

Court File No. CV-25-00740673-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**KSV RESTRUCTURING INC.  
in its capacity as court-appointed receiver and manager of  
PRODUCTIVITY MEDIA INC. and  
PRODUCTIVITY MEDIA INCOME FUND I LP,  
and not in its personal capacity**

Plaintiff

**-and-**

**ANDREW DAVID CHANG-SANG, MYRON LLC, DECS LIMITED, and DECS TRUST  
by its trustee, DECS LIMITED**

Defendants

**FACTUM OF THE PLAINTIFF  
(Motion Returnable March 3, 2026)**

February 20, 2026

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## PART I. OVERVIEW

1. This is a default judgment motion within an action arising out of the insolvency and collapse of a film and entertainment financing business known as Productivity Media which was operated through various entities, including Productivity Media Inc. (“**PMI**”) and Productivity Media Income Fund I LP (the “**Fund**”).
2. Following an anonymous whistleblower report in 2024, an investigation uncovered a complex, years-long fraudulent scheme orchestrated principally by William Santor, then the CEO and a founding shareholder of the business.
3. This action is brought by KSV Restructuring Inc. (“**KSV**”) in its capacity as the Receiver of PMI and the Fund (the “**Receiver**”). The defendants are Andrew Chang-Sang – formerly the Chief Financial Officer and another founding shareholder of the business – and three entities he appears to control.
4. The action principally concerns allegations that Mr. Chang-Sang received benefits of the fraudulent scheme and directed them to the three corporate defendants. The principal asset in issue is a residence in Spain held by the defendant Myron LLC and used as Mr. Chang-Sang’s family residence (the “**Spanish Property**”).
5. Mr. Chang-Sang denies wrongdoing and has filed a Statement of Defence. The Plaintiff is not seeking relief against Mr. Chang-Sang on this motion.
6. However, the other three defendants (Myron LLC, DECS Limited, and DECS Trust, collectively the “**Responding Parties**”) made a tactical choice not to defend this action, which prompted this motion. They were served at their registered addresses in Saint Kitts

and Nevis, and two of them engaged Toronto counsel to threaten a jurisdiction motion. After the Receiver responded with authorities demonstrating that such a motion would be baseless, the Responding Parties instead decided to do nothing in response to this action. It appears they have made a strategic decision to focus their efforts on resisting at the enforcement stage.

7. In addition to the deemed admissions in the Statement of Claim, the Receiver has filed affidavits containing substantial documentary evidence justifying the relief sought on the motion. Default judgment should issue.

## **PART II. SUMMARY OF FACTS**

8. The detailed summary of facts is found in the affidavit of Robert Kofman, a Managing Director of the Receiver, and in the Statement of Claim. Set out below is an abbreviated summary.

### **A. Parties**

9. KSV was appointed as Receiver of PMI, the Fund, and Productivity Media Lending Corp. I (“**PMLC**”) on November 19, 2024.<sup>1</sup>

10. This occurred following the emergence of an anonymous whistleblower complaint in the summer of 2024.<sup>2</sup> PMI engaged PricewaterhouseCoopers LLP (“**PwC**”) to investigate the allegations set out in the whistleblower report.<sup>3</sup> PwC’s investigation and

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<sup>1</sup> Affidavit of Robert Kofman, affirmed February 20, 2026, at para. 5 [“Kofman Affidavit”], Motion Record of the Plaintiff [“MR”], Tab 6, p. 370.

<sup>2</sup> Kofman Affidavit, at para. 4, MR, Tab 6, p. 369.

<sup>3</sup> Kofman Affidavit, at para. 7, MR, Tab 6, p. 370.

the alleged wrongdoing ultimately led the Receiver to commence proceedings on behalf of PMI and the Fund against William Santor (then the CEO and a founding shareholder of the Productivity Media business), his spouse, and related companies (the “**Santor Action**”).<sup>4</sup>

11. The Receiver commenced this action on February 7, 2025, against Mr. Chang-Sang and entities which are related to him, Myron LLC, DECS Limited, and the DECS Trust, by its trustee, DECS Limited.<sup>5</sup>

12. The principal focus of this motion is the diversion of funds belonging to one of the receivership entities to Myron LLC to acquire the Spanish Property. It also appears that DECS Limited and/or DECS Trust have received benefits arising out of the fraudulent scheme.

13. Through the records available on the servers of the receivership entities and through public records, the Receiver has assembled documentary evidence showing that Mr. Chang-Sang established each of the Responding Parties for the purpose of holding various property and assets.

