

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 14-CV-80468-MIDDLEBROOKS/BRANNON

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

JCS ENTERPRISES, INC. d/b/a JCS
ENTERPRISES SERVICES, INC., T.B.T.I., INC.,
JOSEPH SIGNORE, and PAUL L. SCHUMACK, II,

Defendants.

**ORDER GRANTING MOTION FOR SUMMARY ADJUDICATION
AS TO THE SCHEER FAMILY CLAIMANTS**

THIS CAUSE comes before the Court upon the Receiver's Motion for Summary Adjudication of the Receivership Claims of the Scheer Family Claimants, filed on October 7, 2019. (DE 432). No response has been filed.


The Court's power to approve the Receiver's claim determinations and priority of claims is settled. *See SEC v. Elliot*, 953 F. 2d 1560, 1566 (11th Cir. 1992). "The district court has broad powers and wide discretion to determine relief in an equity receivership." *Id.* Having reviewed the Motion and the record, the receivership claims submitted by Gary Scheer (claim 621), Susan Scheer (claim 494), Jacob Scheer (claim 493), Jessica Scheer (claim 622), and Ariel Scheer-Stein (claim 492) are denied. This determination is based upon the fact that Gary Scheer admitted to being a JCS agent/sub-agent, broker or recipient of fees, compensation, and/or commissions on behalf of the Receivership Entities. (DE 432-1 at 7). In other words, Gary Scheer admits having obtained some form of compensation from the JCS Ponzi scheme.

There is an additional reason why I deny the Scheer Family's claims. A process by which

claimants objected to the Receiver's determination was previously implemented by this Court. (See DE 413; DE 416). Because the Scheers objected to the Receiver's exclusions of their claims, they were required to engage in discovery regarding their investments in JCS. However, the Scheers failed to answer the Receiver's discovery requests or to otherwise participate in the objection process. (DE 432; DE 432-2). The Scheers also have failed to respond to the present Motion although the Receiver served it upon them. Since it is the claimant's burden to establish his or her right to recover funds from the receivership, *see* DE 423 at 4, and the Scheers have failed to participate in the claims process, their claims are due to be denied.

Accordingly, it is **ORDERED AND ADJUDGED** that the Receiver's Motion for Summary Adjudication (DE 432) is **GRANTED**.

SIGNED in Chambers at West Palm Beach, Florida, this 17th day of March, 2020.



Donald M. Middlebrooks
United States District Judge