

CITATION: *Bank of China (Canada) v. Shah*, 2026 ONSC 1121
COURT FILE NO.: CV-25-00738876
DATE: 20260223

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: BANK OF CHINA (CANADA), Plaintiff
AND:
QADEER ABDUL AHSAN SHAH, Defendant
BEFORE: Schabas J.
COUNSEL: *Jiayu (Alisha) Li and Tanya Walker*, for the Plaintiff
Qadeer Abdul Ahsan Shah, self-represented
HEARD: February 19, 2026

REASONS FOR JUDGMENT

Overview

- [1] The plaintiff, Bank of China (Canada) (the “Bank”) moves for summary judgment on a loan made to the defendant, Qadeer Abdul Ahsan Shah (“Shah”), on favourable terms when Shah was an employee of the Bank.
- [2] Following the termination of Shah’s employment on January 2, 2025, the Bank called the loan, which had a balance of \$49,996.28. Although the terms of the loan provided that it matured on the date Shah’s employment terminated, the Bank extended the period for repayment to January 16, 2025. Shah did not repay the loan, which has since accrued interest at 21% per annum.
- [3] The Bank says this is a simple case of seeking judgment on an undisputed debt and that there is no genuine issue requiring a trial. Shah does not dispute the loan is outstanding but argues that there are genuine issues relating to lack of good faith, other employment-related issues, and the appropriate rate of interest, which require a trial.
- [4] In my view, there are no genuine issues for trial and the Bank should be granted judgment as requested.

Background

- [5] Shah was an Associate Vice-President at the Bank for over eight years prior to the termination of his employment. He worked in risk management. In 2017 the Bank granted him a personal line of credit facility of up to \$50,000 (the “PLC” or the “loan”). The interest

rate was favourable, at the Bank's current Prime Rate minus 0.10%. The PLC was renewed on September 16, 2022, two days prior to the original maturity date of September 18, 2022.

- [6] The renewal letter of September 16, 2022, described the loan as an "On Demand Revolving Personal Line of Credit" with a limit of \$50,000. In addition to the interest rate on the facility, the renewal letter provided that the interest on any "overdraft" in excess of the facility limit would be charged at 21% per annum. The PLC matured on the earlier of September 18, 2027, or the date of Shah's termination of employment with the Bank.
- [7] Shah's employment was terminated on January 2, 2025. He was then reminded by emails on January 9 and January 16, 2025 that the PLC would "mature" on January 16, 2025, following which the facility limit would be "reset to zero." The Bank requested payment on or before the maturity date. By letter dated February 6, 2025, sent via registered mail, the Bank again informed Shah of the termination of the PLC and that the limit would be reset to zero. That letter demanded repayment by February 16, 2025, failing which the Bank would take "further action, which may include referring the matter for legal action."
- [8] Shah and the Bank reached an agreement on the terms of his termination of employment on March 12, 2025. In a letter accepted and acknowledged by Shah on March 12, 2025, the Bank confirmed that Shah's job was eliminated due to "restructuring." The date of termination was confirmed to be January 2, 2025. The agreement provided for various payments by the Bank reflecting pay in lieu of notice. It also specified a sum of \$20,000 "paid as general damages in recognition of the alleged breach of good faith" Shah had raised. The Bank also agreed to maintain Shah's benefits coverage until August 23, 2025.
- [9] As part of the agreement, Shah signed a Final Release and Indemnity on March 12, 2025, in which he promised, among other things, not to commence any proceedings against the Bank which were in any way related to or connected to his employment.

The Bank's entitlement to summary judgment

- [10] Rule 20.04 (2) (a) of the *Rules of Civil Procedure*, RRO 1990, Reg 194, provides that the Court shall grant summary judgment if it is satisfied that there is no genuine issue requiring a trial. 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.
- [11] The parties must "put their best foot forward" on a summary judgment motion. They cannot rely solely on allegations or denials in their pleadings, self-serving or bald assertions in affidavits, or facts asserted in argument. Although Shah is self-represented, his factum demonstrates an appreciation of this process. He has also filed sworn evidence on the motion, although he sought to go further in argument, asserting various facts that were not in evidence. However, much of this additional information and submissions had to do with

his efforts to resolve the issue of the debt which he felt were unfairly dismissed by the Bank.