14. These records are all discussed in detail in Mr. Kofman’s affidavit. To summarize, Mr. Chang-Sang appears to have incorporated Myron LLC in Saint Kitts and Nevis for the purpose of holding property and assets, including property located in Spain.<sup>6</sup> Similarly,

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<sup>4</sup> Kofman Affidavit, at para. 9, MR, Tab 6, p. 370.

<sup>5</sup> Kofman Affidavit, at para. 12, MRT, Tab 6, 371. Kofman Affidavit, Exhibit D, Statement of Claim issued February 7, 2025 [“Statement of Claim”], MR, Tab 6, p. 454.

<sup>6</sup> Kofman Affidavit, at paras. 21-25, MR, Tab 6, pp. 373-375.

Mr. Chang-Sang appears to have incorporated DECS Limited in Saint Kitts and Nevis for the purpose of serving as a trustee for a trust which would hold property that Mr. Chang-Sang had acquired or would acquire, namely the Spanish Property.<sup>7</sup>

15. Following the incorporation of Myron LLC and DECS Limited, Mr. Chang-Sang appears to have settled a trust called DECS Trust for the purpose of holding 100% membership interest in Myron LLC and full ownership of the Spanish Property.<sup>8</sup>

16. The extent of the property actually owned by DECS Limited, whether in its own right or as trustee for the DECS Trust, remains unclear; the Receiver has no direct evidence that the shares in Myron LLC were in fact transferred to DECS Limited, and the Spanish Property remains registered to Myron LLC.<sup>9</sup> However, these issues should not prevent this Court from granting relief against those parties in light of the deemed admissions in the Statement of Claim, as discussed further below.

***B. The Transfer of Funds from Productivity Media to the Spanish Property***

17. Mr. Kofman's affidavit discusses the extensive evidence unearthed through the PwC investigation which showed how money from the Fund was diverted to one or more of the Responding Parties, and ultimately used to purchase the Spanish Property.

18. First, funds from the Fund were transferred into the bank account of 8397830 Canada Inc. ("**839 Canada**"), a corporation controlled by Mr. Santor and in respect of

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<sup>7</sup> Kofman Affidavit, at paras. 26-30, MR, Tab 6, pp. 376-377.

<sup>8</sup> Kofman Affidavit, at paras. 31-36, MR, Tab 6, pp. 377-378.

<sup>9</sup> Kofman Affidavit, at paras. 38, 91, MR, Tab 6, pp. 379, 394.

which KSV was appointed receiver and manager on April 16, 2025. Mr. Santor facilitated this transfer through deception. First, he presented to the Fund a purported loan opportunity in respect of Joker Films Production Inc., a seemingly legitimate film production company incorporated by Tim Brown.<sup>10</sup> However, Mr. Santor impersonated Mr. Brown using an imposter email account for the purpose of facilitating an advance from the Fund for the film “Deadlands”.<sup>11</sup> The wire in the amount of USD \$5,640,000 was ultimately routed to 839 Canada’s bank account, on Mr. Santor’s direction.<sup>12</sup>

19. Second, the funds were transferred from 839 Canada’s bank account to a law firm in the Cayman Islands to fund the purchase by Mr. Santor of real property located in the Cayman Islands. The same day as the funds related to the Joker loan were transferred to 839 Canada, Mr. Santor instructed National Bank to wire USD \$3,539,052 from 839 Canada to Scotiabank & Trust (Cayman) Ltd. for a land purchase.<sup>13</sup>

20. Third, after Mr. Santor then sold that Cayman Islands property in December 2022, the funds from the proceeds of that sale were transferred to a bank account belonging to Erbschaft Capital Corp. (“**Erbschaft**”), another corporation Mr. Santor owned and controlled.<sup>14</sup>

21. Fourth, the funds were transferred from Erbschaft’s bank account to Corpay, a digital payments provider. Mr. Santor described to his bank the purpose of the transfer as

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<sup>10</sup> Kofman Affidavit, at para. 43, MR, Tab 6, p. 380.

<sup>11</sup> Kofman Affidavit, at paras. 52-53, MR, Tab 6, pp. 382-383.

<sup>12</sup> Kofman Affidavit, at para. 56, MR, Tab 6, p. 383.

<sup>13</sup> Kofman Affidavit, at paras. 56-61, MR, Tab 6, pp. 383-385.

<sup>14</sup> Kofman Affidavit, at paras. 77-82, MR, Tab 6, pp. 389-391.

