### Bougadis, Chang LLP

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Please reply to: Email:

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January 19, 2017

VIA EMAIL

### T PHARMACY LTD.

c/o Stavros Gavrilidis and Dan Dimovski 1349 Grand Marais Road West Windsor, ON N9E 1E2

### PHARMACY FRANCHISEE ASSOCIATION OF CANADA

c/o Stavros Gavrilidis and Dan Dimovski 1349 Grand Marais Road West Windsor, ON N9E 1E2

Mr. William V. Sasso

Ms. Sharon Strosberg

Mr. Jacqueline A. Horvat

### SUTTS, STROSBERG LLP

600 – 251 Goyeau Street

Windsor, ON N9A 6V4

Former lawyers for T Pharmacy Ltd.

Mr. Alan Mark

Ms. Francy Kussner

Mr. Jesse Mighton

### **GOODMANS LLP**

333 Bay Street, Suite 3400

Toronto, ON M5H 2S7

Lawyers for the Monitor

Mr. Jeremy Dacks

Mr. Shawn Irving

Ms. Christine Jackson

### OSLER HOSKIN HARCOURT LLP

100 King Street West, Suite 6200

Toronto, ON M5X 1B8

Lawyers for Target Entities

AND TO: SERVICE LIST

www.bcbarristers.com

Dear Sirs / Madams:

Re:

**Target Canada CCAA Proceedings** 

**Court File No.:** 

CV-15-10832-00CL

Our File No.:

161-332-002

Attached please find the Notice of Motion, dated January 19, 2017, and the Affidavit of George A. Bougadis, sworn on January 19, 2017, with respect to Bougadis, Chang LLP's motion, to proceed in writing, as unopposed, to remove itself as counsel of record for T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada in this matter, served upon you pursuant to the *Rules*.

Trusting the above is satisfactory.

Yours very truly,

BOUGADIS, CHANG LLP

George A. Bougadis

GAB/bg Encl.

Counsel.11

Court File No.: CV-15-10832-00CL

### ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

IN THE MATTER OF *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., TARGET CANADA HEALTH CO., TARGET CANADA MOBILE GP CO., TARGET CANADA PHARMACY (BC) CORP., TARGET CANADA PHARMACY (ONTARIO) CORP., TARGET CANADA PHARMACY (SK) CORP., AND TARGET CANADA PROPERTY LLC (THE "APPLICANTS")

### NOTICE OF MOTION

The law firm of Bougadis, Chang LLP will make a motion to the Court, **in writing**, at 360 University Avenue, Toronto, Ontario.

### **PROPOSED METHOD OF HEARING:** The motion is to be heard:

	X	]	in writing under subrule 37.12.1(3) because it is unopposed
]		]	in writing as an opposed motion under subrule 37.12.1(4)
ĺ		]	orally.

### THIS MOTION IS FOR:

- 1. An Order removing George A. Bougadis and the law firm of Bougadis, Chang LLP as lawyers of record for T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada;
- An Order that T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada may be served by regular mail at their last known address for service: 1349 Grand Marais Road West, Windsor, Ontario, N9E 1E2;

3. An Order that pursuant to Rules 15.04(6) and 15.04(7):

Rule 15.04(6): A client that is a corporation shall, within 30 days after being served with the order removing the lawyer from the record,

- (a) appoint a new lawyer of record by serving a notice under subrule 15.03 (2); or
- (b) obtain and serve an order under subrule 15.01 (2) granting it leave to be represented by a person other than a lawyer.

Rule 15.04(6): If the corporation fails to comply with subrule (6),

- (a) the court may dismiss its proceeding or strike out its defence; and
- (b) in an appeal,
  - (i) a judge of the appellate court may, on motion, dismiss the corporation's appeal, or
  - (ii) the court hearing the appeal may deny it the right to be heard.
- 4. A charging Order in favour of Bougadis, Chang LLP on any monies payable to T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada pursuant to settlement or judgment in this matter, for an amount to be agreed upon or assessed, for Bougadis, Chang LLP's disbursements (currently totaling: \$599.97, inclusive of HST), legal fees (currently totaling: \$15,286.58, inclusive of HST), and interest on outstanding legal account (i.e. 2% per month compounded to 28.8% per annum), and in priority to any and all other charges that may hereafter exist on T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada's file, pertaining to this matter;
- 5. An Order that Bougadis, Chang LLP be allowed to make costs submissions to Regional Senior Judge Morawetz, on its own behalf, at the same time that Pharmacist Representative Counsel, i.e. Sutts, Strosberg LLP, makes its cost submissions to Regional Senior Judge Morawetz in this matter;
- 6. An Order that T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada provide a copy of this Order to any legal representative retained by them in this matter;

- 7. An Order that T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada shall forthwith notify Bougadis, Chang LLP, in writing, by mail and fax, after their claims in this matter are disposed of, whether such disposition occurs by settlement, dismissal, discontinuance or Judgment, and provide the particulars of the disposition, including, but not limited to, the amount of settlement or Judgment, if any, a copy of any release, Notice of Discontinuance, or order, and the name, address, telephone number, fax number, and e-mail address of any representative that acted on their behalf after the date of this Order;
- 8. An Order that, pursuant to s. 137 (2) of the *Court of Justice Act*, R.S.O. 1990, c. C. 43, the Supplemental Affidavit of George A. Bougadis, if this motion does not proceed in writing and oral submissions required and if filed in support of the within Motion, be treated as confidential, sealed, and not form part of the public record;
- 9. An Order granting Bougadis, Chang LLP its costs of this Motion on a substantial indemnity basis, if opposed by any party, only; and,
- 10. Such further and other relief as counsel may advise and this Honourable Court may permit.

