

CITATION: Nguyen v Adas, 2022 ONSC 2541
COURT FILE NO.: CV-18-00004360-0000
DATE: 2022 04 26

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

Giang Long Nguyen

Plaintiff

- and -

Abdelraheem Adas

&

Krystalynn Kaur Manu

Defendant

)
)
) John S. Contini, for the Plaintiff
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)
)

) Justin J. Robinson and Tahir
) Khorasanee for the Defendant
)
)
)

) Self-represented
)
)

) **TRIAL HEARD:** February 23, 24, 25,
) 2022, Closing Submissions received
) April 8, 2022

REASONS FOR JUDGMENT

MCGEE J.

Decision

[1] This is a case of a breach of fiduciary duty between partners and civil fraud. In 2014, the defendants, Mr. Adas and Ms. Manu were common law spouses who led the

plaintiff, Mr. Nguyen to believe that Mr. Adas had expertise in the trucking business, an industry in which Mr. Nguyen was interested and wanted to invest.

[2] On April 26, 2017 Mr. Nguyen gave the defendants \$100,000 for the advance costs of setting up a trucking business with Mr. Adas. Despite the execution of a formal Partnership Agreement between Mr. Nguyen and Mr. Adas on May 5, 2018, and Mr. Adas' ongoing assurances to his partner into June of 2018 that all was well, no business was ever established. Instead, Mr. Adas and Ms. Manu used the money for their own purposes.

[3] Mr. Nguyen obtained a default Judgement against Mr. Adas and Ms. Manu on July 16, 2019 which requires the defendants to repay the full amount of \$100,000 jointly and severally to Mr. Nguyen, with costs of \$11,872.11 and post judgment interest. The judgement as against Ms. Manu stands.

[4] The default judgement against Mr Adas was set aside on September 22, 2020, and he was granted leave to file a Statement of Defence. He defends the action against him, stating that Mr. Nguyen entered into an agreement only with Ms. Manu at some point in April of 2017, for a one-year loan in the amount of \$100,000 to be repaid to Mr. Nguyen at 20% interest.

[5] In support of his defense, Mr. Adas points to prior investments that Mr. Nguyen made with Ms. Manu, a written agreement between Mr. Nguyen and Ms. Manu that he has never produced, and they deny exists; and an April 26, 2017 Agreement signed only by Mr. Nguyen and Ms. Manu that acknowledges receipt of the \$100,000.

[6] In the reasons set out below, I do not find that Mr. Adas' assertion of a loan between Mr. Nguyen and Ms. Manu has been proven on a balance of probabilities.

[7] In my view, the evidence is clear that Mr. Adas and Ms. Manu misrepresented their intended use for the \$100,000, which was to secure personal funds to benefit themselves: first, by relieving their immediate circumstances, and then by using the remainder of the advance to flip a residential property in Midland, Ontario with Ms. Manu's sister, Sara Manu.

[8] By the end of August 2017 the real estate project had failed; but for a full year thereafter, Mr. Adas continued to misrepresent to Mr. Nguyen that all was well with their trucking business. He even entered into a formal Partnership Agreement with Mr. Nguyen on May 5, 2018. Then Mr. Adas and Ms. Manu issued a separate Statement of Claim against Sara Manu in the Toronto Superior Court of Justice on May 16, 2018 in an ultimately futile bid to recover the moneys received from Mr. Nguyen.

[9] It is agreed that Mr. Nguyen knew nothing about the real estate venture or its subsequent litigation until it was discovered during this proceeding. Mr. Nguyen only learned that there was no trucking business, and that his money had been lost in August of 2018. He issued this Statement of Claim on October 12, 2018.

[10] This trial of the claim as against Mr. Adas was organized by Justice McSweeney in her endorsement of December 8, 2021 and it proceeded under the simplified rules. Direct evidence was received by way of affidavit upon which there was cross examination. The trial was heard over three days, with closing submissions in

writing on a schedule finishing April 8, 2022. For the reasons set out below, I grant the Judgement sought by Mr. Nguyen in the form of the draft Order filed by his counsel with his closing submissions.

