CITATION: Raymond Bourret Consulting Services Inc. v. 3819922 Canada Inc. et al, 2026 ONSC 6545
COURT FILE NO.: CV-25-99931
DATE: 2026/11/20

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: Raymond Bourret Consulting Services, Plaintiff

AND:

MBC ENGINEERING GROUP INC. and 3819922 CANADA INC., Defendants

BEFORE: The Honourable Justice A. Kaufman

COUNSEL: C. Ryan Bodnar Counsel for the Plaintiff

HEARD: November 19, 2026

2026 ONSC 6545 (CanLII)

ENDORSEMENT

[1] The plaintiff moves for default judgment arising from the termination of two agreements between the parties. The defendants were served with the statement of claim, did not deliver a defence, and were noted in default on July 29, 2025.

[2] Rule 19.02(1) of the *Rules of Civil Procedure* provides that a defendant who has been noted in default "is deemed to admit the truth of all allegations of fact made in the statement of claim." Rule 19.05 permits a plaintiff to move before a judge for judgment against a defendant who has been noted in default. The deemed admissions do not, however, relieve the Court of determining the legal consequences that flow from the admitted facts, including the proper interpretation of the parties' agreements.

[3] The plaintiff began providing services to the defendant in approximately 2015. In 2018, the parties entered into a consulting agreement. That agreement was replaced by a written Consulting Services Agreement effective January 1, 2020, under which the plaintiff was paid a monthly consulting fee of $10,000 plus HST. In 2021, the parties also entered into a Commission Sales Agreement that put into writing an existing verbal arrangement under which the plaintiff was entitled to a commission of 1% of the defendant's total income for each fiscal year. The plaintiff's evidence is that the defendant's revenues had grown to approximately $17 million annually.

[4] The Consulting Agreement expressly contemplated its termination by either party. The plaintiff could terminate on 30 days' written notice. With respect to termination by the defendant, clause 6.1(b) provides for termination "at any time upon a thirty (90) days written notice by MBC to the Consultant." Although the words and number are

inconsistent, for the purpose of this motion I accept as more likely that the parties intended the defendant's notice period to be 90 days. The reference to “thirty” appears to have been carried forward from the immediately preceding provision concerning termination by the plaintiff, while the number 90 was inserted deliberately.

[5] The Commission Sales Agreement must be considered in that context. It provides for the plaintiff to receive a commission of 1% of the defendant's total income for each fiscal year. Clause 8, entitled “Summary Termination of Representation and Selling Rights,” provides:

> “If the Agent breaks any term of this agreement, the MBC Group may *summarily* terminate the Representation and Selling Rights on notice in writing to the Agent”. (emphasis added)

[6] I do not interpret that provision as requiring the defendant to retain the plaintiff as its sales agent indefinitely, nor as conferring upon the plaintiff a right to receive 1% of the defendant's total income in perpetuity. A reasonable interpretation is that clause 8 permits summary termination, that is, termination without the notice otherwise required, where the plaintiff breaches the Commission Sales Agreement. It does not follow that a breach by the plaintiff is the only circumstance in which the commercial relationship between the parties could ever be brought to an end.

[7] In reaching that conclusion, I have applied the principles in *Sattva Capital Corp. v. Creston Moly Corp.*, 2014 SCC 53, [2014] 2 S.C.R. 633. Contractual interpretation requires a practical, common-sense consideration of the contract as a whole, with the words given their ordinary and grammatical meaning consistently with the surrounding circumstances or factual matrix known to the parties when the contract was made. The factual matrix cannot overwhelm the contractual language, but it assists in determining the parties' objective intentions: *Sattva*, at paras. 47, 56-58.

[8] Here, the Commission Sales Agreement cannot sensibly be considered in isolation from the Consulting Agreement. Indeed, the Commission Sales Agreement records that the underlying verbal commission arrangement formed part of the consulting relationship and predated the written Commission Sales Agreement. The two agreements governed different aspects of the same continuing commercial relationship.

[9] Of particular significance, the parties had expressly addressed how their ongoing relationship could be brought to an end. The Consulting Agreement permitted the defendant to terminate the plaintiff's engagement on 90 days' written notice. It would make little commercial sense to conclude that the defendant could terminate the plaintiff's consulting services on 90 days' notice while nevertheless remaining obliged indefinitely to retain the plaintiff as its sales agent and to pay the plaintiff 1% of its total income in perpetuity. I therefore do not give effect to the plaintiff's submission that the Commission Sales Agreement could be terminated only if the plaintiff breached its terms.

2026 ONSC 6545 (CanLII)

[10] The defendants terminated the agreements on April 8, 2024, without alleging any breach by the plaintiff. The plaintiff was therefore entitled to the benefit of the 90-day notice period.

[11] As to damages under the Consulting Agreement, I accept the pleaded facts concerning the two unpaid invoices and the plaintiff's entitlement to three months' remuneration in lieu of the contractual notice period. The materials establish invoice no. 171 in the amount of $13,217.27, invoice no. 172 in the amount of $14,718.23, and $33,900 for the three-month notice period. The total under the Consulting Agreement is therefore $61,835.50. [1]

[12] With respect to the Commission Sales Agreement, I accept the pleaded allegation that the defendant's annual revenues were approximately $17 million. A 1% annual commission is therefore $170,000. The plaintiff is entitled to that commission from January 1, 2024 until termination of the agreement, together with the 90-day notice period. That takes the compensable period to July 7, 2024. Prorated over the 189 days from January 1 to July 7, 2024, inclusive, the commission is $87,786.89. The plaintiff is not entitled to commissions beyond that date.

[13] Judgment will therefore issue in favour of the plaintiff in the amount of $149,622.39, consisting of $61,835.50 owing under the Consulting Agreement and $87,786.89 owing under the Commission Sales Agreement, together with prejudgment and postjudgment interest in accordance with the *Courts of Justice Act*.

[14] I have reviewed the plaintiff's costs outline. I fix the plaintiff's costs of the action and this motion at $10,000, all-inclusive, payable by the defendants.

[15] The plaintiff may send a draft order, in accordance with these reasons, to my attention.

Justice A. Kaufman

Date: November 20, 2026

[1] The record supports $61,835.50, not $64,835.50, for the consulting component. Invoice 172 is actually for $14,718.23, although the statement of claim describes it as $17,718.23.

2026 ONSC 6545 (CanLII)