IN THE SUPREME COURT OF NOVA SCOTIA

BETWEEN:

MICHAEL DOUGLAS PATRIQUEN

and

DEC 14 2007
Hallfax, N.S.

DANIEL SAMSON and MELANIE STEPHEN and STEPHEN HEALTH AGENCY INC., a body corporate

DEFENDANTS

ORIGINATING NOTICE OF ACTION

TO THE DEFENDANTS:

TAKE NOTICE that this proceeding has been brought by the Plaintiff against you, the Defendants, in respect of the claim set out in the Statement of Claim annexed to this Notice.

AND TAKE NOTICE that the Plaintiff may enter judgment against you on the claim, without further notice to you, unless within TWENTY (20) days after the service of this Originating Notice upon you, excluding the day of service, you or your Solicitor(s) cause your Defence to be delivered by mail or personal delivery to,

- (a) the office of the Prothonotary at the Law Courts, 1815 Upper Water Street, Halifax, Nova Scotia; and
- (b) the address given below for service of documents on the Plaintiff;

provided that if the claim is for a debt or other liquidated demand and you pay the amount claimed in the Statement of Claim and the sum of (or such sum as may be allowed on taxation) for costs to the Plaintiff or his solicitor within six days from the service of this Notice on you, then this proceeding will be stayed.

ISSUED the ''l' day of December, 2007.

Ç.C. Robinson, Q.C.

McInnes Cooper

1300-1969 Upper Water Street

P.O. Box 730

Halifax, NS B3J 2V1

Tel: (902) 425-6500 Fax: (902) 425-6350 Solicitor for the Plaintiff

TO:

The Prothonotary

AND TO:

The Defendants, their Solicitors or Agents

IN THE SUPREME COURT OF NOVA SCOTIA

BETWEEN:

MICHAEL DOUGLAS PATRIQUEN

PLAINTIFF

- and -

DANIEL SAMSON and MELANIE STEPHEN and STEPHEN HEALTH AGENCY INC., a body corporate DEFENDANTS

STATEMENT OF CLAIM

- 1. The Plaintiff, Michael Douglas Patriquen ("Patriquen"), resides at 93 Orchard Drive, Sackville, Nova Scotia.
- 2. The Defendant, Daniel Samson ("Samson"), resides at 27 Orchard Drive, Sackville, Nova Scotia.
- 3. The Defendant, Melanie Stephen ("Stephen"), is the sole shareholder of Mega Health Enterprises Inc., formerly Mega-Med Marijuana Enterprises Incorporated ("Med Marijuana"). Med Marijuana is a Nova Scotia Limited Company, with registry ID 3060390.
- 4. The Defendant, Stephen Health Agency Inc. ("Stephen Health Agency) is a Nova Scotia Limited Company, whose registered office is located at 1600 Bedford Highway, Suite 100-178, Bedford, Nova Scotia. Melanie Stephen is the Sole Director, President and Secretary of Stephen Health Agency.
- 5. Med Marijuana was incorporated and registered on September 26, 2001.
- 6. Patriquen, as Optionor, and Samson, as Shareholder, executed a Share Option Purchase Agreement on September 13, 2005 (the "Option Agreement"). The Option Agreement stated:

"The Shareholder hereby grants to the Optionor the indefeasible right to purchase from the shareholder One Thousand One Hundred Forty (1,140) common shares of the Corporation (the "Optioned Shares"), being ninety-five (95) percent of the Shares owned by the Shareholder upon the following terms and conditions;

- The option right granted by this Agreement may be exercised by the Optionor by written notice to the Shareholder, given at any time on or before 1 September 2025."
- 7. On January 27, 2006, Samson signed a Joint Shareholder/Director Resolution for Med Marijuana transferring the common shares of Med Marijuana to Stephen. In the same Resolution Stephen was appointed the sole director of the company, its President, Secretary and Recognized Agent.
- 8. On September 6, 2006, Patriquen wrote to Samson and exercised the option to have title to the shares transferred to him as per the Option Agreement.
- Patriquen says that Stephen has transferred some or all of the assets of Med Marijuana to Stephen Health Agency and Stephen Health Agency has benefited from the assets and proprietary information of Med Marijuana.
- 10. Patriquen says that by transferring the shares of Med Marijuana to Stephen, Samson has breached the obligations contained in the Option Agreement. This breach has resulted in losses to Patriquen.
- 11. Patriquen says that Stephen had knowledge of the Option Agreement and was aware that Samson did not have the legal right to transfer the shares to her.
- 12. Patriquen says that Stephen has acted in bad faith and fraudulently in arranging for the transfer of shares in contravention of the two Option Agreements. As a result of her actions, Patriquen has suffered losses.
- 13. Patriquen repeats the foregoing and claims as follows:
 - a) The value of the shares of Med Marijuana as of January 27, 2006;
 - b) Return of the tangible and intangible assets of Med Marijuana or alternatively the value of the assets that were removed from Med Marijuana by Stephen;
 - c) The value of the business opportunities lost by Patriquen as a result of the loss of the shares of Med Marijuana;
 - d) An accounting of the profits realized by the Defendants as a result of the transfer of shares of Med Marijuana;
 - e) General damages;
 - f) Aggravated and Punitive Damages;
 - g) Costs;
 - h) Other relief that this Honourable Court deems just.

DATED at Halifax, Nova Scotia, this 14 day of December, 2007.

C.C. Robinson, Q.C.

McInnes Cooper

1300-1969 Upper Water Street

Purdy's Wharf Tower II

PO Box 730

Halifax, Nova Scotia

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Tel 902.425-6500

Fax 902.425.6350

TO:

The Prothonotary

AND TO:

The Defendants, their

Solicitors or Agents