The Canadian Abridgment eDigests -- Remedies

2022-10 March 07, 2022

REM.I.4.c.ii

Subject Title: Remedies

Classification Number: I.4.c.ii

Damages -- Claims by estate, family members or witnesses -- Claim under fatal accidents or dependants' compensation legislation -- Pecuniary loss

Plaintiffs brought action against defendants under Family Compensation Act, with respect to motor vehicle accident that caused death of their daughter at time when she was considering their proposal to buy family home and rent it back to them at fixed rate -- Action allowed -- While case was to determine plaintiffs' pecuniary and not emotional loss, nature and quality of daughter's relationship with them was relevant in assessing likelihood that she would have provided continuing financial assistance of any form to them --Potentially acquiring family home to allow plaintiffs to continue to reside in it with her brother was one way in which daughter might have financially assisted them but for motor vehicle accident, but it was impossible to know if she would have proceeded with it -- While daughter would have acquired equity, benefit to plaintiffs of rental savings would constitute loss in rental value to her as owner of home -- There was no evidence that daughter had applied to get financing or even analyzed practical realities of pursuing proposal -- Daughter's past willingness to help out financially and strength of relationship supported proposition that she would want to continue to assist -- Burden on daughter's monthly cash flow would have been significant, particularly if she wished to remain living independently -- Plaintiffs would not have exerted real pressure on daughter to proceed with large and long-lasting financial commitment if she was hesitant where, despite burden of their debt in retirement, they continued to own home now and always had viable option of selling home to downsize --Daughter would likely have been able to obtain mortgage financing but there was real question and doubt as to whether any arrangement premised on her moving back home would have been durable -- Daughter would have undoubtedly provided assistance to plaintiffs, but it would not have been on basis of their proposal -- Proposal did not provide firm anchor allowing for more concrete assessment, given wide range of possible paths family might have followed -- Daughter's death clearly resulted in pecuniary loss to plaintiffs, given fact of her past assistance and willingness to consider proposal, and that loss would be assessed at \$90,000.

Smith v. Vance (2022), 2022 BCSC 12, 2022 CarswellBC 43, D.A. Betton J. (B.C. S.C.) [British Columbia]

REM.I.6

Subject Title: Remedies

Classification Number: I.6

Damages -- Damage to business

Plaintiff was franchise company, with individual defendants being principals of company -- Company claimed individuals intentionally deceived third-party corporation, as to nature of franchise opportunities -- Company claimed these actions constituted civil fraud, and interference with economic relations -- Company brought action in tort against defendants, seeking damages -- Action allowed; company awarded damages in amount of \$34,575,000 -- Damages were calculated based on opportunity to open new stores, which were estimated to be 15 in number -- Sales, office costs and rent were all taken into account -- Company attempted to mitigate damages by opening other stores, which were not successful.

Ultracuts v. Magicuts (2021), 2021 CarswellMan 741, 2021 MBQB 250, Saull J. (Man. Q.B.) [Manitoba]

REM.I.11.l.iv

Subject Title: Remedies

Classification Number: I.11.l.iv

Damages -- Damages in contract -- Loss of profits consequent to breach -- Miscellaneous

Litigation concerned matters of corporate malfeasance, avarice and deceit in technology sector, in connection with venture capital fund providing seed capital to start-up technology companies -- Action was brought claiming that certain defendants were liable for breach of fiduciary duty and breach of contract regarding establishment of competing business -- It was further claimed that these defendants were liable for breach of fiduciary duty, breach of contract, and conspiracy, and that other defendants were liable in tort for knowing assistance in breach of fiduciary duty, inducing breach of contract, and conspiracy, all concerning sale of mobile software development lab business -- Trial judge allowed action, and found specified defendants liable for \$250,000 in punitive damages on one claim, and found specified defendants jointly and severally liable for \$3.36 million U.S. in damages and \$12.33 million U.S. in disgorgement of profits on other claim -- Defendants appealed, and plaintiffs cross-appealed -- Appeal dismissed; cross-appeal allowed and disgorgement order varied -- Trial judge made sensible damages calculation, grounded in evidence -- Damages calculation was responsive to claim that, as result of defendants' misconduct, plaintiffs did not obtain fair price on sale of company -- Where one of parties in question was intimately involved in breach of fiduciary duty as part of conspiracy where he received most of profits, there was no equitable reason why liability should not be joint and several -- Where defendants engaged in litany of brazenly illegal acts it was appropriate to order disgorgement of total amount of profits -- Simply ordering defendants to pay plaintiffs what they would otherwise have been entitled to receive served as no disincentive; order of disgorgement of profits in amount of \$29.5 million U.S. was appropriate in this case.