“a 1.65 M transfer to Cambridge Mercantile (Andrew Chang-Sang) which is a loan for a house purchase”.<sup>15</sup> Cambridge Mercantile does business in Canada predominantly under the name Corpay.<sup>16</sup> In February 2023, USD \$1,650,000 was transferred from Erbschaft’s bank account to Cambridge Mercantile.<sup>17</sup>

22. Finally, the funds were transferred from Corpay to lawyers in Spain working with Mr. Chang-Sang. The lawyers appear to have applied the funds towards the purchase by Myron LLC of the Spanish Property. Mr. Chang-Sang, in his capacity as attorney-in-fact of Myron LLC, entered into an agreement of purchase and sale for the Spanish Property on March 9, 2023.<sup>18</sup> Mr. Chang-Sang then directed Corpay to “transfer all of the remaining funds on hand to our lawyers” as “our house in Spain is nearing close”.<sup>19</sup> The funds were ultimately transferred to Herrera y Abalos Abogados, Mr. Chang-Sang’s lawyers.<sup>20</sup>

23. Public records indicate that Myron LLC acquired the Spanish Property on March 30, 2023, and remains the registered owner.<sup>21</sup>

24. In addition to this USD \$1.65 million transfer towards the Spanish Property, an additional payment made by Myron LLC towards the acquisition of the property also originated from Erbschaft’s bank account via Cambridge Mercantile.<sup>22</sup>

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<sup>15</sup> Kofman Affidavit, at para. 83, MR, Tab 6, p. 391.

<sup>16</sup> Kofman Affidavit, at para. 70, MR, Tab 6, p. 387.

<sup>17</sup> Kofman Affidavit, at para. 85, MR, Tab 6, p. 392.

<sup>18</sup> Kofman Affidavit, at paras. 66, 88, MR, Tab 6, pp. 386-393.

<sup>19</sup> Kofman Affidavit, at para. 89, MR, Tab 6, p. 393.

<sup>20</sup> Kofman Affidavit, at para. 90, MR, Tab 6, p. 394.

<sup>21</sup> Kofman Affidavit, at para. 91, MR, Tab 6, p. 394.

<sup>22</sup> Kofman Affidavit, at paras. 68-75, MR, Tab 6, pp. 387-388.

25. Based on the above sequence of transactions, it is apparent that the funds used to purchase the Spanish Property by Myron LLC originated from the Productivity Media business and were wrongfully diverted from the business as a result of Mr. Santor's wrongdoing.

**C. The Overpayment**

26. Another issue raised in the Statement of Claim relates to bonus payments which were artificially inflated by the fraudulent scheme.

27. Paragraphs 49-59 of the Statement of Claim, which the Responding Parties are deemed to admit, allege the following.

28. The co-founders of Productivity Media agreed that their compensation would be calculated based on the value of PMI's assets under management ("**AUM**").<sup>23</sup> The fraudulent loans arranged by Mr. Santor made it appear that the Fund was much more successful than it was, thereby artificially increasing both the net asset value ("**NAV**") of the Fund and its AUM.<sup>24</sup>

29. In turn, those artificial increases drove increases to Mr. Chang-Sang's compensation, which was partially a function of PMI's AUM.<sup>25</sup>

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<sup>23</sup> Statement of Claim, at para. 49, MR, Tab 6, p. 467.

<sup>24</sup> Statement of Claim, at para. 52, MR, Tab 6, p. 468.

<sup>25</sup> Statement of Claim, at paras. 50, 52, MR, Tab 6, pp. 467-468.

30. Further, each fraudulent loan resulted in the Fund paying substantial closing fees to PMI which increased the revenue for PMI and increased the bonuses and dividends payable to Mr. Chang-Sang.<sup>26</sup>

31. Based on the Plaintiff's investigations into the fraudulent scheme, the Plaintiff asserts that Mr. Chang-Sang was overcompensated by at least USD \$1.2 million (the "**Overpayment**"), some or all of which was transferred to the Responding Parties.<sup>27</sup>

32. The Plaintiff pleads, and the Responding Parties are deemed to admit, that they "received benefits as a result of the Fraudulent Scheme and knew or ought to have known that the funds were the fruits of fraud".<sup>28</sup>

33. For clarity, Mr. Chang-Sang denies all these allegations, and the Plaintiff seeks no findings on this motion regarding his conduct.

***D. Service on the Responding Parties***

34. The Responding Parties were served with the Statement of Claim in person in Saint Kitts and Nevis on March 21, 2025.<sup>29</sup>

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<sup>26</sup> Statement of Claim, at para. 58, MR, Tab 6, p. 469.

<sup>27</sup> Statement of Claim, at para. 59, MR, Tab 6, p. 469.

<sup>28</sup> Statement of Claim, at para. 67, MR, Tab 6, p. 471.

