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File No. 13084

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June 13, 2014

BY EMAIL

Mr. Adrian Miedema
Dentons Canada LLP
Barristers and Solicitors
77 King Street West, Suite 400
Toronto-Dominion Centre
Toronto, ON M5K 0A1

Mr. Jeff Hopkins
Grosman, Grosman & Gale LLP
Barristers and Solicitors
390 Bay Street, Suite 1100
Toronto, ON M5H 2Y2

Dear Mr. Miedema and Mr. Hopkins:

Re: Brandon Moyle - - Employment by West Face Capital

I am responding to your letters of June 3 and 5, 2014, respectively.

The position expressed in your letters appears to be that, in spite of both fully understanding and agreeing to accept employment with The Catalyst Capital Group Inc. ("CCGI") on the terms of his Employment Agreement, Mr. Moyle is free to now simply ignore the various covenants he made to CCGI because they are "unenforceable". My client fundamentally disagrees. While your clients are focussed on advancing a number of technical arguments around the enforceability of the covenants, they ignore the rather obvious, uncontradicted and important point that West Face Capital ("West Face") is a direct competitor of CCGI, and that both companies operate in a highly specialized field in which very sensitive confidential and proprietary information is shared every day with trusted analysts such as Mr. Moyle. In this context, it is nonsensical to suggest that Mr. Moyle was unaware that the non-competition covenant in his Employment Agreement precluded him from accepting an employment offer with a direct competitor such as West Face, or that enforcing the covenant in these circumstances would be contrary to the public interest.

Moreover, we note that in Mr. Hopkins' letter, Mr. Moyle acknowledges that he has become aware of confidential acquisition targets through his employment with CCGI. While CCGI is comforted by the assurances in your correspondence that Mr. Moyle

- 2 -

"has no intention of disclosing these prospective acquisitions or any information which could reasonably be considered confidential or proprietary in nature" and that West Face "has impressed upon Mr. Moyse that he is not to share or divulge any confidential information that he obtained during his employment with CCGI", these assurances respectfully do not go far enough.

CCGI is fully prepared to take action to enforce the covenants contained in Mr. Moyse's Employment Agreement. In a final attempt to avoid the necessity for doing so, I would suggest that we schedule a conference call to discuss the assurances that CCGI requires in order to avoid litigation in this matter. I will have my assistant reach out to your respective assistants shortly to find a mutually agreeable date and time for such a call.

Yours truly,



Rocco Di Pucchio

RDP:rp