Highland Crusader Offshore Partners, L.P. v Celtic
Pharma Phinco B.V.

2019 NY Slip Op 33458(U)

November 20, 2019

Supreme Court, New York County

Docket Number: 652056/2013

Judge: Joel M. Cohen

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This opinion is uncorrected and not selected for official publication.

FILED: NEW YORK COUNTY CLERK 11/22/2019 11:46 AM

NYSCEF DOC. NO. 327

SUPREME COURT OF THE STATE OF NEW YORK NEW YORK COUNTY

PRESENT: HON. JOEL M. COHEN	PART	IAS MOTION 3EFM	
Justice			
X	INDEX NO.	652056/2013	
HIGHLAND CRUSADER OFFSHORE PARTNERS, L.P., HIGHLAND CREDIT OPPORTUNITIES CDO, LTD.,	MOTION DATE	N/A	
HIGHLAND CREDIT STRATEGIES MASTER FUND, L.P., HIGHLAND RESTORATION CAPITAL PARTNERS MASTER, L.P., NEXPOINT CREDIT STRATEGIES FUND,	MOTION SEQ. NO	0. 014	
Plaintiff,			
- V -			
CELTIC PHARMA PHINCO B.V., TARGETED DELIVERY TECHNOLOGIES HOLDINGS, LTD., TARGETED DELIVERY TECHNOLOGIES, LTD., XENOVA GROUP, LTD., TDT 044 LTD., TDT 054 LTD., TDT 077 LTD., CELTIC PHARMACEUTICAL HOLDINGS L.P., CELTIC PHARMA SERVICES BERMUDA, LTD., AUVEN THERAPEUTICS MANAGEMENT LLLP F/K/A CELTIC THERAPEUTICS MANAGEMENT LLLP, AS SUCCESSOR-IN-INTEREST TO CELTIC PHARMA MANAGEMENT, L.P., CELTIC PHARMA MANAGEMENT, L.P., CELTIC PHARMA MANAGEMENT COMPANY, LTD., CELTIC PHARMA FIX, LTD., CELTIC PHARMA FIX VENTURE, LTD., STEPHEN EVANS-FREKE, JOHN MAYO		- ORDER ON FION	
Defendant.			
X			
The following e-filed documents, listed by NYSCEF document number ((Motion 014) 324, 32	5	
were read on this motion to RI	RELIEVE ATTORNEY		

Upon the foregoing documents

This action was commenced on June 10, 2013 alleging breach of contract. Defendants

Answers were filed on May 20, 2019.

Now before the Court is the law firm of Wiggin and Dana LLP, brought by Order to

Show Cause, to be relieved as counsel on behalf of Defendants Targeted Delivery Technologies

Holdings, LTD., Targeted Delivery Technologies, LTD., Celtic Pharma Management Company,

LTD., Celtic Pharma Fix, LTD., Celtic Pharma Fix Venture, LTD. and John Mayo

("Defendants"). Wiggin and Dana LLP offers the affidavit of Steven B. Malech, Esq. who cites Defendants' failure to remit payment for legal services rendered and an unwillingness or inability to comply with the Court's discovery orders as the reasons for being unable to continue to work with Defendants. *Malech Aff.*, ¶3-4 (NYSCEF 325). The Order to Show Cause was signed on November 13, 2019 and directed opposition, if any, to this requested relief be filed by November 19, 2019 and further provided that a copy of the Order to Show Cause and the supporting papers upon which it is based shall be served upon all parties by overnight and electronic delivery. Counsel filed affidavits of service attesting that copies were served on all parties. No opposition was filed to this motion.

New York Rules of Professional Conduct Rule 1.16(b)(5) permits withdrawal of a lawyer when "...(5) the client fails substantially to fulfill an obligation to the lawyer regarding the lawyer's services and has been given reasonable warning that the lawyer will withdraw unless the obligation is fulfilled. New York Rules of Professional Conduct Rule 1.16(b)(6) also permits withdrawal of a lawyer when "the representation will result in an unreasonable financial burden on the lawyer or has been rendered unreasonably difficult by the client". The Court concludes that Wiggin and Dana LLP has made a sufficient showing of entitlement to withdraw as counsel for Defendants and its motion is Granted.

Accordingly, it is therefore:

ORDERED that the motion of Wiggin and Dana LLP. to be relieved as attorney for Defendants in this action is <u>granted</u>, subject to the following conditions; it is further

ORDERED that Wiggin and Dana LLP is to comply with its obligation under Rule 1.16(d) of the Rules of Professional Conduct, as applicable to the facts presented, to "take steps, to the extent reasonably practicable, to avoid foreseeable prejudice to the rights of the clients,

including giving reasonable notice to the clients, allowing time for employment of other counsel, delivering to the clients all papers and property to which the clients are entitled, promptly refunding any part of a fee paid in advance that has not been earned and complying with applicable laws and rules."; it is further

ORDERED that, within 5 days from entry, Wiggin and Dana LLP shall serve a copy of this order with notice of entry upon Defendants by email and by hard copy at their last known address by certified mail, return receipt requested, and upon the attorneys for all other parties appearing herein by posting to the New York State Courts Electronic Filing System; it is further

ORDERED that, together with the copy of this order with notice of entry served upon Defendants, moving counsel shall forward a notice directing the Defendants to appoint a substitute attorney on or before December 31, 2019 (see CPLR §321(a)). Individually named Defendant John Mayo is not required to retain new counsel, however, he must advise the Court by December 31, 2019 if he intends to proceed *pro se*; it is further

ORDERED that any new attorney retained by Defendants shall file a notice of appearance with the Clerk of the General Clerk's Office (60 Centre Street, Room 119) and the Clerk of the Part within 30 days from the date the notice to retain new counsel is mailed; it is further

ORDERED that no further proceedings may be taken against any of these Defendants without leave of this court until December 31, 2019; it is further

ORDERED that the departing attorney shall, within 5 days from entry, serve a copy of this order with notice of entry on the Clerk of the General Clerk's Office (Room 119); it is further

ORDERED that such service upon the Clerk of the General Clerk's Office, the filing of a notice of appearance as provided herein, and the filing of papers as aforesaid shall be made in accordance with the procedures set forth in the *Protocol on Courthouse and County Clerk*

Procedures for Electronically Filed Cases (accessible at the "E-Filing" page on the court's website at the address <u>www.nycourts.gov/supctmanh</u>); and it is further

ORDERED that all parties are to appear for a Status Conference in this matter on February 4, 20**2**C at 10:00 a.m. at which time the parties will enter a revised discovery schedule to address any remaining discovery.

11/20/2019				Am y Der
DATE				JOELWI. COHEN, J.S.C.
CHECK ONE:		CASE DISPOSED	x	NON-FINAL DISPOSITION
	x	GRANTED DENIED		GRANTED IN PART OTHER
APPLICATION:		SETTLE ORDER		SUBMIT ORDER
CHECK IF APPROPRIATE:		INCLUDES TRANSFER/REASSIGN		FIDUCIARY APPOINTMENT