### THE GROUNDS FOR THE MOTION ARE:

- 1. The law firm of Bougadis, Chang LLP is the current lawyer of record for T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada in this matter;
- 2. There has been a fundamental breakdown of the lawyer and client relationship between Bougadis, Chang LLP and T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada;
- 3. Rules 1.04, 2.01, 2.03, 15, 15.04, 16, 37, and 57 of the Rules of Civil Procedure;
- 4. Section 34 of the Solicitors' Act, R.S.O. 1990, c. S.15;

- 5. Section 137 (2) of the Court of Justice Act, R.S.O. 1990, c. C. 43; and,
- 6. Upon such further and reasonable grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

- 1. This Form;
- 2. Pleadings in this proceeding;
- 3. Affidavit of George A. Bougadis with its Exhibits;
- 4. Supplemental Affidavit of George A. Bougadis with the solicitor and client privileged Exhibits (if filed); and,
- 5. Such further and other material as counsel may advise and this Honourable Court may permit.

**DATE:** January 19, 2017

**BOUGADIS, CHANG LLP** 

Barristers 300 - 55 Adelaide Street East Toronto, ON M5C 1K6

### George A. Bougadis

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Lawyers for T Pharmacy Ltd. and Pharmacy Franchisee Association of Canada

TO: T PHARMACY LTD.

c/o Stavros Gavrilidis and Dan Dimovski 1349 Grand Marais Road West Windsor, ON N9E 1E2

### AND TO: PHARMACY FRANCHISEE ASSOCIATION OF CANADA

c/o Stavros Gavrilidis and Dan Dimovski 1349 Grand Marais Road West Windsor, ON N9E 1E2

### AND TO: SUTTS, STROSBERG LLP

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Lawyers for Target Entities

AND TO: SERVICE LIST

# AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., et al. IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.: CV-15-10832-00CL

### SUPERIOR COURT OF JUSTICE COMMERCIAL LIST ONTARIO

Proceeding Commenced at TORONTO

# NOTICE OF MOTION

# **BOUGADIS, CHANG LLP**

**Barristers** 

Toronto, ON M5C 1K6 300 - 55 Adelaide Street East

## George A. Bougadis LSUC #: 40772A

(416) 703-2402

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of Canada Pharmacy Franchisee Association Lawyers for T Pharmacy Ltd. and

Court File No.: CV-15-10832-00CL

### ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)

IN THE MATTER OF COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., TARGET CANADA HEALTH CO., TARGET CANADA MOBILE GP CO., TARGET CANADA PHARMACY (BC) CORP., TARGET CANADA PHARMACY (ONTARIO) CORP., TARGET CANADA PHARMACY (SK) CORP., AND TARGET CANADA PROPERTY LLC (THE "APPLICANTS")

### AFFIDAVIT OF GEORGE A. BOUGADIS

I, GEORGE A. BOUGADIS, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

- 1. I am a Partner at the law firm of Bougadis, Chang LLP, lawyers for Pharmacy Franchisee Association of Canada and T Pharmacy Ltd. in this matter, and as such, have knowledge of the matters hereinafter deposed to and do verily believe the same to be true.
- 2. The law firm of Bougadis, Chang LLP was retained by Pharmacy Franchisee Association of Canada and T Pharmacy Ltd. with respect to this matter on October 4, 2016 and November 2, 2016, respectively, on an hourly basis. I, George A. Bougadis, a Partner at Bougadis, Chang LLP, have carriage of this file.
- 3. There has been a fundamental breakdown of the lawyer and client relationship between Bougadis, Chang LLP and Pharmacy Franchisee Association of Canada and T Pharmacy Ltd. in this matter, resulting from Pharmacy Franchisee Association of Canada and T Pharmacy Ltd.'s ongoing failure to satisfy our law firm's legal account.

4. In particular, I can advise this Honourable Court that our law firm's legal account for legal services rendered in this matter, dated December 13, 2016, totaling: \$15,886.55 (i.e. \$599.97 in disbursements and \$15,286.58 in legal fees) plus applicable interest at 2% per month compounded to 28.8% per annum, have not been paid Pharmacy Franchisee Association of Canada and T Pharmacy Ltd. to date.

5. Accordingly, Bougadis, Chang LLP brings this Motion for an Order removing itself as a lawyer of record for Pharmacy Franchisee Association of Canada and T Pharmacy Ltd., and a charging Order in favour of Bougadis, Chang LLP with respect its outstanding legal fees, due to a fundamental breakdown of the lawyer and client relationship between Bougadis, Chang LLP and Pharmacy Franchisee Association of Canada and T Pharmacy Ltd.

6. Bougadis, Chang LLP, also, seeks an Order allowing Bougadis, Chang LLP to make costs submissions to Regional Senior Judge Morawetz, on its own behalf, at the same time that Pharmacist Representative Counsel, i.e. Sutts, Strosberg LLP, makes its cost submissions to Regional Senior Judge Morawetz in this matter.

7. I make this Affidavit in support of the within Motion and for no other or improper purpose.

GEORGE A. BOUGADIS

**SWORN BEFORE ME** 

At the City of Toronto, in the Province of Ontario, this 19<sup>th</sup>

day of January, 2017

5 2 1- Boris Gorgeyer

(A Commissioner, etc.)

# AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., et al. IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

Court File No.: CV-15-10832-00CL

# ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

Proceeding Commenced at TORONTO

### AFFIDAVIT OF GEORGE A. BOUGADIS

# **BOUGADIS, CHANG LLP**

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