advised waiting 60-90 days before ordering another "Skip Trace" and Security National followed that advice.

[16] On March 10, 2026 Copra Investigations found a new potential address for the Defendant: 14 Jarett Court, Vaughan Ontario, L6A 3W4 but was unable to confirm that the Defendant resides at 14 Jarett Court.

[17] On March 20, 2026 the process server attempted to serve the Defendant at 14 Jarett Court. The Defendant's son advised the process server that the Defendant does not live at that address.

[18] On March 23, 2026 the process server advised that they have exhausted all efforts to locate the Defendant. Her valid Ontario driver's license lists 58 Marathon Crescent as her address. Her

last known phone number is out of service. Other relevant searches including property searches, utilities searches and social media searches have been unsuccessful.

[19] Rule 16.04(1) provides that the court may make an order for substituted service where it appears that it is impractical for any reason to effect prompt service. When seeking an order for substituted service, the plaintiff "must satisfy the court, on proper evidence, that the proposed method of substituted service will have "some likelihood" or a "reasonable possibility" of bringing the action to the attention of the defendant: *Chambers v. Muslim*, [2007] O.J. No. 3855(QL) at para. 13.

[20] Rule 16.08 provides: Where a document has been served in a manner other than one authorized by these rules or an order, the court may make an order validating the service where the court is satisfied that,

> (a) the document came to the notice of the person to be served; or
>
> (b) the document was served in such a manner that it would have come to the notice of the person to be served, except for the person's own attempts to evade service.

[21] I order that service on the Defendants by leaving the motion materials with Defendant's son, John Albelda Myrna is validated because I am satisfied that the motion materials came to the Defendant's attention when they were left with her son, or would have come to her attention but for her attempts to evade service.

DEFAULT JUDGMENT

[22] Pursuant to r. 19.02, having not defended the proceeding, a defendant is deemed to admit the truth of all allegations of fact made in the Statement of Claim.

[23] However, pursuant to r. 19.06 a plaintiff is not entitled to judgment on a motion for judgment or at a trial merely because the facts alleged in the statement of claim are deemed to be admitted, unless the facts entitle the plaintiff to judgment.

[24] In particular, r. 19.05 provides that a motion for judgment which involves unliquidated damages shall be supported by evidence given by affidavit.

[25] The test on a motion for default judgement is: A. What deemed admissions of fact flow from the facts pleaded in the Statement of Claim? B. Do those deemed admissions of fact entitle the plaintiff, as a matter of law, to judgement on the claim? C. If they do not, has the plaintiff adduced admissible evidence which, when combined with the deemed admissions, entitle it to judgement on the pleaded claim? *Elekta Ltd. v. Rodkin*, 2012 ONSC 2062 at para. 14.

[26] I am satisfied that the plaintiff has established liability based upon the following deemed admissions from the Statement of Claim, together with the evidence from the affidavit of Adel Pippo.

[27] The Plaintiff Lyubov Nakonechna claims she was injured in a motor vehicle accident on January 11, 2024. The Plaintiff's car was "rear-ended" by a car driven by the Defendant Myrna

Andrade. The Plaintiff sued Ms. Andrade for negligence and sued their own insurer Security National.

[28] Ms. Andrade was noted in default on April 17, 2025 and has not participated in this action.

[29] Security National filed a Statement of Defence and Crossclaim on July 11, 2025 and obtained an Order to Continue naming Security National as the Plaintiff.

[30] The Plaintiff settled her claim for $100,000 inclusive of damages, interest and costs plus $3,000 for disbursements and assigned any right to recovery to Security National.

[31] When an insurer is moving to recover the amount of a settlement, strict proof of damages can be impractical and expensive. In such cases, the amount of settlement may be adopted as the measure of damages if the insurer establishes that the settlement was reasonable: *Bell v. Chatrie*, 2019 ONSC 251 at para 10.

[32] The settlement is reasonable if it is in the range of what the Plaintiff would have recovered had the matter proceeded to trial: *Bell* at para 11.

[33] The Plaintiff had preexisting medical issues including headaches, shoulder and back pain, vertigo and mental health issues.

[34] After the accident the Plaintiff was treated by her family doctor for wrist and shoulder pain and headaches. She had physiotherapy and chiropractic treatment for her head, neck, back, shoulder, forearm, wrist and shin.

[35] The Plaintiff was assessed by a Neurologist and General Practitioner on June 24, 2024 who concluded that she sustained minor injuries in the accident from a neurological and physical perspective.

[36] A TMJ specialist diagnosed the Plaintiff with a TMJ disorder on September 4, 2024 and noted there was significant potential for chronic problems.

[37] A Neurologist diagnosed the Plaintiff with Carpel Tunnel Syndrome, sent the Plaintiff for an MRI, recommended continuing therapy and prescribed a wrist splint to be worn nightly for 14 months.