<sup>29</sup> Affidavit of Service of Philroy Walters for Myron LLC, sworn February 3, 2026, MR, Tab 2, p. 13.; Affidavit of Service of Philroy Walters for DECS Limited, sworn February 3, 2026 MR, Tab 3, p. 44.; Affidavit of Service of Philroy Walters for DECS Trust, sworn February 3, 2026, MR, Tab 4, p. 75.

35. Since Saint Kitts and Nevis is not a contracting state under the Hague Convention on Service,<sup>30</sup> the Statement of Claim could be served pursuant to the usual rules of service in the *Rules of Civil Procedure*.<sup>31</sup>

36. Service was effective under rules 16 and 17 because the Statement of Claim was served at the address listed in the public filings of each of the three Responding Parties,<sup>32</sup> and the materials were accepted by Shaunte Stapleton.<sup>33</sup>

37. Mr. Stapleton is the individual who signed the articles of organization for both Myron LLC and DECS Limited.<sup>34</sup> He did so “for and on behalf of Lighthouse Trust Nevis Ltd.,” which is listed as the “registered agent” of each of Myron LLC and DECS Limited.<sup>35</sup>

38. Consistent with the roles indicated in those public records, the affidavits of service demonstrate that upon receipt of the claim, Mr. Stapleton verbally confirmed his authority to accept service for each of Myron LLC, DECS Limited, and the DECS Trust.<sup>36</sup>

39. Based on the above, proper service under r. 16.02(1)(c) has been established; Mr. Stapleton qualifies as both an “agent of the corporation” and as “a person at any place of

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<sup>30</sup> Affidavit of Deanna Watters, affirmed February 19, 2026, at para. 12 [“Watters Affidavit”], MR, Tab 5, p. 110.

<sup>31</sup> Rule 17.05(2).

<sup>32</sup> Watters Affidavit, at paras. 6, 8, MR, Tab 5, pp. 108-109.

<sup>33</sup> Affidavit of Service of Philroy Walters for Myron LLC, sworn February 3, 2026, MR, Tab 2, p. 13.; Affidavit of Service of Philroy Walters for DECS Limited, sworn February 3, 2026 MR, Tab 3, p. 44.; Affidavit of Service of Philroy Walters for DECS Trust, sworn February 3, 2026, MR, Tab 4, p. 75.

<sup>34</sup> Watters Affidavit, at paras. 5, 7, MR, Tab 5, pp. 107-108.

<sup>35</sup> Watters Affidavit, at paras. 6, 8, MR, Tab 5, pp. 108-109.

<sup>36</sup> Affidavit of Service of Philroy Walters for Myron LLC, sworn February 3, 2026, MR, Tab 2, p. 13.; Affidavit of Service of Philroy Walters for DECS Limited, sworn February 3, 2026 MR, Tab 3, p. 44.; Affidavit of Service of Philroy Walters for DECS Trust, sworn February 3, 2026, MR, Tab 4, p. 75.

business of the corporation who appears to be in control or management of the place of business.”

40. Additionally, the Plaintiff attempted personal service of the Statement of Claim on the sole director of Myron LLC and DECS Limited at the time of incorporation, Manuel Jose Barrachina de la Serna, notwithstanding the Plaintiff’s position that service on the Responding Parties was sufficient. The Receiver attempted service at the address in Panama City recorded in the corporations’ filings, which address was confirmed by Mr. Chang-Sang’s counsel. The Receiver’s process server was informed that there was no resident of that name in the building.<sup>37</sup>

***E. Communications following service of the claim***

41. Following service on the Responding Parties, Bryan McLeese, a partner with Chernos Flaherty Svonkin LLP in Toronto, wrote to the Plaintiff advising that he had been engaged by Myron LLC and DECS Limited. In a letter dated September 3, 2025, he advised that his clients were “concerned both that proper service has not been effected on them under international law and that Ontario does not have *jurisdiction simpliciter*”.<sup>38</sup> He added: “we hope that a jurisdiction motion can be avoided,” and made a variety of information requests in order to advise his clients on the issue.

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<sup>37</sup> Watters Affidavit, at para. 26, MR, Tab 5, p. 113.

<sup>38</sup> Watters Affidavit, at para. 18, MR, Tab 5, p. 112.