Extreme Venture Partners Fund I LP v. Varma (2021), 2021 CarswellOnt 18074, 2021 ONCA 853, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.); additional reasons at (2022), 2022 ONCA 5, 2022 CarswellOnt 33, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.); reversing in part (2019), 94 B.L.R. (5th) 38, 2019 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2019), 148 O.R. (3d) 360, 46 C.P.C. (8th) 148, 94 B.L.R. (5th) 119, 2019 CarswellOnt 1320, 2020 ONSC 651, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 1320, 2020 ONSC 651, Conway J. (Ont. S.C.J. [Commercial List]); and affirming (2019), 148 O.R. (3d) 360, 46 C.P.C. (8th) 148, 94 B.L.R. (5th) 119, 2019 CarswellOnt 11923, 2019 ONSC 4459, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]);

2020 CarswellOnt 1320, 2020 ONSC 651, Conway J. (Ont. S.C.J. [Commercial List]); reconsideration / rehearing refused (2022), 2022 ONCA 57, 2022 CarswellOnt 517, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.) [Ontario]

REM.I.12.k

Subject Title: Remedies

Classification Number: I.12.k

Damages -- Exemplary, punitive and aggravated damages -- Miscellaneous

Litigation concerned matters of corporate malfeasance, avarice and deceit in technology sector, in connection with venture capital fund providing seed capital to start-up technology companies -- Action was brought claiming that certain defendants were liable for breach of fiduciary duty and breach of contract regarding establishment of competing business -- It was further claimed that these defendants were liable for breach of fiduciary duty, breach of contract, and conspiracy, and that other defendants were liable in tort for knowing assistance in breach of fiduciary duty, inducing breach of contract, and conspiracy, all concerning sale of mobile software development lab business -- Trial judge allowed action, and found specified defendants liable for \$250,000 in punitive damages on one claim, and found specified defendants jointly and severally liable for \$3.36 million U.S. in damages and disgorgement of profits on other claim -- Trial judge found that punitive damages were appropriate on basis that conduct in question was 'most deserving' of sanction and required denunciation -- Defendants appealed -- Appeal dismissed -- Trial judge did not err in awarding punitive damages on fund claim -- Defendants in question engaged in outrageous and illegal conduct that was worthy of sanction by court -- Damages awarded were appropriate to accomplish objectives of denunciation and deterrence of others from acting similarly -- Damages awarded could well have been higher in circumstances.

Extreme Venture Partners Fund I LP v. Varma (2021), 2021 CarswellOnt 18074, 2021 ONCA 853, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.); additional reasons at (2022), 2022 ONCA 5, 2022 CarswellOnt 33, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.); reversing in part (2019), 94 B.L.R. (5th) 38, 2019 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2019), 148 O.R. (3d) 360, 46 C.P.C. (8th) 148, 94 B.L.R. (5th) 119, 2019 CarswellOnt 11923, 2019 ONSC 4459, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 1320, 2020 ONSC 651, Conway J. (Ont. S.C.J. [Commercial List]); and affirming (2019), 148 O.R. (3d) 360, 46 C.P.C. (8th) 148, 94 B.L.R. (5th) 119, 2019 CarswellOnt 11923, 2019 ONSC 4459, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons to (2019), 94 B.L.R. (5th) 38, 2019 CarswellOnt 7501, 2019 ONSC 2907, Conway J. (Ont. S.C.J. [Commercial List]); additional reasons at (2020), 2020 CarswellOnt 1320, 2020 ONSC 651, Conway J. (Ont. S.C.J. [Commercial List]); reconsideration / rehearing refused (2022), 2022 ONCA 57, 2022 CarswellOnt 517, C.W. Hourigan J.A., Grant Huscroft J.A., S. Coroza J.A. (Ont. C.A.) [Ontario]

REM.I.13

Subject Title: Remedies

Classification Number: I.13

Damages -- Nominal damages

Appellant was numbered company, who formerly operated car wash in building leased from respondent association -- Association terminated company's lease, which company claimed was wrongful termination -- Company brought action for damages for alleged wrongful termination -- Company's action was dismissed -- Trial judge determined that termination was not wrongful, and in any event that damages had not been proven -- Company appealed from judgment -- Appeal dismissed -- Trial judge was not required to award nominal damages.

