CITATION: Lochan. v. Binance Holdings Limited, 2026 ONSC 194
COURT FILE NO.: CV-22-00683059-00CP
DATE: 20260109

SUPERIOR COURT OF JUSTICE - ONTARIO

RE: CHRISTOPHER LOCHAN and JEREMY LEEDER, Plaintiffs

– and –

BINANCE HOLDINGS LIMITED, BINANCE CANADA CAPITAL MARKETS INC., and BINANCE CANADA HOLDINGS LTD., Defendants

BEFORE: Justice E.M. Morgan

COUNSEL: *James Orr, Kyle Taylor, Johathan Careen, and Alexandra Da Dalt*, for the Plaintiffs

Paul Steep, Moya Graham, Adam Kanji, and Sabih Ottawa, for the Defendants

HEARD: Cost submissions in writing

COSTS ENDORSEMENT

[1] The Plaintiffs successfully sought an anti-suit injunction to stop an arbitration from taking place in Hong Kong: *Lochan. v. Binance Holdings Limited*, 2025 ONSC 6493. The action was already certified as a class action under section 5(1) of the *Class Proceedings Act, 1992*, SO 1992, c. 6: *Lochan. v. Binance Holdings Limited*, 2024 ONSC 2302, aff'd 2025 ONCA 221.

[2] In addition, the Defendants had already previously lost a motion to stay the action in favour of arbitration in Hong Kong: *Lochan. v. Binance Holdings Limited*, 2023 ONSC 6714, aff'd 2024 ONCA 784 ("*Binance 2023*"). In that motion and subsequent appeal, the Court of Appeal affirmed that the arbitration clause in the parties' contract is contrary to public policy and void.

[3] Despite these setbacks – or, perhaps, in response to them – the Defendants commenced arbitration in Hong Kong anyway. They did so on the thinnest of pretexts that the Hong Kong claimant was a different company than the Defendants. In fact, the Hong Kong claimant was a recently incorporated Seychelles Island company that was found to be nothing more than the alter ego of the Defendants.

[4] The Defendants also cloaked their Hong Kong arbitral claim in the transparently fictitious veneer that it raised a different cause of action – breach of contract – than the present claim in Ontario – breach of the Ontario *Securities Act*. In fact, the supposed breach of contract turned out to be nothing more than the act of commencing the present *Securities Act* claim in Ontario.

[5] That the Plaintiffs were successful in enjoining the Hong Kong arbitration should have come as no surprise to the Defendants. They had already lost their arbitration argument once and were bound to lose it again. Nevertheless, they decided, for whatever reason, to put the representative Plaintiffs through the ordeal of more litigation for, as far as I can tell, its own sake. They even sought to hold the representative plaintiffs personally liable in the Hong Kong proceedings for "any costs" incurred and "any damages" ultimately awarded in Ontario."

[6] The Defendants' legal gamesmanship in commencing the Hong Kong arbitration in the face of this Court's and the Court of Appeal's prior ruling was vexatious and oppressive to the Plaintiffs. It was found to be an improper collateral attack on the prior Ontario rulings: *Binance 2023*, at para. 19. It was, in short, an abusive use of the litigation process.

[7] The Plaintiffs seek costs on a substantial indemnity basis, in the total amount of $261,921.79. The Defendants respond that the Plaintiffs' request is excessive given that the motion took up only a half-day of court time.

[8] With respect, the amount of court time is hardly the point. The Defendants mounted a large-scale attack on the Plaintiffs and on the within proceedings. They did so with the hands-on assistance of global law firm Herbert Smith Freehills Kramer handling the Hong Kong aspect of the matter, and with an expert affidavit from retired Chief Justice of Hong Kong, Geoffrey Ma Tao-Li.

[9] The Plaintiffs, without the assistance of a global law firm and a former Chief Justice, had to act quickly and effectively with their Ontario counsel to respond to the transnational challenge and to ward off the threat to their already certified Ontario action. That kind of lawyering is bound to cost money.

[10] Defendants' counsel submit that their own costs are considerably less than those of the Plaintiffs – $90,132.19, to be exact. However, they do not include in that figure any fees charged by Herbert Smith Freehills Kramer, nor do they include the cost of Mr. Ma's expert affidavit. Those are high powered contributors to the Defendants' legal efforts, and undoubtedly added to the expense of the motion. I say this not out of concern for the amount that the Defendants likely spent in engaging in this procedure, but to indicate that they cannot have been surprised at the amount of expense that the Plaintiffs incurred.

[11] In the end, the hearing before me was not particularly lengthy. But that wasn't because the matter was a simple one. The international jurisdictional issues, and the coming to grips with actions in multiple forums, was complicated. Once Plaintiffs' counsel had mustered all of their evidence and arguments, however, the artificiality of the Defendants' maneuverings became visible and their case became impossible to win. It took considerable effort to get there, but the hearing itself was short because the Plaintiffs managed to show that they had the Defendants 'dead to rights'.

[12] By the time the hearing came around, the main challenge for Plaintiffs' counsel was not so much to establish that the Defendants were wrong in law; that had become self-evident. Rather, it was to demonstrate just how abusive the Defendants' tactics were. Plaintiffs' counsel rose to that challenge and succeeded.

[13] Costs are always discretionary under section 131 of the *Courts of Justice Act*. Under the circumstances I have no hesitation in exercising that discretion to award substantial indemnity costs to the Plaintiffs.

[14] As indicated, the Plaintiffs had already defeated the motion to stay this action in favour of Hong Kong arbitration, and that ruling had already been upheld on appeal. They should not have had to address the point yet again in the disguised form of a "breach of contract" claim with a "new" party. Moreover, representative Plaintiffs in a certified class action should not be threatened with the kind of personal financial jeopardy that the Defendants saw fit to build into their Hong Kong Notice of Arbitration, for no reason other than that they commenced the Ontario action. That approach by the Defendants appeared to me to have been aimed not at building a meritorious argument, but at, frankly, scaring the Plaintiffs away from their claim.

[15] The Defendants' tactics here are to be discouraged.

[16] Rounding off the figure for the sake of convenience, the Defendants shall pay the Plaintiffs costs in the total amount of $261,900.

Morgan J.

Date: January 9, 2026