

CITATION: Majidi v. Khoshbin, 2026 ONSC 743
COURT FILE NO.: CV-21-00660248-0000
DATE: 20260219

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: SINA MAJIDI and CELL SPACE TECHNOLOGIES CORPORATION,
Plaintiffs (Defendants by Counterclaim)

AND:

ARIO KHOSHBIN, 8378550 CANADA INC., 8410097 CANADA
INC. and 9102213 CANADA INC., Defendants (Plaintiffs by Counterclaim)

BEFORE: Parghi, J.

COUNSEL: *Evan L. Tingley*, for the Plaintiffs (Defendants by Counterclaim)

Mark A. Ross, Eric Brousseau, and Leonie van Haeren, for the Defendants
(Plaintiffs by Counterclaim)

HEARD: February 17, 2026 (in writing)

ENDORSEMENT ON COSTS

- [1] By Reasons for Judgment dated August 27, 2025 (*Majidi v. Khoshbin*, 2025 ONSC 3644), I dismissed the plaintiffs' claims of oppression and wrongful dismissal and granted the defendants' counterclaim for oppression and breach of fiduciary duty. I ordered various remedies, including that Mr. Majidi and/or Cell Space Technologies Corporation sell to Mr. Khoshbin their 30% interests in 9102213 Canada Inc. ("910") and 8410097 Canada Inc. ("Continuum") and that Mr. Majidi be reimbursed for certain condominium-related expenses.
- [2] The parties were unable to resolve the issue of costs. A schedule was accordingly established for the exchange of costs submissions. I have reviewed those submissions and now issue this Endorsement on Costs.

The parties' positions

- [3] Mr. Khoshbin states that he was successful in the action and is entitled to his costs as a result. He seeks substantial indemnity costs of \$657,967.85. He asserts that costs on such a scale are appropriate because Mr. Majidi was found to have breached his fiduciary duties and oppressed him.

- [4] Mr. Majidi seeks partial indemnity costs from Mr. Khoshbin. He acknowledges that ordinarily Mr. Khoshbin would be the successful party given the trial result. However, he says, at trial, he received more money for his shares and expense reimbursement than Mr. Khoshbin ever offered to him. As a result, he is the one who is entitled to his costs. Mr. Majidi urges me to apply rule 49.13, under which I may take into account all offers to settle, including those that are not formal Rule 49 offers, in making my costs determination.

Costs principles

- [5] In exercising my discretion to fix costs under section 131 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, I may consider the factors enumerated in rule 57.01 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194. Those factors include the result achieved, the amounts claimed and recovered, the complexity and importance of the issues in the proceeding, the principle of indemnity, the reasonable expectations of the unsuccessful party, and any other matter relevant to costs.
- [6] In *Apotex Inc. v. Eli Lilly Canada Inc.*, 2022 ONCA 587, at para. 60, the Court of Appeal for Ontario restated the general principles to be applied when courts exercise their discretion to award costs. The Court held that, when assessing costs, a court is to undertake a critical examination of the relevant factors, as applied to the costs claimed, and then “step back and consider the result produced and question whether, in all the circumstances, the result is fair and reasonable”.

Analysis

- [7] I find that Mr. Khoshbin is entitled to his costs of the action on a partial indemnity scale. In making this determination, I have considered the rule 57.01 factors and the overall objective of arriving at a costs award that is fair, reasonable, and within the reasonable expectations of the unsuccessful party to pay.

Entitlement to costs

- [8] Mr. Khoshbin was very clearly the successful party at trial and is therefore presumptively entitled to costs. It is certainly true that Mr. Majidi received money for selling his shares pursuant to the order issued at trial. But that share sale was a remedy imposed for Mr. Majidi’s wrongful conduct towards Mr. Khoshbin. I am therefore unable to accept Mr. Majidi’s claim that he was “awarded over \$1 million” at trial and thereby achieved a successful result for the purposes of rule 57.01.

Scale of costs

- [9] Mr. Khoshbin seeks substantial indemnity costs on the basis that Mr. Majidi was found to have breached his fiduciary duty and engaged in oppression.
- [10] Ordinarily, there may have been some basis for awarding Mr. Khoshbin substantial indemnity costs due to Mr. Majidi’s “reprehensible, scandalous or outrageous conduct” (*Young v. Young*, [1993] 4 S.C.R. at p. 134), including, for example, his misappropriation

of corporate funds, failure to disclose a conflict of interest, and failure to disclose that a tenant was operating an illegal marijuana dispensary.

- [11] However, I decline to grant Mr. Khoshbin his costs on an elevated scale because Mr. Khoshbin breached several orders of this court requiring him to reimburse Mr. Majidi for the condominium expenses Mr. Majidi incurred on behalf of the corporation. These orders were made on August 2, 2020 by Gilmore J.; October 5, 2020 by Dietrich J.; November 4, 2020 by Dietrich J. (who observed in her Endorsement that “[c]ompliance with a court order is not optional”); and March 11, 2021 by Myers J. (who rejected the suggestion by Mr. Khoshbin that the costs order in Dietrich J.’s Endorsement was “a throwaway line”, holding instead, “It reads like a court order to me”).
- [12] Mr. Majidi submits, and Mr. Khoshbin does not appear to dispute, that, despite these four orders, the first of which now dates back over five and a half years, Mr. Khoshbin has only paid \$4,828 toward the condominium expenses.
- [13] Orders of this court are not mere suggestions. They are binding and are to be complied with. In my view, Mr. Khoshbin’s willful and ongoing disregard of these court orders was improper and abusive of the court’s process. It is a relevant matter that I may take into account under rule 57.01, as indeed this court has done on other occasions (see, for example, *Sroor-Hernandez v. Gutierrez-Aguirre*, 2024 ONSC 1257).
- [14] I accordingly do not award Mr. Khoshbin his costs on an elevated scale. I award them on a partial indemnity basis.

Quantum of costs

- [15] The amounts Mr. Khoshbin seeks in costs are in themselves reasonable. Mr. Majidi does not suggest otherwise. Indeed, Mr. Majidi’s own costs are consistent with Mr. Khoshbin’s, which suggests that Mr. Khoshbin’s costs are both reasonable and within Mr. Majidi’s reasonable contemplation.
- [16] Mr. Khoshbin’s legal fees on a partial indemnity basis are \$327,525.90, plus HST. These costs reflect the time spent initially investigating and developing the case, preparing pleadings, handling documentary production, conducting examinations for discovery, engaging with experts, and preparing for and attending mediation, four case conferences, a pre-trial conference, and the two-week trial. In my assessment, the time spent was reasonable, the hourly rates applied by counsel were reasonable, and the work was appropriately delegated to more junior members of the counsel team as appropriate. I am therefore of the view that the legal fees are reasonable.
- [17] Mr. Khoshbin’s disbursements are \$102,811.45, inclusive of HST. I find that that amount to be reasonable. Most of these costs are associated with the appraiser and business valuator reports, which were necessary to advance the litigation and were of assistance to the court. While the expert evidence on the regulatory framework for Botox was not ultimately relied on in my Reasons, it was nonetheless necessary for Mr. Khoshbin to adduce this evidence, given Mr. Majidi’s position on the legality of Continuum’s business.

[18] In total, Mr. Khoshbin's partial indemnity costs, inclusive of fees, HST, and disbursements, are \$472,915.72 on a partial indemnity basis. I order Mr. Majidi to pay Mr. Khoshbin his costs in the amount of \$450,000, inclusive of all legal fees, disbursements, and HST. Stepping back and considering all the circumstances, this is a fair and reasonable result.

Parghi, J.

Date: February 19, 2026