101100002 Saskatchewan Ltd. v. Saskatoon Co-operative Association Limited (2022), 2022 SKCA 12, 2022 CarswellSask 33, Barrington-Foote J.A., Leurer J.A., Ottenbreit J.A. (Sask. C.A.); affirming 101100002 Saskatchewan Ltd. v. The Saskatoon Co-operative Assn. Ltd. (2019), 2019 SKQB 300, 2019 CarswellSask 621, G.M. Currie J. (Sask. Q.B.) [Saskatchewan]

REM.I.14.b.i

Subject Title: Remedies

Classification Number: I.14.b.i

Damages -- Valuation of damages -- Mitigation -- Duty to take all reasonable steps

Plaintiff landlords entered into five-year lease agreement signed by corporate defendant as tenant and personal defendants B and R as indemnifiers -- Tenant took possession of leased premises for use as pharmacy, it paid rent for first two years of lease, and it then went into default and vacated premises -- Landlords gave notice of default and took steps to re-let premises to new tenant -- Landlords brought this action seeking damages based on breach of lease agreement -- Tenant and B had not filed response to claim, and claim proceeded against R as indemnifier under lease -- Landlords applied for judgment by way of summary trial -- Application granted -- Evidence of steps taken by landlords to re-let premises was far from overwhelming, but R had not proven, on balance of probabilities, that landlords did not meet duty to mitigate -- Landlords clearly undertook some efforts to mitigate by finding new tenant, and there was no evidence of delay in their efforts -- There was no expert evidence to show that steps landlords took were less vigorous or less intensive than would normally be expected in commercial real estate market at relevant time and place -- Landlords ultimately re-let premises, but it took eight months -- There was no evidence with respect to state of commercial real estate market at time, and as result, there was nothing to show that it would have been possible with more effort to re-let units sooner or at higher rate -- R failed to prove that further or better mitigation was possible.

Asara Holdings Inc. v. 1041085 B.C. Ltd. (2021), 2021 BCSC 2350, 2021 CarswellBC 3783, Riley J. (B.C. S.C.) [British Columbia]

REM.II.2.c.i.A

Subject Title: Remedies

Classification Number: II.2.c.i.A

Injunctions -- Prohibitive injunctions -- Interim and interlocutory injunctions -- Threshold test -- Serious issue to be tried

Plaintiff WS owned SL firm which was well-known Toronto-area personal injury law firm -- SL opened office in Brampton where defendants were employed -- Defendant SC was lawyer at firm and she and five others took over Brampton office over long weekend -- On Monday SC resigned and by Tuesday SL began receiving authorizations to transfer client files to CIL, firm started by SC -- Parties exchanged "with prejudice" settlement proposals and were able to resolve most issues but some remained -- More than 200 clients provided authorizations to transfer their files to CIL and outstanding disbursements on transferred files was approximately \$1,447,000 -- Plaintiffs brought motion for interlocutory injunction -- Motion granted --Plaintiffs were entitled to equitable relief -- Defendants were to make arrangements for financing disbursements within five months -- Communications between parties and different clients were subject to restrictions --Exchange of necessary information on files was to be done by email and in timely manner -- Specific directions and orders were made with regard to particular files -- When each transferred file settled fees were to be paid 25 percent to SL firm and 25 percent to CIL firm with balance paid in trust until amount of SL's fees was determined -- There were serious issues to be tried and defendants' actions gave rise to number of different causes of action -- Whether files were electronic or physical was not distinguishing factor as defendants accessed information contained in files for their own purposes -- Defendants' compliance with their obligation to advise clients of their options with respect to transfer of files was not complete answer to plaintiff's position that there was serious issue to be tried -- It was reasonable to infer clients were contacted before SC resigned and adverse inference was drawn from SC's failure to state in her affidavit when correspondence was sent or to provide copies of correspondence -- Loss of plaintiffs' solicitor lien rights was serious issue to be tried as defendants had accessed electronic files and as result information in electronic file was no longer in exclusive control of SL firm -- Plaintiffs had no practical ability to enforce its lien rights against individual clients --Whether SC induced breach of contract was serious issue to be tried and there was strong prima facie case that defendants breached their good faith and fiduciary duties to plaintiffs.