- [12] Shah also made other complaints about his employment and his treatment as an employee, described in places as a “counterclaim.” However, no counterclaim has been issued which would, in all likelihood, be barred by the Release.
- [13] None of Shah’s assertions raise a genuine issue for trial. No settlement of the loan was reached between the parties. Shah admits that at least the principal is outstanding. The employment termination agreement signed March 12, 2025, does not address the loan. Nor, interpreted reasonably, does the extension of benefits to August 2025 apply to the loan. The loan does not involve “coverage” and is governed by its own agreement.
- [14] The PLC was an “on demand” loan which clearly matured on the date Shah’s employment terminated. This was known to Shah, who had the benefit of the loan since 2017 and had renewed it in 2022. Shah was in a senior position in the Bank. He told me he had worked for banks for twenty-five years.
- [15] In *CIBC World Markets Inc. (CIBC Wood Gundy) v. Burgess*, 2009 CanLII 20342 (ON SC) at para.22, D.M. Brown J. (as he then was), dealt with a similar situation of a loan becoming due upon termination of employment with a bank. In that case, the clear and unambiguous terms in the loan agreement led him to conclude that there was no genuine issue for trial that the loan was repayable upon termination: see also *The Energy Credit Union Limited v. Radwan*, 2020 ONCA 136 at para. 8.
- [16] In my view, Shah has raised no issue, let alone a genuine issue, that he did not understand that the loan became due upon termination of his employment. The terms are clearly set out. The Bank demanded repayment by email on January 9, granting Shah an indulgence until January 16, 2025. He was reminded of this in February 2025 when demand was again made for repayment.
- [17] Shah complains of the 21% interest rate, submitting it is unfair, unclear, and punitive. In argument he told me the Bank should have simply charged him commercial rates rather than the higher rate, and that he proposed this to the Bank. However, the terms of the loan were clear that any overdraft would be charged at 21%. Shah was told repeatedly that the facility limit would “reset to zero” on January 16, 2025, resulting in an overdraft of the entire amount of the loan.
- [18] In *Bank of Montreal v Carnival National Leasing Limited*, 2011 ONSC 1007 at para. 12, Newbould J. dealt with a demand for payment under a line of credit. He observed that “the operating facility is now in overdraft as a result of the demand for payment.” In my view, both the terms of the PLC and the communications demanding payment and advising Shah that the limit would be reset to zero clearly put him, a banker, on notice that the full amount would be in overdraft and charged at 21% interest. There is no genuine issue requiring a trial, therefore, that the appropriate rate of interest is anything other than 21%.

Conclusion and costs

- [19] In conclusion, I am satisfied that there are no genuine issues requiring a trial and that the evidence supports granting judgment for the Bank on the full amount of the debt plus pre- and post-judgment interest at the rate of 21% per annum.
- [20] Shah shall also pay costs of this motion, and the action.
- [21] The Bank seeks costs on a full indemnity basis in the amount of \$63,807.44 or, in the alternative, substantial indemnity costs of \$57,626.39. These amounts are similar to the amount sought in the action, an action brought pursuant to the simplified procedure rules.
- [22] I do not accept the Bank's submission that the terms of the PLC entitle it to full or substantial indemnity costs. Those terms refer to liability for "any or all" amounts, including "costs... resulting from any action." In my view the wording of these terms lacks the clarity necessary to bring home to a debtor that he or she will be liable for actual costs incurred.
- [23] Costs remain in the discretion of the Court. In my view, having regard to the amount of the debt, and the relatively straightforward nature of the claim, the amount of the fees sought is excessive. Nor did the defendant's assertions, all of which were without merit, add considerably to the plaintiff's costs. Even the plaintiff's partial indemnity costs are high, seeking \$38,815.19.
- [24] In my view, bringing my frequent experience in assessing costs submissions, and having regard to the principle of proportionality and what the defendant ought reasonably to have expected to pay in costs, I fix costs in the amount of \$15,000, inclusive of HST and disbursements.

Paul B. Schabas J.

Date: February 23, 2026