Reasons for Decision

Credibility of the Plaintiff and the Defendant Mr. Adas

[11] Where the evidence of Mr. Adas conflicts with the evidence of Mr. Nguyen, I prefer the evidence of Mr. Nguyen. He gave straightforward, internally consistent, and logical evidence throughout his testimony. Mr. Nguyen was forthright about events that did not place him in a favourable light, such as why he advanced the funds on so little assurance. Mr. Nguyen was not shaken during his cross examination. His evidence was supported by the exhibits tendered by both parties, the timeline of events, and the proven conduct of the parties, including that of Ms. Manu.

[12] In contrast, Mr. Adas' cross examination was fraught with contradictions. He contradicted his direct evidence given by affidavit, which was at odds with his Response to Request to Admit, which varied on key points with the Statement of Claim against Ms. Manu's sister in the Toronto proceeding. He consistently answered questions in a manner that placed him in the most favourable light, even when his answer was logically unsound.

[13] For example, Mr. Adas testified that on April 26, 2017 he was merely the driver for his girlfriend who was meeting Mr. Nguyen at the TD Bank in Mississauga. He answered that he didn't ask why she stayed in the car while he attended inside the Bank

with Mr. Nguyen, or why the bank draft was payable to him. He suggested that it was because Ms. Manu didn't have an account in her name, then he later contradicted his assertion when he stated that he and Ms. Manu had a joint account.

[14] Mr. Adas testified that the signature on a \$40,000 cheque to Ms. Manu's sister for the purchase of the Midland property which had been drawn on the \$100,000 advanced by Mr. Nguyen, was not his signature and that he knew nothing about it at the time; but at paragraph 9 of his Statement of Claim against Ms. Manu's sister, it reads, "[o]n May 15, 2017 the plaintiff Abdelraheem Adas provided a cheque in the amount of forty thousand (\$40,000) which would be the exact amount for the down payment on 607 Dominion Ave., Midland, Ontario.

[15] When a copy of the Toronto Statement of Claim was placed before him, he incredibly denied being involved in the lawsuit, claiming that it was Ms. Manu who had drafted it alone and affixed his signature without his knowledge.

[16] Not much later in his cross examination, Mr. Adas had to be reminded that he had testified that his signature on the \$40,000 cheque had been forged. While reviewing a series of messages exchanged within a What's Up chat between he, Ms. Manu and her sister, he agreed with plaintiff's counsel that he had messaged that "we" needed to provide the \$40,000 cheque for the down payment. He then became evasive and could not explain why in one moment he stated that his signature on the cheque was forged, and in another, that it was his contribution to the real estate venture undertaken by the couple and Sara Manu.

[17] Mr. Adas' testimony was further undermined by the evidence of his own witnesses: particularly Ms. Manu and her sister, Sara Manu. In his opening statement, Mr. Adas' counsel stated that each were being called to corroborate his testimony, but instead they contradicted Mr. Adas on every key point.

Evidence of the Co-Defendant Ms. Manu and her Sister, Sara Manu

[18] Given her admitted role in the scheme, I approached Ms. Manu's evidence with caution, and nonetheless, found her evidence on the key points to be consistent with the documents tendered, the agreed timelines and the conduct of the parties.

[19] Ms. Manu testified that she did not borrow \$100,000 from Mr. Nguyen. She denied any purported terms of a loan, the proposed purpose of the loan relied upon by Mr. Adas in his defence at this Trial, that is, that the monies were advanced for an unspecified real estate investment, and she denied meeting with Mr. Nguyen at her place of employment, the Mississauga Coldwell Banker offices to sign an agreement to that effect.

[20] Ms. Manu confirmed that the \$100,000 received from Mr. Nguyen was deposited to a joint chequing account with Mr. Adas to which she had access, but she then added that she did not have access to the savings account where he transferred approximately \$80,000 of the funds after the initial dissipation of the \$20,000.

