

COURT OF APPEAL FOR ONTARIO

CITATION: Shifrin v. LDF Frozen Foods Inc., 2026 ONCA 125

DATE: 20260219

DOCKET: COA-25-CV-0635

Huscroft, Zarnett and Favreau JJ.A.

BETWEEN

Alexander Shifrin

Applicant (Respondent)

and

LDF Frozen Foods Inc., Lev Danielov and Michael Groisman

Respondents (Appellants)

Daniel Waldman and David Steinberg, for the appellants

Jacqueline Cole and Viktor Nikolov, for the respondent

Heard: February 12, 2026

On appeal from the judgment of Justice Jane O. Dietrich of the Superior Court of Justice, dated April 4, 2025, with reasons reported at 2025 ONSC 2095.

REASONS FOR DECISION

[1] The application judge granted judgment declaring that the respondent, Alexander Shifrin, is the beneficial owner of 15% of LDF's shares and requiring the individual appellants to each transfer 7.5% of the shares of LDF to him. The application judge also made a declaration that the appellants' conduct toward Mr. Shifrin was oppressive. She ordered the appellants to produce to Mr. Shifrin certain corporate documentation and financial statements since 2014 "in the form required by section 154" of the *Business Corporations Act*, R.S.O. 1990, c. B.16 ("OBCA"). She also directed that once the required information was produced, a case conference would be scheduled to determine a process to assess Mr. Shifrin's damages.

[2] The appellants originally appealed all aspects of the judgment. Before the appeal was heard, the appellants advised the court that the only issue they sought to pursue on appeal was the application judge's order requiring that they produce the financial statements going back to 2014.

[3] After hearing the parties' arguments, we dismissed the appeal with reasons to follow. These are our reasons.

[4] As a preliminary matter, we are satisfied that this court has jurisdiction over the appeal. The application was based on a claim for breach of contract and for oppression under the *OBCA*. The appeal was therefore properly brought to this court pursuant to s. 6(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as it

raised issues that were appealable to this court and issues that were appealable to the Divisional Court.

[5] The appellants submit that they should not have to produce financial statements going back to 2014. They argue that the production of financial statements was a standalone claim made by Mr. Shifrin on the application, and the application judge failed to consider whether this aspect of the claim fell outside the two-year limitation period. We disagree.

[6] Mr. Shifrin's entitlement to financial statements does not arise uniquely from his rights as a shareholder to receive annual financial statements. If that were the case, there may have been a valid argument that the limitation period applied. However, it is evident from the application judge's reasons that the purpose for which she ordered production of the financial statements was to enable Mr. Shifrin to pursue a claim for damages.

[7] The conduct at issue in this matter dates back to 2014, when the parties agreed that Mr. Shifrin would receive a 15% interest in LDF in exchange for, amongst other things, a loan of \$100,000. For several years following 2014, the appellants refused to provide Mr. Shifrin with share certificates and persistently advised him that LDF was in a poor financial situation. It was only in 2024 that the appellants took the position that Mr. Shifrin was not a shareholder and that LDF did not owe him any money. On the basis of these findings of fact, the application

judge concluded that Mr. Shifrin's claim to a 15% interest in LDF was not discoverable until 2024 and that the application was therefore brought within the two-year limitation period.

[8] The application judge further ordered the appellants to produce financial statements going back to 2014 to assist Mr. Shifrin in pursuing a claim for damages. In doing so, she explicitly accepted Mr. Shifrin's position that "because no financial information has been provided to him regarding LDF's performance, he cannot quantify his claim at this time". As Mr. Shifrin points out, given the appellants' persistent representation that LDF was not doing well, without the financial statements, he has no way of knowing whether he is owed damages as a result of any dividends or any other payouts made by LDF throughout the relevant period.

[9] We also note that, during oral argument, the parties confirmed that the application judge's order does not require LDF to create financial statements for the relevant period or to have them audited. Rather, in order to comply with the order, LDF is simply required to produce existing documents, some of which were already made available on the application in a redacted form.

[10] Accordingly, we are satisfied that the application judge did not err in ordering production of financial statements going back to 2014.

[11] The appeal is dismissed.

[12] As agreed between the parties, the respondent is entitled to costs in the amount of \$30,000 all inclusive, which represents \$15,000 for the abandoned grounds of appeal and \$15,000 for success on the remaining issue on appeal that was argued.

“Grant Huscroft J.A.”

“B. Zarnett J.A.”

“L. Favreau J.A.”