[38] On January 20. 2025, the Plaintiff was diagnosed with chronic post traumatic headaches chronic neck pain, chronic lower back pain, NOS adjustment disorder with anxiety Insomnia, carpal tunnel syndrome, and bilateral Knee tendinitis. The doctor opined that these conditions were affecting the Plaintiff's ability to work.

[39] On March 5, 2025 the Plaintiff met with the TMJ specialist again. She was unable to open her mouth and had a fractured tooth which may have occurred as a result of the accident. A bite splint to be worn at night was recommended.

[40] The Plaintiff worked as a teaching assistant and was off work as a result of the accident until at least March, 2026.

[41] In my view there is ample evidence that the settlement of $100,000 plus disbursements of $3,000 is reasonable and well within the range of what the Plaintiff would have recovered had the matter proceeded to trial.

[42] Had the matter proceeded to trial the Defendant would most certainly be found liable given that it was a "rear-end" accident.

[43] Security National assessed the damages as follows:

1. General Damages $50,000 to $75,000 (gross) or $3,209.95- $28,209.95 (net of the deductible)

2. Loss of Competitive Advantage $50,000

3. Housekeeping $10,000 to $15,000

[44] The total assessment was $65,000 to $140,000 plus costs. This assessment is within the range of what the Plaintiff would have recovered at trial.

[45] The settlement of $103,000 is reasonable.

[46] Security National is entitled to a judgment in the amount of $103,000 against the Defendant.

COSTS

[47] Security National requests costs on a substantial indemnity basis in the amount of $11,986.95 inclusive of disbursements.

[1] Costs on an elevated scale may be warranted where they are explicitly authorized under r. 49.10 as a result of a failure to accept an offer to settle. Costs on an elevated scale may also be warranted where the unsuccessful party has engaged in behaviour worthy of sanction: *Clost v. Rennie*, 2024 ONSC 1012 at para 7

[2] Costs on a substantial indemnity scale may be warranted where the unsuccessful party has engaged in behavior that is reprehensible, scandalous, or outrageous, and worthy of sanction: *Davies v. Clarington (Municipality)*, 2009 ONCA 722, 100 O.R. (3d) 66, at para. 28; *Young v. Young*, [1993] 4 S.C.R. 3 (S.C.C.), at p. 134. Substantial indemnity costs are to be awarded "in rare and exceptional cases to mark the court's disapproval of the conduct of the party in the litigation": *Hunt v. TD Securities Inc*. (2003), 66 O.R. (3d) 481 (Ont. C.A.), at para. 123.

[3] Conduct worthy of sanction may include the circumstances giving rise to the litigation as well as the conduct in the proceedings: *Mars Canada Inc. v. Bemco Cash & Carry Inc.*, 2018 ONCA 239, 140 O.R. (3d) 8, at para. 43 citing *Mortimer v. Cameron* (1994), (ON CA), 17 O.R. (3d) 1 (C.A.), at p. 23.

[4] A substantial indemnity costs award is justified if "the proceedings are clearly vexatious, frivolous, or an abuse of process". *100 Bloor Street West Corporation* at para 71 citing *Lewis v.*

Lewis, 2019 ONCA 690, 49 E.T.R. (4th) 175, at para. 17; *1588444 Ontario Ltd. v. State Farm Fire and Casualty Company*, 2017 ONCA 42, 135 O.R. (3d) 681, at para. 53.

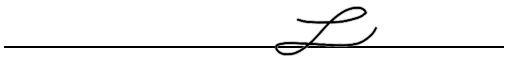
[5] There were no offers to settle and the Defendant has not engaged in behavior that is reprehensible, scandalous, or outrageous, and worthy of sanction. The proceeding was not clearly vexatious, frivolous, or an abuse of process.

[6] Security National is entitled to costs on a partial indemnity basis.

[7] Security National's partial indemnity costs are $9,323.18,

[8] I have considered the factors under r. 57.01(1) including the time spent, rates charged, reasonable expectations of the parties, as well as the amount claimed by the Plaintiff in the statement of claim. In my view, having regard to all of the factors, I find that $9,323.18 inclusive of HST and disbursements is appropriate.

[9] The plaintiff shall file, upload to CaseCenter and provide to me, by way of an email to my Judicial Assistant, the details of the prejudgment interest calculation together with a draft judgment in Word.



Merritt J.

Date: June 10, 2026

CITATION: Security National Insurance Company et al v. Andrade, 2026 ONSC 3426
COURT FILE NO.: CV-24-00721612-0000
DATE: 20260610

ONTARIO

SUPERIOR COURT OF JUSTICE

BETWEEN:

Security National Insurance Company et al.

Plaintiff

– and –

Myrna Andrade

Defendant

REASONS FOR JUDGMENT

Merritt J.

Released: June 10, 2026