[21] Ms. Manu testified that she introduced Mr. Nguyen to her boyfriend, Mr. Adas in early 2017 and that the advance of \$100,000 was solicited on the premise of starting a joint trucking company. Meanwhile, the couple had been looking for a suitable real

estate investment in which they could realize a profit. She spoke of how they found a property in Midland Ontario, and after receiving the moneys from Mr. Nguyen, purchased the property in her sister's name. She explained that it had been purchased in her sister's name alone because neither she nor Mr. Adas could qualify for a mortgage given their poor credit ratings. When the real estate venture failed, there was no money left to repay Mr. Nguyen.

[22] Neither Ms. Manu nor her sister's evidence on these key points was successfully challenged or diminished. I found Sara Manu's testimony to be clear, cogent, and unassailable. In my view, she has no reason to provide untruthful or self-serving evidence. She has no relationship with her sister as subsequent dealings between them have caused her personal and economic loss. She has never met Mr. Nguyen and has no reason to assist him.

[23] I agree with plaintiff counsel's submission that Ms. Manu and her sister, Sara Manu's evidence was devastating to Mr. Adas' purported defence. I find that their evidence further diminished Mr. Adas' credibility. Not only did he contradict himself, but his own witnesses also contradicted him.

[24] Ms. Manu testified that she has deliberately taken no steps to set aside the judgement against her in this action and she volunteered in her testimony that she would do what she could, to make things right. She advised the Court that she spoke to Mr. Adas after she was served with his summons to witness for this trial. At that time that he had assured her that he was going to take care of the matter and pay Mr. Nguyen back.

The Defense is Not Plausible

[25] Mr. Adas asks the Court to find that Ms. Manu borrowed \$100,000 from Mr. Nguyen to be used in an unspecified real estate investment, on terms that the \$100,000 was to be repaid with 20% interest within one year. Should the court so find, he argues that he bears no legal responsibility for the non-payment, and the case against him should be dismissed.

[26] I find his assertion to be implausible because:

- a. The two parties to the purported agreement: Mr. Nguyen and Ms. Manu deny any such agreement. Specifically, Ms. Manu states that there was no discussion of a real estate investment at the Canyon Creek meeting on April 23, 2017, at which it was agreed that Mr. Nguyen would advance \$100,000 to start the trucking company. She acknowledges that she had received two prior advances from Mr. Nguyen as investments in AirBnB properties, one in the amount of \$5,000 and a second in the amount of \$10,000, and that their business relationship never advanced beyond those transactions.
- b. Mr. Adas changed his testimony several times as to whether there was another meeting between Mr. Nguyen and Ms. Manu at Coldwell Banker, where Ms. Manu was then employed. At first, he stated that a meeting had occurred in February or March of 2017, but later he stated that the meeting was on April 25, 2017.
- c. Mr. Adas' claim that Mr. Nguyen and Ms. Manu signed a handwritten agreement at the Coldwell Banker meeting for a one-year loan at a 20% rate of return was to be corroborated by his witness, Ms. Manu. Instead, she categorically denied any such agreement, and testified that the meeting was for Mr. Nguyen and Mr. Adas to further discuss arrangements for the trucking business. She states that she was only briefly in and out of the meeting as she was dealing with other matters at the office.
- d. Mr. Adas has never produced a copy of the purported loan agreement.

- e. Mr. Nguyen testified that he decided to invest \$100,000 into the new trucking business a day or two after meeting with Mr. Adas at the Canyon Creek restaurant and that he had relied on the defendant's representation that it would take some time to get the contracts and licenses arranged, accepting their advice that in the meantime, they would need some funds to get started. Mr. Nguyen agreed to provide the \$100,000, but he wanted something in writing to show that the money had been received, and Ms. Manu offered to prepare a receipt. That is the only reason why only his and Ms. Manu's signatures are on the receipt.

