

Court File Nos. CV-25-00741044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**CHIEF EXECUTIVE OFFICER OF THE FINANCIAL SERVICES  
REGULATORY AUTHORITY OF ONTARIO**

Applicant

and

**SUSSMAN MORTGAGE FUNDING INC., 2486976 ONTARIO INC.  
and 1981361 ONTARIO INC.**

Respondents

***AIDE MEMOIRE OF MICHAEL STEIN***

(Case Conference – June 26, 2025, at 10:00 a.m.)

1. As discussed below, Michael Stein (“**Mr. Stein**”) is a beneficial owner and lender of two mortgages held by Olympia Trust in trust for him. Mr. Stein is not an investor in any Sussman Mortgage Funding Inc. (“**SMFI**”) mortgage. His mortgages do not form part of the Respondents’ Property and are therefore not subject to this receivership. Despite the same, the Receiver has interfered with his and Olympia Trust’s ability to enforce the mortgages, which are both in default. Regarding mortgage one discussed below, the Receiver acknowledges its overreach and recommends that the court declare that the mortgage is not subject to this receivership. As to mortgage two discussed below, the Receiver maintains that it might have a claim as to a 60.8% interest in the mortgage even though SMFI does not have any registered interest in the mortgage. Given its position, the Receiver has hijacked all enforcement powers of the mortgage from the mortgagee (Olympia Trust) and the beneficial owners. The Receiver acknowledges that Mr. Stein’s

39.2% beneficial interest in that mortgage does not form part of the Respondents' Property. Accordingly, at the very minimum, the Receiver must remit 39.2% of any payments received by it in respect of that mortgage, to Olympia Trust for Mr. Stein.

**(1) S-27 Mortgage – Instrument No. SC2056785 – 1026 Green Street, Innisfil, ON**

2. A copy of this registered Charge/Mortgage (without its Schedule of additional terms) is at **Attachment 1** hereto. As indicated therein, the sole mortgagee of this mortgage is Olympia Trust Company, which holds the mortgage in trust for Mr. Stein's RRSP (as to 55.17%) and Jay Teichman's TFSA and RRIF (as to 44.83%).

3. The Receiver acknowledges that SMFI does not hold any legal or beneficial interest in this mortgage. Despite the same, the Receiver has notified the borrower of this mortgage (Mr. Subramaniam) that he is to remit all payments regarding this mortgage to the Receiver, and not to the mortgagee (Olympia Trust) or to the beneficial owners/lenders (Messrs. Stein and Teichman). To make matters worse, after the Receiver sent its notice, the borrower ceased making further payments under the mortgage. Due to the Receiver's improper interference, the legal and beneficial owners of this mortgage are unable to enforce their mortgage.

4. The Receiver now acknowledges that SMFI does not have an interest in this mortgage and, therefore, the mortgage does not form part of the "Property" of SMFI. In paragraph 137 of its First Report, the Receiver recommends that the said beneficial and legal owners of this mortgage be allowed to enforce their mortgage. Yet, that is already their legal right. Although completely unnecessary, the Receiver requires that an order be obtained (which the Receiver would not oppose) permitting the said owners to enforce

their mortgage. The Receiver refuses to simply send a letter to the borrower indicating the same and rescinding the Receiver's prior notice to the borrower otherwise.

5. The Receiver advises that it has collected \$5,706 from the borrower regarding this mortgage. The Receiver is holding those funds in trust for the said owners, and must forward those funds to Olympia Trust.

6. Accordingly, Mr. Stein respectfully requests an endorsement or order: (a) declaring that this mortgage does not form part of the Property of the Respondents and is, therefore, not subject to this receivership; (b) requiring the Receiver to notify the borrower of the same; and (c) requiring the Receiver to promptly transfer all monies it has received, and may in the future receive, in respect of this mortgage to Olympia Trust.