42. The Receiver wrote back on September 5, 2025, providing a variety of information and authorities which demonstrated clearly that Ontario has jurisdiction and that proper service was effected.<sup>39</sup>

43. Myron LLC and DECS Limited appear to have been persuaded by this letter, and instead made a strategic decision not to defend the action. Mr. McLeese wrote back on September 22, 2025, to confirm that he would not be engaged to defend the action, and that both his clients “have not waived any jurisdictional or service ex juris-related positions.”<sup>40</sup>

44. None of the Responding Parties took any steps in this proceeding since then.

45. As a result of Mr. McLeese’s involvement in this matter, there can be no doubt that the Responding Parties have actual notice of this proceeding. (Although Mr. McLeese indicated he had not been engaged by the third Responding Party, DECS Trust, its trustee is Mr. McLeese’s client, DECS Limited.)

46. The Plaintiff wrote to Mr. McLeese as a courtesy on January 26, 2026, to advise of this hearing date and the purpose of the motion.<sup>41</sup>

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<sup>39</sup> Watters Affidavit, at para. 19, MR, Tab 5, p. 112. *Bridging Finance Inc. et al. v. Sharpe et al.*, [2025 ONSC 1836](#) at paras. 66 and 70. *Sakab Saudi Holding Co. v. Jabri*, [2022 ONCA 496](#) at para. 44.

<sup>40</sup> Watters Affidavit, at para. 20, MR, Tab 5, p. 112.

<sup>41</sup> Watters Affidavit, at para. 27, MR, Tab 5, p. 114.

### PART III. LAW AND ARGUMENT

#### A. *The Plaintiff is Entitled to Default Judgment*

47. Rule 19 sets out the availability of default judgment. In the case of non-liquidated damages, a plaintiff may move before a judge for judgment under rule 19.05.

48. The Plaintiff has met the requirements of rule 19.05 because the Responding Parties have been noted in default, default judgment has not been signed for any part of this claim, and the motion is supported by affidavit evidence.

49. A defendant who has been noted in default is deemed to admit the truth of all allegations of fact made in the statement of claim (but not allegations of law or mixed fact and law).<sup>42</sup> To obtain default judgment, rule 19.06 requires that the deemed admissions must themselves entitle the plaintiff to judgment.

50. Reading rules 19.02 and 19.06 together, this Court has confirmed that to obtain default judgment “the deemed admissions of fact, together with any facts adduced at the hearing must entitle the plaintiff to judgment on the claim as a matter of law.”<sup>43</sup>

51. The Court’s duty on a default judgment motion is to satisfy itself that this standard is met. “If the court finds the evidence to be lacking in credibility or lacking ‘an air of reality’, the court can refuse to grant judgment or grant partial judgment.”<sup>44</sup>

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<sup>42</sup> Rule 19.02(a); *Paul’s Transport Inc. v. Immediate Logistics Limited*, [2022 ONCA 573](#), para. 80.

<sup>43</sup> *Churchill v. Aero Auction Sales Inc.*, [2019 ONSC 4766](#), at para. 18

<sup>44</sup> *Elekta Ltd. v. Rodkin*, [2012 ONSC 2062](#), at para. 13.

52. The Plaintiff submits that the facts in the Statement of Claim, together with the affidavits filed in support on this motion, entitle it to judgment against the Responding Parties.

**B. Remedies sought**

53. On this motion, the Plaintiff seeks judgment for:

- a. an amount equivalent to USD \$1,810,000, being the amount that Myron LLC received from Mr. Santor's company, Erbschaft, and applied against the Spanish Property; and
- b. an amount equivalent to USD \$1,200,000, being the amount of the Overpayment.

54. It is appropriate to grant judgment in these amounts, jointly and severally against each of the Responding Parties. Although Myron LLC is the sole registered owner of the Spanish Property, the evidence cited above suggests that steps have been taken to transfer the ownership interest in Myron LLC, and/or the beneficial interest in the Spanish Property, to DECS Limited to be held in trust for DECS Trust. And all three Responding Parties are deemed to admit as much.

55. Similarly, each of the Responding Parties is deemed to admit that it has received benefits in relation to the Overpayment, and the evidence suggests that each entity was

established to hold proceeds from the Productivity Media business, including professional fees paid from time to time.<sup>45</sup>

56. The relief sought can be justified on a number of causes of action.

**1. Unjust enrichment**

57. The Responding Parties have been enriched from proceeds of the fraudulent scheme perpetrated by Mr. Santor to the corresponding deprivation of PMI and the Fund, without juristic reason.<sup>46</sup>

58. The evidence clearly establishes that the funds used to acquire the Spanish Property came from wrongful, and clearly fraudulent, diversions of funds from the Productivity Media business.

59. Myron LLC purchased the Spanish Property entirely or substantially with the Joker funds, misappropriated from the Productivity Media business. These funds enabled Myron LLC to purchase the Spanish Property, at the direct expense of PMI and the Fund. There is no legal justification for Myron LLC to retain that enrichment.

