

United States District Court  
Northern District of California

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
San Francisco Division

FORRESTSTREAM HOLDINGS  
LIMITED,  
  
Plaintiff,  
  
v.  
  
GREGORY SHENKMAN, et al.,  
  
Defendants.

Case No. 16-cv-01609-LB

**ORDER TO MR. SHENKMAN TO  
SHOW CAUSE WHY HE SHOULD NOT  
BE HELD IN CONTEMPT AND  
SANCTIONED**

Re: ECF No. 357, 378, 384

The court assumes the reader’s familiarity with the subject matter and procedural history of this case.<sup>1</sup> Briefly stated, defendant Gregory Shenkman owes plaintiff Forreststream Holdings Ltd. more than \$5.3 million on the judgment in this case.<sup>2</sup> Mr. Shenkman has not made any payments toward this judgment in the nearly 23 months since judgment was entered.<sup>3</sup>

<sup>1</sup> For a fuller description of the subject matter and procedural history of this case, see the court’s December 6, 2018 order. *Forreststream Holdings Ltd. v. Shenkman*, No. 16-cv-01609-LB, 2018 WL 6421866 (N.D. Cal. Dec. 6, 2018) (Order – ECF No. 339). Citations refer to material in the Electronic Case File (“ECF”); pinpoint citations are to the ECF-generated page numbers at the top of documents.

<sup>2</sup> See *Mackintosh Third Aff.* – ECF No. 314 at 2.

<sup>3</sup> See *Kampfner Decl.* – ECF No. 329 at 2 (¶ 4).

1 Forrestream has attempted to take discovery of Mr. Shenkman and his assets.<sup>4</sup> The court has  
2 issued numerous orders directing Mr. Shenkman to respond to Forrestream’s discovery requests  
3 and to turn over certain assets.<sup>5</sup> Mr. Shenkman has willfully failed to comply with the court’s  
4 orders. See, e.g., Forrestream Holdings Ltd. v. Shenkman, No. 16-cv-01609-LB, 2018 WL  
5 6522218, at \*3–4 (N.D. Cal. Dec. 11, 2018) (discussing Mr. Shenkman’s willful violation of court  
6 orders).<sup>6</sup>

7 On January 2, 2019, the court issued an order directing Mr. Shenkman to pay to Forrestream  
8 from the account of GS&Co., LLC (“GS&Co.”) \$19,000 (“Turnover Order”).<sup>7</sup> (This amount was  
9 later reduced to \$15,950.<sup>8</sup>) The court further ordered that “[Mr.] Shenkman shall neither cause nor  
10 permit the transfer of any funds from the GS&Co. Account until his obligation imposed by this  
11 paragraph is satisfied.”<sup>9</sup> On March 1, 2019, Forrestream filed a notice stating that Mr. Shenkman  
12 has not paid the \$15,950 to Forrestream but has caused multiple disbursements from the  
13 GS&Co. account for personal purposes, in violation of the Turnover Order.<sup>10</sup>

14 On February 11, 2019, the court issued an order directing Mr. Shenkman to take certain  
15 enumerated actions to begin to bring himself into compliance with the court’s prior orders  
16 (“Compliance Order”).<sup>11</sup> Among other things, the Compliance Order required Mr. Shenkman  
17 (1) by February 21, 2019, to prepare a list of all wristwatches he has or ever had in his possession,  
18 custody, or control at any point between January 1, 2016 and the present, review that list with his  
19 ex-wife Yelena Shenkman, and produce the list to Forrestream with a declaration sworn under  
20 penalty of perjury attesting to the completeness and accuracy of that list and attesting that he

21 \_\_\_\_\_  
22 <sup>4</sup> See, e.g., Forrestream Document Reqs. – ECF No. 292 at 8–21; Forrestream Interrogs. – ECF No.  
292 at 23–33.

23 <sup>5</sup> Order – ECF No. 299; Order – ECF No. 326; Order – ECF No. 357.

24 <sup>6</sup> Order – ECF No. 345 at 5–7.

25 <sup>7</sup> Turnover Order – ECF No. 357 at 2.

26 <sup>8</sup> Order – ECF No. 377 at 3.

27 <sup>9</sup> Turnover Order – ECF No. 357 at 2.

28 <sup>10</sup> Forrestream Notice – ECF No. 384.

<sup>11</sup> Compliance Order – ECF No. 378.

1 reviewed that list with Ms. Shenkman,<sup>12</sup> and (2) by February 14, 2019, to produce all financial-  
2 account statements from January 1, 2016 to the present for himself, GS&Co., and MeForo USA,  
3 Inc., and, for any account statements he did not produce, produce to Forreststream a declaration  
4 sworn under penalty of perjury describing with specificity what efforts he made to obtain such  
5 account statements and why he was unable to do so.<sup>13</sup> On March 1, 2019, Forreststream filed a  
6 notice stating that Mr. Shenkman has not provided the required declaration regarding his watches  
7 (after twice requesting an extension from Forreststream) and has not provided all financial-account  
8 statements and has not provided the required declaration regarding his efforts to obtain such  
9 financial-account statements, in violation of the Compliance Order.

10 The court orders Mr. Shenkman to show cause why he should not be held in contempt and  
11 sanctioned for (1) not producing the declaration regarding his watches, (2) not producing the  
12 declaration regarding his efforts to obtain financial-account statements, and (3) causing  
13 disbursements from the GS&Co. account for personal purposes. Mr. Shenkman is ordered to  
14 appear in person before the court on March 7, 2019 at 9:30 a.m. and show cause.<sup>14</sup> The court  
15 further orders Mr. Shenkman to file any written response to Forreststream’s notice by March 5,  
16 2019. Forreststream may file a reply by March 6, 2019 at 2:00 p.m. The court reemphasizes again  
17 its earlier, repeated warnings to Mr. Shenkman that sanctions for contempt may include  
18 incarceration.<sup>15</sup>

19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**IT IS SO ORDERED.**

Dated: March 3, 2019



LAUREL BEELER  
United States Magistrate Judge

---

<sup>12</sup> Id. at 2–3.

<sup>13</sup> Id. at 3–4.

<sup>14</sup> The court also previously ordered Mr. Shenkman to appear before the court on March 7, 2019 at 9:30 a.m. Compliance Order – ECF No. 378 at 5.

<sup>15</sup> See, e.g., Order – ECF No. 345 at 12–13.