**(2) S-26 Mortgage – Instrument No. SC1988664 – 1345 Bardeau Street, Innisfil, ON**

7. A copy of this registered Charge/Mortgage (without its Schedule of additional terms) is at **Attachment 2**. The mortgagees of this mortgage, registered on June 23, 2023, were originally:

- SMFI as to an undivided 60.8% interest; and
- Olympia Trust as to 39.2% interest, in trust for Mr. Stein's RRSP and TFSA

8. On October 31, 2023, a Transfer of Charge was registered as Instrument No. SC2018550 (**Attachment 3**), pursuant to which, SMFI transferred its 60.8% interest in the mortgage to Olympia Trust, in trust for Jay Teichman's and Bruce Roberts' respective RRIF accounts.

9. Accordingly, since October 31, 2023, SMFI has not held any legal or beneficial interest in this mortgage. Instead, since that time, the sole mortgagee of the mortgage has been (and is) Olympia Trust, which holds the mortgage in trust for Messrs. Stein, Teichman and Roberts as to their respective aforesaid interests.

10. Strangely, the Receiver's First Report (at paragraph 107) makes no mention whatsoever of the said registered Transfer of Charge, and instead states that the property *"is currently encumbered by a charge in favour of SMFI and Olympia in trust for certain Registered Investors"*, which is obviously untrue.

11. Despite the foregoing, the Receiver has notified the borrower (Mr. Subramaniam) that all payments under this mortgage are to be made to it, and not to Olympia Trust or the beneficial owners of the mortgage. The borrower stopped making any further mortgage payments. Further, the mortgage matured on June 8, 2025, and the borrower has not paid out the mortgage.

12. The Receiver refuses to permit Olympia Trust and the said beneficial owners/lenders to enforce their mortgage. According to the Receiver's counsel, this is due to the fact that SMFI formerly held a 60.8% interest in this mortgage. However, since October 2023, SMFI ceased having any registered interest in the mortgage. Accordingly, the Receiver, standing in the shoes of SMFI, has no right to enforce the mortgage. That right belongs to the owners of the mortgage.

13. Regardless of the same, there is no dispute that, ever since the mortgage's inception, Olympia Trust holds an undivided 39.2% interest in the mortgage in trust for Mr. Stein.

14. The Receiver acknowledges that it has no claim to Mr. Stein's 39.2% beneficial interest in this mortgage. The Receiver has reportedly received payments totaling \$4,918 from the borrower regarding this mortgage. According to the Receiver's counsel, the Receiver requires an order permitting it to forward 39.2% of those funds to Olympia Trust in trust for Mr. Stein.

15. The Receiver cannot deprive or impair Mr. Stein's legal rights as to his undisputed 39.2% ownership interest in this mortgage. The Receiver must transfer 39.2% of any monies it has received, and may receive, regarding this mortgage to Olympia Trust in respect of Mr. Stein's undisputed 39.2% interest therein.

16. Mr. Stein respectfully requests an endorsement or order accordingly.

June 23, 2025

**FRIEDMANS LLP**  
150 Ferrand Drive, Suite 800  
Toronto, ON M3C 3E5

**Stephen C. Nadler** (LSO #37946G)  
sn@friedmans.ca  
Tel: 416-649-4466

Lawyers for Michael Stein

# **Attachment 1**

Properties

PIN	58065 - 0847	LT	Interest/Estate	Fee Simple
Description	LOT 29, PLAN 51M1099; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1361759; SUBJECT TO AN EASEMENT FOR ENTRY AS IN SC1474813; TOWN OF INNISFIL			
Address	1026 GREEN STREET LEFROY			

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name	SUBRAMANIAM, MAHESWARAN
Address for Service	1610 19th Avenue Richmond Hill, Ontario L4E 3R9
I am at least 18 years of age.	
The property is not ordinarily occupied by me and my spouse, who is not separated from me, as our family residence.	
This document is not authorized under Power of Attorney by this party.	

Chargee(s)	Capacity	Share
Name	OLYMPIA TRUST COMPANY	as to an undivided 55.17% interest
Address for Service	Olympia Trust Company in trust for RRSP# 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8	
Name	OLYMPIA TRUST COMPANY	as to an undivided 25.14% interest
Address for Service	Olympia Trust Company in trust for TFSA # 344117 - Jay Teichman 341Joicey Blvd., Toronto, Ontario M5M 2W2	
Name	OLYMPIA TRUST COMPANY	as to an undivided 19.69% interest
Address for Service	Olympia Trust Company in trust for RRIF # 314249 - Jay Teichman 341Joicey Blvd., Toronto, Ontario M5M 2W2	

Statements

Schedule: See Schedules

The text added or imported if any, is legible and relates to the parties in this document.

