



ONTARIO SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

**COUNSEL/ENDORSEMENT SLIP**

COURT FILE NO.: CV-24-00721560-00CL

DATE: November 26, 2025

NO. ON LIST: 2

TITLE OF PROCEEDING: EQUITABLE BANK v. EQUITYLINE SPV LIMITED PARTNERSHIP

BEFORE: JUSTICE KIMMEL

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party:**

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**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info
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**For Other, Self-Represented:**

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## **ENDORSEMENT OF JUSTICE KIMMEL:**

- [1] KSV Restructuring Inc. in its capacity as Court-appointed receiver (in such capacity, the "Receiver") of EquityLine SPV Limited Partnership ("EquityLine") had brought a motion returnable on October 6, 2025 for two categories of relief. The court adjourned the part of the Receiver's motion seeking an Order directing the Land Registrar for Land Registry Office No. 61 to rectify the register by deleting certain instruments (the "Jank Mortgage") from title to the property of Margaret Ellen Jank (the "Jank Property") pursuant to section 57(13)(b) of the *Land Titles Act*, R.S.O. 1990, c. L.5 (the "LTA"), which was predicated on the Jank Mortgage being a "fraudulent instrument" as defined under the LTA ("Jank Mortgage Relief").
- [2] The court's October 6, 2025 endorsement adjourning the Jank Mortgage Relief provided, among other things, in paragraph 7 that:
- d. TitlePLUS shall have 45 days from October 6, 2025, to review the evidence and take any other steps it needs to consider its position (including commissioning its own expert report) with respect to the Jank Mortgage. TitlePLUS will communicate its position to counsel to the Receiver and counsel to Ms. Jank by no later than November 20, 2025. If TitlePLUS does not provide a response, or concurs with the Receiver and Ms. Jank, then the finding by the Receiver that the Jank Mortgage is a "fraudulent instrument" under the LTA shall be binding on all parties, including TitlePLUS.
- [3] If TitlePLUS had responded to indicate that it would be challenging the Receiver's determination that the Jank Mortgage is a "fraudulent instrument" under the LTA, the court scheduled a hearing on January 13, 2026 for that dispute to be determined, and a timetable for the exchange of materials was set in the October 6, 2025 endorsement.
- [4] The 45 days provided for under paragraph 7 (d) of the October 6, 2025 endorsement for TitlePLUS to respond expired on November 20, 2025. On November 17, 2025, counsel for TitlePLUS advised counsel to the Receiver that "Without prejudice to any coverage position TitlePLUS may have ... TitlePLUS is taking no position on the Receiver's motion to discharge the Jank mortgage".
- [5] Section 3.3 of the Receiver's Third Report dated September 19, 2025 sets out the information and analysis upon which the Receiver determined that there is a *prima facie* case of fraud with respect to the Jank Mortgage. In particular, the Receiver reviewed and relied upon, among other things, a Document Examiner Letter and Report prepared and sworn by Ms. Brenda Petty, Certified Questioned Document Examiner dated February 13, 2023 (the "Examiner's Report") that concludes that the signatures on the Acknowledgement and Direction directing the registration of the Jank Mortgage (as well as other documents related to the Jank Mortgage) are forgeries.
- [6] The Receiver determined it section 3.3 of its Third Report that:
- (a) The Forged Documents, which include the instruments relating to the Jank Mortgage, are forgeries;
  - (b) The Forged Documents were signed by a "fraudulent person" pursuant to the Land Titles Act;
  - (c) The Forged Documents are "fraudulent instruments" pursuant to the Land Titles Act, as they are instruments under which a fraudulent person purports to transfer an interest in land;
  - (d) Pursuant to s. 78(4.1) of the *Land Titles Act*, the Forged Documents are not valid by their registration; and
  - (e) Pursuant to s. 57(13)(b) of the *Land Titles Act*, the Court should, in these circumstances, direct the rectification of the register by deleting the Jank Mortgage and certain related charges.

- [7] The Receiver recommends that the court direct the rectification of the register by deleting the Jank Mortgage and certain related charges in these circumstances in both sections 3.3 and 7 of the Third Report. In the absence of any response or objection to the contrary, the court accepts and adopts the Receiver's determination that the instruments relating to the Jank Mortgage are forgeries, and so finds. On that basis, the requested order is granted directing the LTO to rectify the register to delete the Jank Mortgage and related charges, and I have signed an amended form of order to that effect today.
- [8] The Receiver notes that while section 57(14) of the LTA requires the Court to join the Director of Titles to any proceeding seeking rectification of the register under section 57(13)(b), the Director of Title has expressed that in these circumstances, only, it does not oppose joinder being dispensed, and that it further takes no position on the Jank-related relief.
- [9] Although no longer needed to determine whether the Jank Mortgage is a fraudulent instrument (that determination having been made today rather than waiting until January 13, 2026 since it is not opposed), for the time being the January 13, 2026 hearing date is being preserved so that it can be used to deal with another the claim of fraud brought by another elderly mortgagor, Lyle Auton (whose counsel was in attendance in court today), in addition to claims in respect of six other possibly fraudulent mortgages that have been identified. At least some of these other potentially fraudulent mortgages may involve a different title insurer. The Receiver is in the process of determining who may need to be on notice of any motion that it may wish to have return on January 13, 2026.
- [10] The Receiver notes that some of these situations (Mr. Auton included) may require urgent judicial determinations of the claims of elderly homeowners, who (like Mr. Auton) need to sell their homes and transition into assisted-living accommodations.
- [11] The court cannot hold the January 13, 2026 date indefinitely. If there is going to be a motion on January 13, 2026 to deal with any other allegedly fraudulent mortgages, there will need to be a timetable to ensure that the interested parties are on notice and have had a chance to respond. Accordingly, counsel for the Receiver has undertaken to try to identify the potentially interested stakeholders and arrange a further scheduling conference before the holidays, to either timetable steps to ensure the participating parties are ready to proceed on January 13, 2026, or to schedule a new hearing date.



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Date: November 26, 2025