Agreement to Enter into a Partnership Agreement for a Trucking Business

[27] It is far more plausible, and consistent with the record in this application that Mr. Nguyen and Mr. Adas agreed to enter into a partnership agreement in April of 2017 to establish a trucking business. Mr. Nguyen saw an opportunity to capitalize on the increase in small deliveries for various companies, such as Amazon, and he was told by Ms. Manu that Mr. Adas had the right experience and connections to make it work. Once she had introduced the two men, Mr. Adas took over the ruse.

[28] By April 23, 2017, both defendants were fully engaged in the scheme to secure \$100,000 from Mr. Nguyen to use in their real estate project. They had been looking for a project for some time prior to April 2017 and they needed cash to make it work. I do not find that anything turns on the receipt for the \$100,000 having been signed by Ms. Manu. It was a bare receipt that sets no particulars of a loan, such as a term date, a schedule of repayment or even an interest rate. A receipt is not a loan instrument.

[29] Neither do I find that anything turns on the fact that Mr. Nguyen had previously made small investments with Ms. Manu that were successful. If anything, the previous successes would have led to Mr. Nguyen having his guard down. It is telling that Mr.

Nguyen, his spouse, and their children met with the defendants on April 23, 2017, in a social environment at a local Canyon Creek restaurant. Mr. Nguyen's spouse spoke of the relaxed environment of the meeting, her, and Ms. Manu's preoccupation with the children, and the men's mutual focus on the trucking business.

[30] I will observe that it is possible that in April of 2017 Mr. Adas genuinely wished to start a future trucking company, but his actions following receipt of the \$100,000 showed otherwise. He did not keep the monies separate and he lied to Mr. Nguyen as to the progress of their business.

[31] The evidence is clear that:

- a. The bank draft for \$100,000 was payable to Mr. Adas alone and was deposited into Mr. Adas' chequing account on April 28, 2017.
- b. Mr. Adas incorporated a company named Mandas Logistics Inc. for the trucking business on May 12, 2017, but he did not open a business account for the \$100,000 or keep any books and records as to its use. Instead, the \$100,000 travelled between Mr. Adas' chequing account and his savings account.
- c. During the first two weeks of receipt Mr. Adas personally spent approximately \$20,000 for which he has never provided a full accounting.
- d. On May 15, 2017, \$40,000 of the remaining \$80,000 was paid by way of a cheque signed by Mr. Abas to Sara Manu for the deposit on the purchase of a home in Midland. The intention in purchasing the property was to renovate and flip the residential property for a profit.
- e. The purchase of the Midland Property closed on May 30, 2017. Title was taken in Sara Manu's name as was a mortgage for the

balance of the purchase price. The remaining \$40,000 of the \$80,000 was used to renovate the Midland Property.

- f. In a June 16, 2017 What's Up chat, Ms. Manu confirmed to her sister that Mr. Nguyen's money was "given to [Adas] for his company" and had to be returned to Adas' account by September 2017.
- g. Mr. Nguyen made numerous inquiries about the new business start up and was always told by Mr. Adas that things were fine.
- h. Mr. Adas never advised Mr. Nguyen that his funds were being used for the purchase or renovation of the Midland Property.
- i. The whole of the \$100,000 was exhausted by August 22, 2017. None of the funds were used for the trucking business.

[32] Mr. Adas now claims that Ms. Manu was controlling the expenditure of the \$100,000 but both the savings account and the chequing account were in his name and under his control. I find that Ms. Manu could not have used those accounts over such a lengthy period without Mr. Adas' consent.

[33] Moreover, Mr. Adas gave evidence under oath at Ms. Manu's Licence Appeal Tribunal hearing in the summer of 2017 that he and Ms. Manu, and others were partners in the purchase of the Midland property. In support of her unsuccessful appeal to maintain her real estate licence, he testified in that hearing that his spouse was a careful and dedicated businessperson who could be trusted. In this proceeding he has testified that she is dishonest, untrustworthy, and reckless.

