

JIANHUA GUO

- and - PIZZA ONE GROUP INC. et al

Plaintiff

Defendants

June 14/07 J. Chidley-Hill, for def J. Pronesti
D. Chen, for plaintiff

SUPERIOR COURT OF JUSTICE
(Proceeding Commenced at Toronto)

MOTION RECORD OF JULIA PRONESTI
(Motion returnable April 10, 2007)

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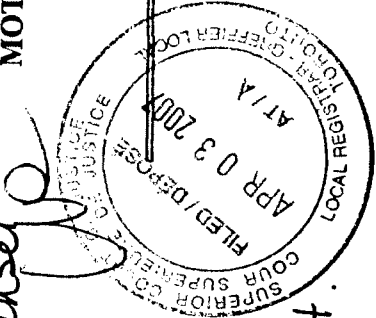
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at the noting in default
Solicitor for the Julia Pronesti

I am concerned that Ms. Pronesti has not had a chance to defend her claim on the merits. The evidence and submissions of counsel do, in my mind, raise questions as to her knowledge that she was being sued and the extent of her role in selling the franchise to Mr. Guo. She should be enabled to adduce evidence on this latter point in court.

Order to go as follows:

1. Setting aside default judgment dated Feb 23/06 against Ms Pronesti only.
2. Ms Pronesti is to deliver her statements of defence within 15 days.
3. The counterclaim deals with matters unrelated to the main action and while I could keep both together, Ms Pronesti will have to bring a



Separate action with respect to those allegations - it should not be up to Mr Guo to separate the two. The statements of defence should therefore delete the reference to the counterclaim.

④ The requested ~~st~~ lift of stay, order to continue and order amending the title is dismissed, w/o prejudice to an application on these matters being brought at a later date.

5. Costs fixed at \$300 are payable by Ms Proesti to Mr Guo within 30 days in recognition of the indulgence being granted to her by this court.

Conway J.