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December 3, 2013

DELIVERED VIA EMAIL

File no. 13-138

Personal & Confidential

JAMES SHIELDS
68 Chamberlain Avenue
Ottawa, ON
K1S 1V9

Dear Mr. Shields:

Re: Lackner v. Hall, 2013 ONCA 631

We have been retained as counsel for Shane Hall.

You were formerly retained by Mr. Hall to act on his behalf in the above referenced appeal.

The appeal was heard on October 7, 2013. You did not appear on behalf of Mr. Hall at the hearing. While your partner, Mr. Hunt, appeared on behalf of Mr. Hall's company, 2219160 Ontario Inc., no one appeared on behalf of Mr. Hall personally.

In its decision, the Court of Appeal dismissed the appeal and granted the Plaintiffs' cross-appeal on costs. As a result of the successful cross appeal, Mr. Hall has been ordered to personally pay the Plaintiffs' costs of the action in the amount of \$150,619.96.



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In granting the cross-appeal, the Court of Appeal held as follows:

Contrary to the trial judge's determination, there was both evidence at trial and submissions made that related to Shane Hall in both his personal and corporate capacities. Though not a witness at trial, he was clearly significantly involved in the scheme that provoked the litigation and significantly engaged in the court proceedings, which included filing court documents in his personal capacity. Accordingly, we would allow the cross-appeal with respect to Shane Hall.

We are advised that although specifically retained to represent Mr. Hall on the cross appeal, you did not attend. You advised that your colleague, Mr. Hunt would be attending.

When the cross appeal came forward in Court. Mr. Hunt advised the Court that he had no position on the cross appeal. As a result, no submissions were made to the Court of Appeal on Mr. Hall's behalf, with respect to the cross appeal on costs. It is noteworthy that the cross appeal on costs was dismissed against all of the parties for whom submissions were made. It is reasonable to conclude that had Mr. Hall been properly represented, the cross appeal would not have been allowed, and Mr. Hall would not have been subjected to a judgment for \$150,619.96 plus costs of \$3,000.

Your failure to properly represent our client or to ensure that he was properly represented in the Court of Appeal is professional negligence. That negligence has caused our client to be subject to the judgment. In the circumstances, Mr. Hall is looking to you to recover the amount owing on the judgment.

Please accept this letter as notice to you and your insurer of our client's claim against you. We would ask that your insurer or your counsel contact us forthwith. An early resolution of this matter will minimize the damages, as well as the legal costs being incurred. If we do not hear from you or your insurer or your counsel within the next 10 days, a statement of claim will issue in the Superior Court of Justice, claiming damages for professional negligence, as well as interest and costs.

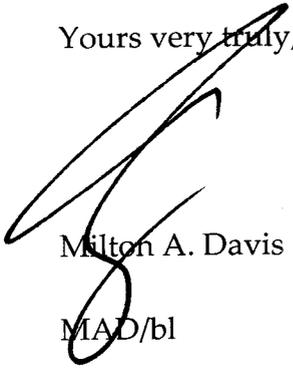


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If counsel to your insurer would like to discuss this claim further please advise them to contact me at their convenience.

Yours very truly,



Milton A. Davis

MAD/bl