The Partnership Agreement

[34] Mr. Nguyen made regular inquiries on the status of the trucking business throughout the fall of 2017. In January 2018, Mr. Adas created a written Partnership Agreement from a template that he had found on the internet and he sent a first draft to Mr. Nguyen. Revised versions were exchanged and ultimately Mr. Nguyen and Mr. Adas signed a Partnership Agreement on May 5, 2018, which they backdated to December 31, 2017.

[35] Mr. Adas testified that by January 2018 he was prepared to formalize a Partnership Agreement because the one-year anniversary of the purported loan of \$100,000 was approaching and when Ms. Manu repaid the money and interest owing to Mr. Nguyen, the funds would be available for their trucking business. He submits in his closing statement that the May 2018 Partnership Agreement was an entirely separate partnership agreement from the loan terms purportedly discussed in 2017.

[36] I do not find this assertion to be credible. It is inconsistent with the final draft of the Partnership Agreement signed on May 5, 2018, which confirms at paragraph 6 that Mr. Nguyen had already contributed \$100,000 in cash to the partnership. Neither does the proposed timing work: Mandas Logistics was incorporated on May 12, 2017, shortly after receipt of the \$100,000 and that was the firm name inserted into paragraph 2 of the Partnership Agreement.

[37] Mr. Nguyen's proposed coming into funds with the one-year maturity of a purported loan is also not credible. First, the alleged funds were not due until May of 2018 and the Partnership Agreement term confirming receipt of Mr. Nguyen's \$100,000 was effective December 31, 2017. Moreover, Mr. Adas knew by September of 2017 that

the real estate venture had failed and that the money was long gone. Mr. Nguyen had no way of knowing this. He still believed that Mr. Adas was in the process of getting the business up and running.

[38] I find it far more probable that Mr. Adas was deliberately deferring Mr. Nguyen's discovery of the loss – in effect, buying time - by creating and negotiating terms of a formal Partnership Agreement.

[39] At trial, much was made of the terms of the Partnership Agreement, its revisions and its review by Mr. Nguyen's spouse who is an accountant. The plaintiff states that its final form is relevant to this decision because it confirms the terms of the oral partnership agreement reached in April of 2017 which created an immediate and statutory duty upon Mr. Adas to hold the \$100,000 for the exclusive purposes of the partnership.

[40] The plaintiff also submits that the final form of the Partnership Agreement is relevant because it pops out the defendants' misrepresentations:

- a. That both parties were to contribute \$100,000 to the start-up of the business. Mr. Adas has never contributed anything to the business.
- b. That the funds of the partnership would be placed in bank accounts designated by the partners, and that the partnership funds would be held in the name of the Partnership and not comingled with those of any other person or entity.
- c. That Mr. Adas would be the managing partner and was obligated to keep full and accurate business records in accordance with

GAAP and prepare reports reasonably necessary to keep the partners informed.

- d. That all partnership funds would be only used for the trucking business.

[41] On May 16, 2018 Mr. Adas and Ms. Manu issued a Statement of Claim in the Toronto Superior Court of Justice against Sara Manu in an attempt to recover the \$100,000. Sara Manu counterclaimed for a \$350,000 loss.

[42] Mr. Nguyen knew nothing about the Toronto lawsuit and he continued to ask Mr. Adas for updates. On June 20, 2018 Mr. Adas advised him by email that “things are great” and that he was “on the verge of closing a nice contract” for the trucking business with a brokerage. Mr. Adas acknowledged at trial that these statements were lies. At no time did the business negotiate any contracts or conduct any business.

[43] Mr. Nguyen only learned of the loss of his funds in September 2018, a full year after their actual dissipation. This Application was issued shortly thereafter.

Analysis

[44] Mr. Nguyen asserts two basis for the return of his moneys: a breach of fiduciary duty between partners, and civil fraud.

