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Ontario court says securities commission summons violated company's Charter rights

By **Ian Burns**

Law360 Canada (November 13, 2025, 12:29 PM EST) -- Ontario's top court has ruled that the provincial securities commission violated a cryptocurrency company's rights against unreasonable search and seizure when it issued a request for documents that was described as "staggering in its breadth."

The conflict began when the Ontario Securities Commission (OSC) launched an investigation into Binance Holdings Limited, a Cayman Islands-based corporation that operates an online crypto asset trading platform, alleging the company had been trading in securities without being registered in Ontario.

The commission appointed an investigator who issued what was described as a "wide-ranging summons" ordering Binance to produce documentation and information about its operations. The company challenged the move, saying it was so overbroad it was unconstitutional.

And now, Justice David Paciocco, writing for a unanimous Court of Appeal, has sided with Binance, ruling on Nov. 6 that the summons was in violation of Binance's s. 8 rights under the *Charter of Rights and Freedoms*. He wrote the order was "staggering in its breadth" and "made without apparent concern about the relevance of what was being demanded, beyond mere speculation that there could be something relevant that would otherwise be missed."

"The summons demanded production, without limitation, of all communications between virtually anyone that may have managed, been employed by, or done work for either Binance or its related entities over a two-and-a-half-year period relating not only to Ontario but to all of Canada, regardless of the subject matter of those communications," he wrote.

Justice Paciocco noted there were several reasons why Binance had only a low expectation of privacy in the case — such as the fact securities trading is so closely regulated — but added that did not mean it had no expectation of privacy.

"Even where there is a 'very low expectation of privacy,' the ability of regulators to compel the production of documents and information is limited to terms that are fair and reasonable," he wrote.

As a result of his findings, Justice Paciocco allowed Binance's appeal, while also ordering the commission to return all documents to Binance. He was joined by Justices Bradley Miller and Steve Coroza in the ruling (*Binance Holdings Limited v. Ontario Securities Commission*, 2025 ONCA 751).

Janice Wright of Wright Temelini LLP said the decision involves the Court of Appeal reining in the summons power of the commission.

"The commission, quite surprisingly, argued that its summons power had no restrictions — in other words, that its summons power need not be limited by what is reasonably considered to be relevant," said Wright, who was not involved in the case. "This position, if accepted, would entail unlimited state authority to issue production orders. The Court of Appeal rejected the commission's position, stating that it would sanction fishing expeditions."

In an email, a spokesperson for Binance said the company was grateful the court had agreed with its position.

"Looking forward, we intend to continue to collaborate with regulators in Canada and around the world to ensure digital asset innovation can thrive while ensuring crypto investors are protected," the spokesperson said.

A spokesperson for the OSC said the commission was "currently reviewing the ruling as we consider our next steps."

If you have any information, story ideas or news tips for Law360 Canada, please contact Ian Burns at Ian.Burns@lexisnexis.ca or call 905-415-5906.

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