60. Following the settlement of the DECS Trust, Myron LLC's interest in the Spanish Property is apparently being held as trust property or, at a minimum, the shares of Myron LLC are being held in this fashion. Neither DECS Trust nor its trustee DECS Limited have any legal justification to retain any such enrichment. The same is true with respect to the Overpayment; each Responding Party is deemed to admit, among other things, that they

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<sup>45</sup> Kofman Affidavit, at paras. 22-25, 36, MR, Tab 6, pp. 373-375, 378.

<sup>46</sup> *Kerr v. Baranow*, [2011 SCC 10](#), at para. 3.

“received all or part of ... the Overpayment .... with knowledge, actual or constructive, of the Fraudulent Scheme”.<sup>47</sup>

## 2. Knowing Receipt

61. Liability for knowing receipt involves a receipt requirement and a knowledge requirement.<sup>48</sup> By failing to defend, the Responding Parties are each deemed to admit the allegations in the Statement of Claim, including that they knew they were receiving proceeds from the fraudulent scheme or took the funds while being reckless or wilfully blind to the source of the funds.<sup>49</sup>

62. “Even if the property is received innocently, once the recipient learns of the fraud or breach of trust, whether actually or constructively, he is liable to return any of the property that he then still holds.”<sup>50</sup>

63. In light of this principle, this Court need not make any findings regarding the Responding Parties’ state of mind at the time they received the assets in question. This resolves any concern that Mr. Chang-Sang may have that findings on this motion could prejudice his position at trial (to the extent that the Responding Parties’ knowledge may be imputed to him).

64. In *Holmes v. Amlez International*, a third party was found liable in knowing receipt when he accepted funds “in the face of actual knowledge of the allegations in the

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<sup>47</sup> Statement of Claim, at para. 64, MR, Tab 6, pp. 470-471.

<sup>48</sup> *Holmes v. Amlez International*, [2009 CanLII 58984](#) (Ont. S.C.), at para. 7.

<sup>49</sup> Statement of Claim, at para. 30, MR, Tab 6, p. 463.

<sup>50</sup> *Holmes v. Amlez International*, [2009 CanLII 58984](#) (Ont. S.C.), at para. 12.

statement of claim” regarding wrongdoing.<sup>51</sup> The situation is similar here. Further, the Receiver has already established a strong *prima facie* case of fraud. On December 2, 2024, the Receiver obtained an interim and interlocutory Mareva injunction against Mr. Santor and various corporate defendants that Mr. Santor controlled.<sup>52</sup> In his endorsement granting the Mareva injunction, Black J. said the following, at para. 7:

It appears evident that starting in 2016, Mr. Santor engaged in a fraudulent scheme to perpetrate and conceal the diversion of the gross amount of \$100,000,000 from the Fund to various Ontario corporations he created and controlled.

65. Further, at paras. 29 and 30, Black J. found that there was a strong *prima facie* case for civil fraud and fraudulent misrepresentation:

In terms of the test for a Mareva injunction, I am satisfied, first, that the moving party has established a strong *prima facie* case. The evidence before me shows that Mr. Santor created an elaborate scheme to misappropriate funds from the Fund, and knowingly used his position of trust at PMI and the Fund to facilitate payments based on fictitious loans to artificial companies established for the purpose of carrying out the fraudulent scheme. It is clear that Mr. Santor used these misappropriated funds for his own benefit.

I find that these facts provide the basis for a strong *prima facie* case of civil fraud, and fraudulent misrepresentation. It also appears clear that Mr. Santor breached his fiduciary duties to PMI and the Fund, thereby enriching himself and the other Mareva Defendants.

66. Among the defendants subject to the Mareva injunction was Joker Films Productions Inc., the company Mr. Santor impersonated when he redirected the

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<sup>51</sup> See e.g. *Holmes v. Amlez International*, [2009 CanLII 58984](#) (Ont. S.C.) at paras. 16-18, 28.

<sup>52</sup> Kofman Affidavit, at para. 10, MR, Tab 6, p. 371. Kofman Affidavit, Exhibit C, Endorsement of Black J., dated December 3, 2024, at paras. 29-30, MR, Tab 6, p. 436.

Deadlands loan to 839 Canada's bank account. These are the funds that were ultimately used to purchase the Spanish Property in Myron LLC's name.

67. Therefore, regardless of the Responding Parties' knowledge of the source of funds at the time of receipt, they now have notice of the facts in issue; judgment should issue on that basis.