Provisions

Principal	\$290,000.00	Currency	CDN
Calculation Period	semi-annually, not in advance		
Balance Due Date	2026/05/03		
Interest Rate	10.50% per annum		
Payments	\$2,853.00		
Interest Adjustment Date	2024 05 03		
Payment Date	3rd day of each month		
First Payment Date	2024 06 03		
Last Payment Date	2026 05 03		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

**Signed By**

Ku Yim Ng

20 Holly St. Ste 300  
Toronto  
M4S 3B1

acting for  
Chargor(s)

Signed

2024 05 21

Tel

416-486-9800

Fax

416-486-3309

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

OWENS, WRIGHT LLP

20 Holly St. Ste 300  
Toronto  
M4S 3B1

2024 05 21

Tel

416-486-9800

Fax

416-486-3309

**Fees/Taxes/Payment**

Statutory Registration Fee	\$69.95
Total Paid	\$69.95

**File Number**

Chargor Client File Number :

12543030 GDG DR MN



# **Attachment 2**

Properties				
PIN	58065 - 0609	LT	Interest/Estate	Fee Simple
Description	LOT 146, PLAN 51M1014; TOGETHER WITH AN EASEMENT OVER PTS 6 & 7 51R38128 AS IN SC996675; SUBJECT TO AN EASEMENT IN GROSS OVER LOT 146, PLAN 51M1014 AS IN SC1333490; TOWN OF INNISFIL			
Address	1345 BARDEAU STREET INNISFIL			

Chargor(s)	
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.	
Name	SUBRAMANIAM, MAHESWARAN
Address for Service	1345 Bardeau Street, Innisfil, Ontario L0L 1W0
I am at least 18 years of age.	
The property is not ordinarily occupied by me and my spouse, who is not separated from me, as our family residence.	
This document is not authorized under Power of Attorney by this party.	

Chargee(s)		Capacity	Share
Name	SUSSMAN MORTGAGE FUNDING INC.		as to an undivided 60.80% interest
Address for Service	129 Dunlop Street East, Barrie, Ontario L4M 1A6		
Name	OLYMPIA TRUST COMPANY		as to an undivided 20.60% interest
Address for Service	Olympia Trust Company in trust for RRSP # 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8		
Name	OLYMPIA TRUST COMPANY		as to an undivided 18.60% interest
Address for Service	Olympia Trust Company in trust for TFSA # 330559 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8		

Statements
Schedule: See Schedules

Provisions			
Principal	\$500,000.00	Currency	CDN
Calculation Period	semi-annually, not in advance		
Balance Due Date	2025/06/23		
Interest Rate	10.50% per annum		
Payments	\$4,918.00		
Interest Adjustment Date	2023 06 23		
Payment Date	23rd day of each month		
First Payment Date	2023 07 23		
Last Payment Date	2025 06 23		
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Signed By				
Ku Yim Ng	20 Holly St. Ste 300 Toronto M4S 3B1	acting for Chargor(s)	Signed	2023 06 23

*The applicant(s) hereby applies to the Land Registrar.*

yyyy mm dd Page 2 of 21

**Signed By**

Tel 416-486-9800

Fax 416-486-3309

I have the authority to sign and register the document on behalf of the Chargor(s).