[45] For a partnership to be found, a Court must determine the real intentions of the parties as evidenced by their conduct, see *Botham v Keeper* (1878), 2 O.A.R. 595. No one circumstance will be dispositive. Instead, all indicia such as the contribution of money, property, effort, knowledge, skill, or other assets will be taken into account as well as the actions taken in pursuit of a common venture.

[46] I find that Mr. Nguyen and Mr. Adas entered into a binding Partnership Agreement on May 5, 2018 in accordance with the *Partnerships Act* R.S.O. 1990, C.P.5. I further find that the key terms of that formal Agreement reflect the same terms of a partnership that existed, and that Mr. Nguyen relied upon in April 2017 when he advanced the \$100,000 to Mr. Adas for the start up costs of their trucking company.

[47] Mr. Adas cannot argue that his own misrepresentations within the May 5, 2018 Partnership Agreement: that he had equally contributed \$100,000 to the business, that he had kept separate books and records, and that the funds were only used for their trucking business, render the Agreement unenforceable.

[48] Partners owe each other a fiduciary duty, which includes a requirement that they not directly or indirectly use the assets of the partnership for private benefit. In *Rochweg v. Truster*, 2002 CanLII 41715 at para 36-37 the Court of Appeal for Ontario stated as follows:

36. It has long been established that partners owe a fiduciary duty to each other, and that equitable principles hold fiduciaries to a strict standard of conduct, encompassing duties of loyalty, utmost good faith and avoidance of conflict of duty and self-interest. These are well recognized, core principles of the law of partnership.
37. In the early case of *Dean v. MacDowell* (1876), 8 Ch. D. 345 (C.A.) James, L.J. described the operative principles as follows (at pp. 350351):

[I]t is quite clear also that in partnership matters there must be the utmost good faith, and that there is to that extent a fiduciary relation between the parties. That is to say, one partner must not directly or indirectly use the partnership assets for his own

private benefit. He must not, in anything connected with the partnership, take any profit clandestinely for himself, nor must he carry on the business of the partnership or any business similar to the business of the partnership in his own or another name separate from it, otherwise than for the benefit of the partnership.

[49] Section 21 of the *Partnerships Act* (Ontario) provides:

21 (1) All property and rights and interests in property originally brought into the partnership stock or acquired, whether by purchase or otherwise, on account of the firm, or for the purposes and in the course of the partnership business, are called in this Act “partnership property”, and must be held and applied by the partners exclusively for the purposes of the partnership and in accordance with the partnership agreement.

Partnerships Act, R.S.O. 1990, C. P.5, section 21.

[50] I find that Mr. Adas misused the \$100,000 provided by Mr. Nguyen for his own purposes and for joint purposes with his co-defendant, Ms. Manu. Those purposes were wholly unrelated to the trucking business and constitute a breach of Mr. Adas’s fiduciary duties to Mr. Nguyen which arose immediately upon his receipt of the \$100,000.

[51] I also find that Mr. Adas and Ms. Manu are liable to Mr. Nguyen in civil fraud, the elements of which are (i) a false representation by the defendant; (ii) some level of knowledge of the falsehood of the representation on the part of the defendant (whether knowledge or recklessness); (iii) that the false representation caused the Plaintiff to act; and (iv) the Plaintiff’s actions resulted in a loss, see *Hryniak v. Mauldin*, 2014 SCC 7, [2014] 1 S.C.R. 87, at para. 87.

[52] There is no question that Mr. Nguyen was induced to provide the \$100,000 bank draft to Mr. Adas on a misrepresentation that the moneys would be used for the start up costs of a joint trucking business, that Mr. Adas knew that the money was being used for other purposes, and that Mr. Nguyen suffered a resulting loss.

[53] Mr. Adas' closing submissions that he did not financially benefit from the real estate investment and that his involvement in the project was limited to that of a supportive spouse are immaterial. Mr. Nguyen's loss was the direct result of the defendant's misrepresentations and Mr. Adas' breach of his fiduciary duty to only use the funds for their designated purpose.

