

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

JUSTICE

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WEDNESDAY, THE 12TH

DAY OF APRIL, 2017

BETWEEN:

**PINECAP MORTGAGE CORPORATION
and 2106271 ONTARIO INC.**

Applicants

- and -

**DEREK SCHEINMAN, DMS FINANCIAL MANAGEMENT INC.,
1620299 ONTARIO LIMITED carrying on business as
DMS FINANCIAL MANAGEMENT and 2109644 ONTARIO LIMITED**

Respondents

ORDER
(Approving the Receiver's First Report)

THIS MOTION made by Zeifman Partners Inc., in its capacity as the court-appointed receiver (the "**Receiver**"), pursuant to the Order of the Honourable Justice Hainey, dated March 22, 2017 (the "**Appointment Order**"), without security, of all of the assets, undertakings and properties of Grossman Silver Horizon Limited Partnership (the "**Limited Partnership**") and 2109644 Ontario Limited ("**2109644**") (collectively, the "**Debtors**") for an Order, *inter alia*, (i) approving the First Report to the Court of the Receiver, dated April 6, 2017 (the "**First Report**"), and (ii) granting orders in accordance

with the recommendations made by the Receiver in the First Report, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the notice of motion of the Receiver and the First Report and appendices thereto, and on hearing the submissions of counsel for the Receiver and counsel for Respondents,

1. **THIS COURT ORDERS** that the time for service and filing of the notice of motion and motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the First Report be and is hereby approved and the actions of the Receiver described therein be and are hereby approved.

3. **THIS COURT ORDERS** that all bank accounts held at any financial institution, including but not limited to any chartered bank, trust company or credit union, whether solely or jointly, in the name or names of Derek Scheinman, DMS Financial Management Inc., ~~1620299 Ontario Limited~~ carrying on business as DMS Financial Management, 2109644 and/or DMZ Financial Management Inc. be immediately frozen upon service of this Order upon the financial institution and those bank accounts shall remain frozen pending further order of this Honourable Court.

4. **THIS COURT ORDERS AND DIRECTS** any financial institution, including but not limited to any chartered bank, trust company or credit union, where a bank account



is held, whether solely or jointly, in the name or names of Derek Scheinman, DMS Financial Management Inc., ~~1620299 Ontario Limited~~ carrying on business as DMS Financial Management, 2109644 and/or DMZ Financial Management Inc., provide to the Receiver a documented accounting in respect of the said bank account(s), including all files, documentation, correspondence, trust ledgers and other evidence (including but not limited to contracts, e-mails, letters, and other correspondence of any kind, memoranda, notes, electronic files, fax records, phone records and any other electronic or paper files) related in any way to the said bank account(s).


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5. **THIS COURT ORDERS AND DIRECTS** the Respondent, Derek Scheinman, *on his account* to attend at the offices of the Receiver at 201 Bridgeland Avenue, Toronto, Ontario, M6A 1Y7 and to deliver up all of the records of the Debtors and all other entities affiliated with the Debtors, including but not limited to, DMS Financial Management Inc., ~~1620299 Ontario Limited~~ carrying on business as DMS Financial Management and DMZ Financial Management Inc., together with a complete accounting for, and delivery of, the missing funds, being the property of the Debtors.

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6. ~~**THIS COURT ORDERS AND DIRECTS** the Respondent, Derek Scheinman, to attend at the offices of the Receiver at 201 Bridgeland Avenue, Toronto, Ontario, M6A 1Y7 for an examination under oath in respect of an accounting for the missing funds.~~

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7. ~~**THIS COURT ORDERS** that service of the notice of examination referenced in paragraph 6 above upon the Respondent, Derek Scheinman, be made by fax transmission to Jeffrey Feiner of Corman, Feiner LLP, the lawyers for the said Respondent, at: 416-352-7812.~~ 

8. ~~**THIS COURT ORDERS** that service of the notice of examination referenced in paragraphs 6 and 7 above be made no less than five days prior to the return date of the examination.~~ 

9. **THIS COURT ORDERS AND DIRECTS** the Land Registrar of the Regional Municipality of Durham (Land Registry Office #40) to register the Appointment Order on title to the following property:

PIN: 26409-4114 (LT)
Legal Description: LOT 20, PLAN 40M2285, AJAX, REGIONAL MUNICIPALITY OF DURHAM. S/T EASEMENT FOR ENTRY AS IN DR683498.
Municipal Address: 19 Ling Street, Ajax, Ontario

10. **THIS COURT ORDERS AND DIRECTS** the Land Registrar of the Regional Municipality of York (Land Registry Office #65) to register the Appointment Order on title to the following property:

PIN: 03308-0244 (LT)
Legal Description: PCL 7-1 SEC 65M2187; LT 7 PL 65M2187; VAUGHAN
Municipal Address: 64 Impala Crescent, Woodbridge, Ontario

11. ~~THIS COURT ORDERS that any failure to comply with this Order or a breach of this Order shall constitute contempt of court.~~ *JH*

12. **THIS COURT ORDERS** that any affected party may apply for directions in respect of this Order or to vary or set aside this Order on ^{2 DAYS} notice to counsel for the Receiver. *JH*

Haisley J

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 12 2017

PER / PAR: *cy*

PINECAP MORTGAGE CORPORATION, et al.
Applicants

- and -

DEREK SCHEINMAN, et al.
Respondents

Court File No. CV-17-11714-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding Commenced at Toronto

ORDER

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