

CITATION: *Madhavaraj v. Sun Life Assurance Company*, 2026 ONSC 553
COURT FILE NO.: CV-24-00723840
DATE: 20260128

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: JAYARAJ MADHAVARAJ, Plaintiff

AND:

SUN LIFE ASSURANCE COMPANY OF CANADA, Defendant

BEFORE: Schabas J.

COUNSEL: *Andrew Monkhouse, Marissa Hum and Victoria Trasente*, for the Plaintiff

Gabriel Flatt, for the Defendant

HEARD: January 9, 2026

REASONS ON SUMMARY JUDGMENT MOTION

- [1] On December 5, 2023, the plaintiff Jayaraj Madhavaraj’s employment with Laurentian Bank was terminated after 23 months of employment. The plaintiff reached a settlement with the bank in March 2024. That settlement agreement, signed by the plaintiff, acknowledged that his termination was due to restructuring, which was the reason Laurentian also gave in the termination letter of December 5, 2024. The parties agreed that the plaintiff’s employment ceased on December 5, 2024.
- [2] Although the settlement agreement stipulated that the plaintiff’s health and dental coverage continued to May 5, 2024, it also stated that the plaintiff’s short-term and long-term disability coverage (“STD” and “LTD”, respectively), ended on December 5, 2023. The settlement did not, however, affect any LTD claim the plaintiff might make.
- [3] On April 4, 2024, the plaintiff sought LTD from the defendant Sun Life Assurance Company of Canada (“Sun Life” or “the defendant”). In that application the plaintiff stated that “the work environment and subsequent lay off has caused stress wherein I am unable to perform job search effectively and enter workforce.” He reported symptoms of stress, anxiety, inability to focus on a job search and financial insecurity which rendered him weak and unable to effectively seek new employment.
- [4] Sun Life denied the claim and this action was commenced.
- [5] Sun Life now seeks summary judgment, arguing that the plaintiff was not “totally disabled” while employed or on the day he was terminated, when he was in fact working. Sun Life says that to the extent he has become totally disabled this occurred after his termination

when he was no longer covered by LTD insurance. LTD insurance, it is emphasized, insures employees who are disabled while employed, not who become disabled afterwards or due to their termination.

- [6] The plaintiff opposed this matter being decided by summary judgment at a case conference on November 5, 2024, but the motion was allowed to proceed by Centa J. on January 30, 2025. Now, at the hearing of the motion, the plaintiff submits that not only should the defendant's motion be dismissed, but that the plaintiff's "boomerang" motion for summary judgment should be granted.
- [7] In my view, both motions should be dismissed. This matter should not be decided on a summary judgment motion and requires a trial.
- [8] Sun Life's motion is based on the fact that the plaintiff was working on December 5, 2023, and made no claim of disability at that time. Further, whether he worked all day, or only part of the day, Sun Life claims that to the extent he may now be totally disabled, that occurred after his employment was terminated on December 5, 2023.
- [9] Sun Life's arguments that the plaintiff's claim should be rejected based on the delay in making the claim and the lack of evidence of stress and other health-related symptoms while the plaintiff was employed, do not satisfy me that there is no genuine issue requiring a trial. The plaintiff's own evidence of his health while employed, as well as afterwards, and his supporting medical evidence, raise issues as to whether the plaintiff may have been disabled prior to his termination, but was unaware of it at the time. In this respect, this case may be similar to the circumstances in *MacIvor v. Pitney Bowes*, 2018 ONCA 381, where the employee was injured while employed but "did not appreciate the significance of his injury during his employment": para. 28.
- [10] Here, the plaintiff has described his physical health challenges and the increasing stress and anxiety he felt in the last several months of his employment. Similarly, the medical evidence, from his family doctor, his treating psychotherapist and at least two independent expert medical doctors – one a psychiatrist and the other a chronic pain specialist – all suggest that the plaintiff suffers from anxiety and stress at least since his termination. Dr. Abrams, the psychiatrist, opines that the plaintiff was "likely experiencing clinically significant levels of depression and anxiety since at least early 2023", and has been disabled "during the period December 5, 2023 to the present." She notes that "[h]is levels of depression, anxiety and cognitive impairment have increased since his job termination...."
- [11] This evidence from the plaintiff raises issues that are sufficient to defeat the defendant's motion.
- [12] On the other hand, the evidence presented by the plaintiff does not definitively answer the question in his favour either. The medical evidence is based, in part, on the plaintiff's assertion that he was terminated for poor or "underperformance", which is not consistent with the contemporaneous evidence that he was terminated as part of a restructuring by Laurentian Bank. This raises questions about the credibility and reliability of the plaintiff's

- evidence. Additionally, the experts' evidence is to some extent based on information provided to them by the plaintiff, including his explanation of why he was terminated, raising questions about the reliability of the opinions which in some respects do not appear to be supported by the contemporaneous medical records or other evidence.
- [13] Further, the expert evidence is somewhat ambiguous on the date when the plaintiff became "totally disabled" asserting, for example that he has had "persistent anxiety *following* the unexpected lay off," or that he has suffered from "situational stress *resulting from* the lay-off." [Emphasis added] This evidence does not support a finding on this motion that the plaintiff was in fact totally disabled on or before the date of his lay off; rather, it suggests that the lay off may have been one of the causes of his disablement which occurred "following" the lay off. Dr. Gupta, the chronic pain specialist, asserts that the plaintiff has been disabled "since December 5, 2023" and has been unable to work after that date. However, he cannot pinpoint the exact dates when the plaintiff developed the various conditions diagnosed by Dr. Gupta which make him disabled.
- [14] In short, the plaintiff's evidence also falls short of satisfying the court that the plaintiff's claim should succeed and that there is no genuine issue requiring a trial.
- [15] The Supreme Court has said that "[t]here will be no genuine issue requiring a trial when the judge is able to reach a fair and just determination on the merits" and that "[t]his will be the case when the process (1) allows the judge to make the necessary findings of fact, (2) allows the judge to apply the law to the facts, and (3) is a proportionate, more expeditious and less expensive means to achieve a just result": *Hryniak v. Mauldin*, 2014 SCC 7 at para. 49.
- [16] Regrettably, even after having regard to the enhanced fact-finding powers granted to judges hearing summary judgment motions in Rule 20.04(2.1), I have concluded that I am unable to make the necessary findings of fact to resolve this matter. Having weighed the evidence, it does not support granting judgment to either party.
- [17] Nor am I persuaded that it is appropriate to order a form of "mini-trial" to resolve the contested facts. While the ultimate issue is narrow, resolving the plaintiff's claim will involve a thorough examination of the reliability of the plaintiff's evidence, documentary and oral. The medical evidence must be subjected to scrutiny to determine precisely what the opinions are as to when the plaintiff became disabled, and why, and the basis for those opinions.
- [18] It follows, then, that the motions for summary judgment are dismissed. If the parties are unable to reach an agreement on costs, the plaintiff shall provide me with written submissions on costs not exceeding 3 pages double-spaced, not including attachments, within 30 days of the release of these Reasons. The defendant shall provide responding submissions subject to the same limitations, within 15 days of the delivery of the plaintiff's submissions.

Paul B. Schabas J.

Date: January 28, 2026