[54] Mr. Adas also failed to disclose that he had debts in collection and a poor credit rating, and that he gave Ms. Manu access to his bank accounts because her accounts had been closed due to fraudulent activity. Non-disclosure of material facts can also amount to fraud, see *Canada Mortgage and Housing Corporation v. Evan Gray*, 2013 ONSC 1986 at paragraph 34.

[55] If the fraud is proved, it is not necessary to demonstrate that it was the tortfeasor's intention to deceive or to cheat the person to whom the false statements were made, see *Bruno Appliance and Furniture Inc. v. Hryniak*, 2014 SCC 8, [2014] 1 S.C.R. 126, at para. 18, citing *Derry v. Peek* (1889), 14 App. Cas. 337, at p. 374.

[56] It is possible that Mr. Adas did not initially intend to defraud Mr. Nguyen, only to make a pre-profit on the funds before turning them to their intended use. However, his continued misrepresentations long after the monies had been lost, including his deceit

in crafting, and signing a Partnership Agreement full of misrepresentations, remove any doubt that he deliberately breached his fiduciary obligations to Mr. Nguyen and that his actions constitute a civil fraud.

Remedy

[57] I grant Mr. Nguyen's proposed judgement that orders Mr. Adas to pay \$100,000 to him, jointly and severally with Ms. Manu, plus prejudgment interest in accordance with the *Courts of Justice Act* at the rate of 1.8 per cent per year, being the applicable prejudgment interest rate at the time that this Statement of Claim was issued.

[58] A court has the authority to award damages or to order an equitable remedy in circumstances where there has been a breach of fiduciary duty. Equitable remedies are always in the discretion of the court, and may serve both a restitutionary and prophylactic purpose to deter fiduciary faithlessness and preserve the integrity of the fiduciary relationship, see *Grabenheimer v. Lala*, 2019 ONSC 2811, at para. 39.

[59] In *Mughal v. Bama Inc., et al.* 2019 ONSC 4504, upheld at *Mughal v. Bama Inc.* 2020 ONCA 704, where it was found that the plaintiff had been improperly deprived of his investment by the conduct of the defendants within a civil fraud, Justice McSweeney held that the plaintiff was entitled to a remedy that would place him, so far as money can do, in the financial position that he would have been in had the misrepresentations not been made. Just as in the circumstances of this case, the plaintiff would not have engaged with the defendants had he known the true use to which his funds were to be

put. The plaintiff is therefore entitled to the repayment of his investment, plus interest from the time that he lost the use of those funds, being April 26, 2017.

[60] An order for the payment of prejudgment interest is appropriate in these circumstances. Prejudgment interest is meant to compensate for the loss of the use of money from the date when the injury is sustained to the time of judgment. The goal is to fairly compensate an injured party and to restore to him, so far as money can, all that he has lost as result of the injury see *Cobb v. Long Estate*, 2017 ONCA 717, at para. 86.

[61] Order to issue as follows:

1. This Court Orders and Adjudges that the defendant, Abdelraheen Adas pay to the plaintiff the sum of \$100,000 jointly and severally with the defendant Krystalynn Kaur Manu a.k.a. Krystalynn Mandas.
2. This Court Orders that the defendant, Abdelraheen Adas, pay to the plaintiff prejudgment interest in accordance with the *Courts of Justice Act* (Ontario) at the rate of 1.8 % per year commencing April 26, 2017.

Costs

[62] Written submissions are to be served and filed, with a copy emailed to my judicial assistant on the following timetable: submissions from the Plaintiff are due by May 9, 2022. Defendant submissions are to be received by May 20, 2022. Reply submissions are to be received by May 27, 2022. Caselaw is to be hyperlinked within the body of the submission.

McGee J.

Released: April 26, 2022

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ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

Giang Long Nguyen
Plaintiff

- and -

Abdelraheem Adas
Krystalynn Kaur Manu
Defendants

REASONS FOR JUDGMENT

McGee J.

Released: April 26, 2022