

New Year, New Class Action: 2025 Securities Class Action Decisions to Date

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In light of the considerable developments in the securities litigation class action space this year, we've broken down three key decisions which show a trend towards a more practical and purposive approach to litigation in this area.

Lochan v. Binance Holdings Limited, 2025 ONCA 221

The Court of Appeal for Ontario dismissed an appeal from Binance Holdings Limited, Binance Canada Capital Markets Inc. and Binance Canada Holdings Ltd. (collectively, Binance), who had appealed the certification of an action brought on behalf of Canadian investors who purchased products through a trading platform operated by Binance.

Briefly, the allegations against Binance were that it:

1. engaged in the business of trading in securities without registering with the Ontario Securities Commission (OSC); and
2. distributed securities without complying with the applicable prospectus requirements as required under the *Securities Act*.¹

The motion judge certified the class action and appointed the representative plaintiffs. Binance appealed the certification decision and argued that motion judge erred on two elements of the certification test: the "cause of action" analysis and the "common issues" analysis.

Binance argued that there was no cause of action because section 71(1) of the Act only applies where a prospectus has been filed, relying on *Jones v. F. H. Deacon Hodgson Inc.*, [1986 CanLII 2559 \(ON SC\)](#). The Court found that this interpretation was inconsistent with the well-established understanding of the Act's statutory purposes and the SCC's guidance in *Kerr v. Danier Leather Inc.*, [2007 SCC 44](#) that the Act is remedial legislation that is to be given a broad interpretation. The Court therefore concluded that it was not "plain and obvious" that the claim for relief under section 133 of the Act would fail.

The Court also rejected Binance's argument that no common law rights were available to class members since they themselves were illegally trading in violation of section 53 of the Act. The Court found that it was

far from “plain and “obvious” that the definition of “trade” intended to eliminate the common law right to relief where there was a breach of section 53(1).

Parkin v. The Toronto-Dominion Bank, 2025 ONSC 1201

The Ontario Superior Court of Justice granted carriage to one of three proposed securities class actions seeking remedies for untimely or incomplete disclosures relating to TD’s anti-money laundering measures. In choosing which class action to award carriage to, the Court undertook a detailed analysis of the considerations applicable to carriage motions under the *Class Proceedings Act*.² The Court also considered and rejected arguments that one of the proposed class actions should be declared a nullity since the proceeding was not registered with the CBA National Class Actions Database on the day that it was commenced. Concluding that any such default was a procedural defect, the Court found that procedural formalities should not be enforced at the expense of class members’ access to justice.

Vecchio Longo v. Aphria Inc., 2025 ONSC 1923

The Ontario Superior Court of Justice approved a settlement that was reached on the opening day of what would have been one of the rare instances where there is a trial on the merits of a secondary market securities class action. Vecchio Longo Consulting Services (Vecchio) commenced proceedings against Aphria Inc.(Aphria) and the individually named defendants for alleged misrepresentations in public disclosure documents for two transactions. The parties reached a settlement on the eve of trial, which was then approved by the Court. In approving the settlement, the Court considered the risk of potential insolvency in the event the proceeding went to trial. The Court agreed that a settlement ensuring a fair distribution among class members that avoided the risks of proceeding to trial and any potential post-trial bankruptcy proceedings was in the best interests of the class.

¹ Securities Act, [R.S.O. 1990, c. S.5](#) (the Act).

² Class Proceedings Act, 1992, [S.O. 1992, c. 6](#).