**Submitted By**

OWENS, WRIGHT LLP

20 Holly St. Ste 300  
Toronto  
M4S 3B1

2023 06 23

Tel 416-486-9800

Fax 416-486-3309

**Fees/Taxes/Payment**

<i>Statutory Registration Fee</i>	\$69.00
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<i>Total Paid</i>	\$69.00
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***File Number***

Chargee Client File Number : 12543023 GDG DR MN

# **Attachment 3**

Properties		
PIN	58065 - 0609    LT	
Description	LOT 146, PLAN 51M1014; TOGETHER WITH AN EASEMENT OVER PTS 6 & 7 51R38128 AS IN SC996675; SUBJECT TO AN EASEMENT IN GROSS OVER LOT 146, PLAN 51M1014 AS IN SC1333490; TOWN OF INNISFIL	
Address	1345 BARDEAU STREET INNISFIL	

Source Instruments		
Registration No.	Date	Type of Instrument
SC1988664	2023 06 23	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name

SUSSMAN MORTGAGE FUNDING INC.

Address for Service

129 Dunlop St. East, Barrie, Ontario  
L4M 1A6

A person or persons with authority to bind the corporation has/have consented to the registration of this document.  
This document is not authorized under Power of Attorney by this party.

Name

OLYMPIA TRUST COMPANY

Address for Service

Olympia Trust Company in trust for  
RRSP # 330315 - Michael Stein  
PO Box 2581, STN Central  
Calgary AB T2P 1C8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.  
This document is not authorized under Power of Attorney by this party.

Name

OLYMPIA TRUST COMPANY

Address for Service

Olympia Trust Company in trust for  
TFSA # 330559 - Michael Stein  
PO Box 2581, STN Central  
Calgary AB T2P 1C8

A person or persons with authority to bind the corporation has/have consented to the registration of this document.  
This document is not authorized under Power of Attorney by this party.

Transferee(s)		Capacity	Share
Name	OLYMPIA TRUST COMPANY		as to an undivided 20.60% interest
Address for Service	Olympia Trust Company in trust for RRSP # 330315 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8		
Name	OLYMPIA TRUST COMPANY		as to an undivided 18.60% interest
Address for Service	Olympia Trust Company in trust for TFSA # 330559 - Michael Stein PO Box 2581, STN Central Calgary AB T2P 1C8		
Name	OLYMPIA TRUST COMPANY		as to an undivided 30.80% interest
Address for Service	Olympia Trust Company in trust for RRIF # 314249 - Jay Teichman PO Box 2581, STN Central Calgary AB T2P 1C8		
Name	OLYMPIA TRUST COMPANY		as to an undivided 30.00% interest
Address for Service	Olympia Trust Company in trust for RRIF # 271041 - Bruce Roberts		

Transferee(s)	Capacity	Share
PO Box 2581, STN Central Calgary AB T2P 1C8		

Statements

The chargee transfers the selected charge for 2.00 and other good and valuable consideration, without any warranties or representation and on a non-recourse basis.

This document relates to registration number(s)SC1988664 & SC1988665

Signed By

Ku Yim Ng	20 Holly St. Ste 300 Toronto M4S 3B1	acting for Transferor(s)	Signed	2023 10 31
Tel	416-486-9800			
Fax	416-486-3309			
I have the authority to sign and register the document on behalf of all parties to the document.				
Ku Yim Ng	20 Holly St. Ste 300 Toronto M4S 3B1	acting for Transferee(s)	Signed	2023 10 31
Tel	416-486-9800			
Fax	416-486-3309			
I have the authority to sign and register the document on behalf of all parties to the document.				

Submitted By

OWENS, WRIGHT LLP	20 Holly St. Ste 300 Toronto M4S 3B1			2023 10 31
Tel	416-486-9800			
Fax	416-486-3309			

Fees/Taxes/Payment	
Statutory Registration Fee	\$69.00
Total Paid	\$69.00

File Number

Transferee Client File Number :                    12543023 GDG DR MN

**CHIEF EXECUTIVE OFFICER OF THE  
FINANCIAL SERVICES REGULATORY  
AUTHORITY OF ONTARIO**

Applicant

and

**SUSSMAN MORTGAGE FUNDING INC., et al.**

Respondents

Court File No. CV-25-00741044-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

***AIDE MEMOIRE OF MICHAEL STEIN***

**FRIEDMANS LLP**

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Toronto, ON M3C 3E5

**Stephen C. Nadler** (LSO #37946G)

sn@friedmans.ca

Tel: 416-649-4466

Lawyers for Michael Stein