Wendy Sokoloff Professional Corporation et al. v. Chorney et al. (2021), 2021 CarswellOnt 19694, 2021 ONSC 8497, Chalmers J. (Ont. S.C.J.) [Ontario]

REM.II.2.c.i.B

Subject Title: Remedies

Classification Number: II.2.c.i.B

Injunctions -- Prohibitive injunctions -- Interim and interlocutory injunctions -- Threshold test -- Irreparable harm

Plaintiff WS owned SL firm which was well-known Toronto-area personal injury law firm -- SL opened office in Brampton where defendants were employed -- Defendant SC was lawyer at firm and she and five others took over Brampton office over long weekend -- On Monday SC resigned and by Tuesday SL began receiving authorizations to transfer client files to CIL, firm started by SC -- Parties exchanged "with prejudice" settlement proposals and were able to resolve most issues but some remained -- More than 200 clients provided authorizations to transfer their files to CIL and outstanding disbursements on transferred files was approximately \$1,447,000 -- Plaintiffs brought motion for interlocutory injunction -- Motion granted --

Plaintiffs were entitled to equitable relief -- Defendants were to make arrangements for financing disbursements within five months -- Communications between parties and different clients were subject to restrictions -- Exchange of necessary information on files was to be done by email and in timely manner -- Specific directions and orders were made with regard to particular files -- When each transferred file settled fees were to be paid 25 percent to SL firm and 25 percent to CIL firm with balance paid in trust until amount of SL's fees was determined -- In light of strength of plaintiffs' case, factor of irreparable harm was somewhat less important -- Plaintiffs' losses were not quantifiable monetary damages -- Defendants had not agreed to pay outstanding disbursements until files were resolved so there was issue of unfair competition as SL firm would be required to carry costs for its competitor CIL -- Plaintiffs would be financing their competition and there was no valid reason for defendants to ask that plaintiffs finance their new firm instead of obtaining their own financing to incur risk or expense -- Money CIL did not have to spend to finance disbursements was available to spend on marketing and damages that resulted from unfair competition would be difficult to calculate and might not adequately compensate plaintiffs.

Wendy Sokoloff Professional Corporation et al. v. Chorney et al. (2021), 2021 CarswellOnt 19694, 2021 ONSC 8497, Chalmers J. (Ont. S.C.J.) [Ontario]

REM.II.2.c.i.C

Subject Title: Remedies

Classification Number: II.2.c.i.C

Injunctions -- Prohibitive injunctions -- Interim and interlocutory injunctions -- Threshold test -- Balance of convenience

Plaintiff WS owned SL firm which was well-known Toronto-area personal injury law firm -- SL opened office in Brampton where defendants were employed -- Defendant SC was lawyer at firm and she and five others took over Brampton office over long weekend -- On Monday SC resigned and by Tuesday SL began receiving authorizations to transfer client files to CIL, firm started by SC -- Parties exchanged "with prejudice" settlement proposals and were able to resolve most issues but some remained -- More than 200 clients provided authorizations to transfer their files to CIL and outstanding disbursements on transferred files was approximately \$1,447,000.00 -- Plaintiffs brought motion for interlocutory injunction -- Motion granted --Plaintiffs were entitled to equitable relief -- Defendants were to make arrangements for financing disbursements within five months -- Communications between parties and different clients were subject to restrictions --Exchange of necessary information on files was to be done by email and in timely manner -- Specific directions and orders were made with regard to particular files -- When each transferred file settled fees were to be paid 25 percent to SL firm and 25 percent to CIL firm with balance paid in trust until amount of SL's fees was determined -- Balance of convenience favoured granting relief -- Status quo would not be maintained if injunction was not granted -- It was not unfair or onerous burden to expect CIL to Lawyers to obtain financing to carry disbursements -- If SC was starting new firm, she would be required to obtain bank loan or other financing to cover disbursements and its fees before files were settled and billed -- There was no evidence that SC made any attempts to obtain financing or was denied financing.