#### **PART IV. ORDER SOUGHT**

68. The Receiver requests judgment against the Responding Parties, jointly and severally, for:

- a. Damages in an amount equivalent to USD \$1,810,000 in relation to the funds misappropriated by Mr. Santor from the Fund and/or PMI that were used to purchase the Spanish Property;
- b. Damages in an amount equivalent to USD \$1,200,000 in relation to the Overpayment;
- c. Pre-judgment and post-judgment interest at the rates prescribed by the *Courts of Justice Act*, RSO 1990, c C.43; and
- d. Costs on a substantial indemnity basis.

**ALL OF WHICH IS RESPECTFULLY SUBMITTED** this 20th day of February, 2026.



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Jeff Larry/Dan Rosenbluth/Grace Bryson  
Lawyers for the Receiver

**LAWYER'S CERTIFICATION OF AUTHENTICITY OF AUTHORITIES**

Counsel for the Plaintiff hereby certifies that we are satisfied as to the authenticity of every authority cited in this factum



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Jeff Larry/Dan Rosenbluth/Grace Bryson  
Lawyers for the Receiver

**SCHEDULE “A” – LIST OF AUTHORITIES**

1. *Bridging Finance Inc. et al. v. Sharpe et al.*, [2025 ONSC 1836](#)
2. *Churchill v. Aero Auction Sales Inc.*, [2019 ONSC 4766](#)
3. *Elekta Ltd. v. Rodkin*, [2012 ONSC 2062](#)
4. *Holmes v. Amlez International*, [2009 CanLII 58984](#) (Ont. S.C.)
5. *Kerr v. Baranow*, [2011 SCC 10](#)
6. *Paul’s Transport Inc. v. Immediate Logistics Limited*, [2022 ONCA 573](#)
7. *Sakab Saudi Holding Co. v. Jabri*, [2022 ONCA 496](#)

## **SCHEDULE “B” – STATUTES AND REGULATIONS**

*Rules of Civil Procedure, R.R.O. 1990, Reg. 194*

### **RULE 16 SERVICE OF DOCUMENTS**

#### **General Rules for Manner of Service Originating Process**

**16.01** (1) An originating process shall be served personally as provided in rule 16.02 or by an alternative to personal service as provided in rule 16.03.

(2) A party who has not been served with the originating process but delivers a defence, notice of intent to defend or notice of appearance shall be deemed to have been served with the originating process as of the date of delivery.

[...]

#### **Personal Service**

**16.02** (1) Where a document is to be served personally, the service shall be made,

##### **Individual**

(a) on an individual, other than a person under disability, by leaving a copy of the document with the individual;

[...]

##### **Corporation**

(c) on any other corporation, by leaving a copy of the document with an officer, director or agent of the corporation, or with a person at any place of business of the corporation who appears to be in control or management of the place of business;

[...]

##### **Person outside Ontario Carrying on Business in Ontario**

(e) on a person outside Ontario who carries on business in Ontario, by leaving a copy of the document with anyone carrying on business in Ontario for the person;

[...]

#### **Alternatives to Personal Service**

Where Available

**16.03** (1) Where these rules or an order of the court permit service by an alternative to personal service, service shall be made in accordance with this rule.

### **Acceptance of Service by Lawyer**

(2) Service on a party who has a lawyer may be made by leaving a copy of the document with the lawyer or an employee in the lawyer's office, but service under this subrule is effective only if the lawyer endorses on the document or a copy of it an acceptance of service and the date of the acceptance.

(3) By accepting service the lawyer shall be deemed to represent to the court that the lawyer has the authority of his or her client to accept service.

[...]

### **Service on a Corporation**

(6) Where the head office, registered office or principal place of business of a corporation or, in the case of an extra-provincial corporation, the attorney for service in Ontario cannot be found at the last address recorded with the Ministry of Public and Business Service Delivery, service may be made on the corporation by mailing a copy of the document to the corporation or to the attorney for service in Ontario, as the case may be, at that address.

[...]

### **Proof of Service**

#### **Affidavit of Service**

**16.09** (1) Service of a document may be proved by an affidavit of the person who served it (Form 16B).

[...]

## **RULE 17 SERVICE OUTSIDE ONTARIO**

### **Definition**

**17.01** In rules 17.02 to 17.06, "originating process" includes a counterclaim against only parties to the main action, and a crossclaim.

### **Service outside Ontario without Leave**

**17.02** A party to a proceeding may, without a court order, be served outside Ontario with an originating process or notice of a reference where the proceeding against the party consists of a claim or claims,

### **Property in Ontario**

(a) in respect of real or personal property in Ontario;

[...]