Wendy Sokoloff Professional Corporation et al. v. Chorney et al. (2021), 2021 CarswellOnt 19694, 2021 ONSC 8497, Chalmers J. (Ont. S.C.J.) [Ontario]

REM.II.3.b.i

Subject Title: Remedies

Classification Number: II.3.b.i

Injunctions -- Mareva injunctions -- Threshold test -- Strong prima facie case

Respondent P and petitioner met in early 2006 -- P, as principal of respondent P Inc., caused P Inc. to hire petitioner as general manager -- P Inc. was in business of commercial logging, land clearing, grubbing, timber salvage, hand falling, and road building -- Over ensuing years, P Inc. enjoyed large contracts and was quite profitable -- P focused efforts on working on job site while petitioner handled office matters -- In late 2018, P and petitioner decided to wind down P Inc.'s operations -- Petitioner claimed entitlement to \$2.5 million from the windup of P Inc. as owner of 25 per cent of P Inc.'s share capital pursuant to Option Agreement -- Petitioner commenced action against respondents -- Petitioner sought to enjoin respondents and related corporation, P Ltd., from dealing with or disposing of assets of either corporation with some limited exceptions -- Petitioner brought application for an interim order in nature of Mareva injunction -- Application dismissed -- Petitioner failed to establish strong prima facie case -- Affidavits from subcontractors of P Inc. supported allegations that petitioner was receiving kickbacks on contracts -- If proven, there was a strong argument that petitioner was not rightful owner of claimed 25 per cent interest in P Inc.'s share capital -- One condition of Option Agreement was that petitioner would utilize best efforts to diligently and faithfully protect and promote the interests of P Inc. -- If Option Agreement was disregarded, petitioner would still need to show that he satisfied fiduciary duties owed to P Inc. as general manager -- Petitioner also failed to establish irreparable harm in injunction was not granted -- There was insufficient evidence to conclude that P was not, in good faith, planning to use P Ltd. as corporate vehicle to undertake significant logging business.

Powell v. Paquette (2021), 2021 CarswellBC 3255, 2021 BCSC 2007, Funt J., In Chambers (B.C. S.C.) [British Columbia]

REM.II.7.c

Subject Title: Remedies

Classification Number: II.7.c

Injunctions -- Injunctions in specific contexts -- Enforcement of by-laws and statutes

Encampment of tents was established in park by Vancouver residents experiencing homelessness, including petitioners -- Respondent general manager, appointee of respondent park board, made two orders under by-law ordering campers to leave park -- Orders prohibited any overnight sheltering in park, and closed portion of park to all members of public for purposes of rehabilitating park from damage caused by encampment -- Petitioners sought judicial review of orders; park board brought petition seeking statutory injunction -- Petitioners' petition granted; park board's petition adjourned -- Orders were set aside and remitted back to general manager or park board for reconsideration, so order was not made compelling compliance with orders -- Board also sought order enforcing prohibition against daytime sheltering -- Onus was not on park board to demonstrate constitutionality of by-law, as constitutionality of by-law had not been challenged -- Board's injunction application should be adjourned pending reconsideration of orders, as that would allow reconsideration process to run its course

before court was asked to decide whether injunction was appropriate -- In reaching that conclusion, factors relied on that were uniquely exceptional to this case were recent history of encampments in area; specific location of park encampment; closure of other parks in and around area to sheltering; and absence of any significant threat to life or safety of persons posed by encampment -- Court was not persuaded that granting injunction would fix problem of persistent non-compliance or inability to comply with restriction against daytime sheltering -- It was hard to see how public interest would be served by risking relocation of camp to area that would more directly impact surrounding residents -- Daytime needs of some of those sheltering in park was serious issue, and requirement to decamp each morning posed substantial hardship for some those sheltering in park -- If circumstances changed dramatically, board was at liberty to reapply for injunction even if reconsideration of orders was not completed.

Bamberger v. Vancouver (Board of Parks and Recreation) (2022), 2022 CarswellBC 77, 2022 BCSC 49, Kirchner J. (B.C. S.C.) [British Columbia]

REM.II.7.c

Subject Title: Remedies

Classification Number: II.7.c

Injunctions -- Injunctions in specific contexts -- Enforcement of by-laws and statutes