### **Contracts**

(f) in respect of a contract where,

(i) the contract was made in Ontario,

(ii) the contract provides that it is to be governed by or interpreted in accordance with the law of Ontario,

(iii) the parties to the contract have agreed that the courts of Ontario are to have jurisdiction over legal proceedings in respect of the contract, or

(iv) a breach of the contract has been committed in Ontario, even though the breach was preceded or accompanied by a breach outside Ontario that rendered impossible the performance of the part of the contract that ought to have been performed in Ontario;

### **Tort Committed in Ontario**

(g) in respect of a tort committed in Ontario;

[...]

### **Person Resident or Carrying on Business in Ontario**

(p) against a person ordinarily resident or carrying on business in Ontario;

[...]

### **Service outside Ontario with Leave**

**17.03** (1) In any case to which rule 17.02 does not apply, the court may grant leave to serve an originating process or notice of a reference outside Ontario.

(2) A motion for leave to serve a party outside Ontario may be made without notice, and shall be supported by an affidavit or other evidence showing in which place or country the person is or probably may be found, and the grounds on which the motion is made.

### **Additional Requirements for Service outside Ontario**

**17.04** (1) An originating process served outside Ontario without leave shall disclose the facts and specifically refer to the provision of rule 17.02 relied on in support of such service.

(2) Where an originating process is served outside Ontario with leave of the court, the originating process shall be served together with the order granting leave and any affidavit or other evidence used to obtain the order.

### **Manner of Service outside Ontario**

#### Definitions

**17.05** (1) In this rule,

“contracting state” means a contracting state under the Convention; (“État contractant”)

“Convention” means the Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters signed at The Hague on November 15, 1965. (“Convention”).

#### **General Manner of Service**

(2) An originating process or other document to be served outside Ontario in a jurisdiction that is not a contracting state may be served in the manner provided by these rules for service in Ontario, or in the manner provided by the law of the jurisdiction where service is made, if service made in that manner could reasonably be expected to come to the notice of the person to be served.

#### **Manner of Service in Convention States**

(3) An originating process or other document to be served outside Ontario in a contracting state shall be served,

- (a) through the central authority in the contracting state; or
- (b) in a manner that is permitted by the Convention and that would be permitted by these rules if the document were being served in Ontario.

#### **Proof of Service**

- (4) Service may be proved,
- (a) in the manner provided by these rules for proof of service in Ontario;
  - (b) in the manner provided by the law of the jurisdiction where service is made; or
  - (c) in accordance with the Convention, if service is made in a contracting state (Forms 17A to 17C).

## **RULE 19 DEFAULT PROCEEDINGS**

### **Noting Default**

## Where no Defence Delivered

**19.01** (1) Where a defendant fails to deliver a statement of defence within the prescribed time, the plaintiff may, on filing proof of service of the statement of claim, or of deemed service under subrule 16.01 (2), require the registrar to note the defendant in default.

[...]

## Consequences of Noting Default

**19.02** (1) A defendant who has been noted in default,

(a) is deemed to admit the truth of all allegations of fact made in the statement of claim; and

(b) shall not deliver a statement of defence or take any other step in the action, other than a motion to set aside the noting of default or any judgment obtained by reason of the default, except with leave of the court or the consent of the plaintiff.

(2) Despite any other rule, where a defendant has been noted in default, any step in the action that requires the consent of a defendant may be taken without the consent of the defendant in default.

[...]

## By Motion for Judgment

**19.05** (1) Where a defendant has been noted in default, the plaintiff may move before a judge for judgment against the defendant on the statement of claim in respect of any claim for which default judgment has not been signed.

(2) A motion for judgment under subrule (1) shall be supported by evidence given by affidavit if the claim is for unliquidated damages.

(3) On a motion for judgment under subrule (1), the judge may grant judgment, dismiss the action or order that the action proceed to trial and that oral evidence be presented.

(4) Where an action proceeds to trial, a motion for judgment on the statement of claim against a defendant noted in default may be made at the trial.

## Facts Must Entitle Plaintiff to Judgment

**19.06** A plaintiff is not entitled to judgment on a motion for judgment or at trial merely because the facts alleged in the statement of claim are deemed to be admitted, unless the facts entitle the plaintiff to judgment.

**KSV RESTRUCTURING INC. in its capacity as court-appointed receiver and manager of PRODUCTIVITY MEDIA INC. and PRODUCTIVITY MEDIA INCOME FUND I LP, and not in its personal capacity**

-and-

**ANDREW DAVID CHANG-SANG, MYRON LLC, DECS LIMITED, and DECS TRUST by its trustee, DECS LIMITED**

Plaintiff

Defendants

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**  
  
PROCEEDING COMMENCED AT  
TORONTO

**FACTUM OF THE PLAINTIFF**

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