In accordance with Regulation passed pursuant to Reopening Ontario (A Flexible Response to Covid-19) Act, 2020 (ROA), persons responsible for all businesses in areas at step 3 were required to ensure compliance with public health measures for screening, physical distancing and cleaning, wearing of personal protective equipment, obtaining proof of vaccination, screening for symptoms and collecting and retaining contact tracing data -- Respondents, operators of restaurant in area at step 3, were publicly vocal about their opposition to measures and intention to refuse to comply -- When restaurant was inspected by employees of applicant, Medical Officer of Health for area, many examples of non-compliance were observed -- No one was wearing personal protective equipment, obtaining proof of vaccination or collecting contact tracing information --Several notices advertising or seeking to justify intentional non-compliance were posted -- When applicant made order under s. 22 of Health Protection and Promotion Act requiring respondents to remove notices and comply with Regulation, respondents refused and advised that they would continue to do so -- Applicant brought ex parte application pursuant to s. 102 of Act for declaration and order restraining contravention --Application granted -- Evidence established respondents had committed multiple breaches of ROA, Regulation and s. 22 order -- Although they had taken no steps to challenge validity of enactments, they had advertised their opposition and intention to continue their non-compliance -- Given that s. 22 order had had no impact on respondents' behaviour, relief sought was appropriate -- In addition to declaration and order, local sheriff and police were directed to lock external doors to respondents' premises -- If authority to make locking order was not included in s. 102, it was permitted by s. 101 of Courts of Justice Act -- There was no question applicant met test for interlocutory injunction.

Oglaza v. J.A.K.K. Tuesdays Sports Pub Inc. (2021), 158 O.R. (3d) 418, 2021 ONSC 7473, 2021 CarswellOnt 16436, Mew J. (Ont. S.C.J.) [Ontario]

REM.II.7.n

Subject Title: Remedies

Classification Number: II.7.n

Injunctions -- Injunctions in specific contexts -- Miscellaneous

Injunction-zone access applications.

Teal Cedar Products Ltd. v. Rainforest Flying Squad (2021), 2021 CarswellBC 2498, 2021 BCSC 1554, Thompson J. (B.C. S.C.) [British Columbia]

REM.II.7.n

Subject Title: Remedies

Classification Number: II.7.n

Injunctions -- Injunctions in specific contexts -- Miscellaneous

Plaintiff WS owned SL firm which was well-known Toronto-area personal injury law firm and opened office in local community -- Defendant SC was lawyer at that office of firm and she and five other employees took over office over long weekend -- More than 200 clients provided authorizations to transfer their files to CIL and outstanding disbursements on transferred files was approximately \$1,447,000 -- Plaintiffs brought motion for interlocutory injunction -- Motion granted -- When each transferred file settled fees were to be paid 25 percent to SL firm and 25 percent to CIL firm with balance paid in trust until amount of SL's fees was determined -- It would be unfair for plaintiffs to be responsible for cost and risk of carrying disbursements on transferred files until they resolved -- Five months was reasonable time frame for defendants to make arrangements for financing disbursements -- Plaintiffs were entitled to be paid for work performed on transferred files before date of transfer -- Defendants were ordered to refrain from initiating communication with or soliciting any current SL and plaintiffs were to refrain from initiating communication or soliciting clients who had delivered file transfer directions/authorizations -- Both parties could communicate with any individual who contacted them on their own -- Parties were not to disparage each explicitly or implicitly to clients -- WS could email specific, file-related questions regarding clients that remained with her firm and answers were to be provided by defendants to best of their ability as soon as possible -- SC or her colleagues were to promptly provide any knowledge about imminent court dates, limitation periods, or other deadlines in any files remaining with SL firm -- SL firm was permitted to advise any third-party service providers that SL would not be paying for or protecting their accounts with respect to any transferred files and defendants would assume all financial obligations to third party service providers who had provided services in respect of transferred clients' files --Specific directions and orders were made with regard to particular files, files at different stages, and distribution of fees for future cases settling -- Defendants were ordered to provide plaintiffs list of all files that had been transferred within 10 days and plaintiffs were to provide full accounting of disbursements it claimed were payable within 10 days of receiving it.

Wendy Sokoloff Professional Corporation et al. v. Chorney et al. (2021), 2021 CarswellOnt 19694, 2021 ONSC 8497, Chalmers J. (Ont. S.C.J.) [Ontario]

REM.II.10

Subject Title: Remedies

Classification Number: II.10

Injunctions -- Miscellaneous

Variation to terms of injunction.

Teal Cedar Products Ltd. v. Rainforest Flying Squad (2021), 2021 CarswellBC 2498, 2021 BCSC 1554, Thompson J. (B.C. S.C.) [British Columbia]

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