

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM BEAUFORT COUNTY  
In the Court of Common Pleas

Marvin H. Dukes, Presiding Judge

---

Case No. 2016-000767

---

**RECEIVED**

DEC 28 2016

SC Court of Appeals

JRC Properties, LLC ..... Respondent,

v.

Dennis Corporation, a South Carolina Corporation,  
and Daniel R. Dennis, III ..... Appellants.

---

**RECORD ON APPEAL VOLUME I**

---

S. Jahue Moore, Esquire  
John C. Bradley, Jr., Esquire  
MOORE TAYLOR LAW FIRM, P.A.  
P.O. Box 5709  
West Columbia, South Carolina 29171  
(803) 796-9160  
ATTORNEYS FOR THE APPELLANTS

Sean Michael Bolchoz, Esquire  
P. O. Box 828  
Bluffton, South Carolina 29910  
(843) 836-3033  
Attorney for Respondent

THE STATE OF SOUTH CAROLINA  
In The Court of Appeals

---

APPEAL FROM BEAUFORT COUNTY  
In the Court of Common Pleas

Marvin H. Dukes, Presiding Judge

---

Case No. 2016-000767

---

JRC Properties, LLC..... Respondent,

v.

Dennis Corporation, a South Carolina Corporation,  
and Daniel R. Dennis, III ..... Appellants.

---

**RECORD ON APPEAL VOLUME I**

---

S. Jahue Moore, Esquire  
John C. Bradley, Jr., Esquire  
MOORE TAYLOR LAW FIRM, P.A.  
P.O. Box 5709  
West Columbia, South Carolina 29171  
(803) 796-9160  
ATTORNEYS FOR THE APPELLANTS

Sean Michael Bolchoz, Esquire  
P. O. Box 828  
Bluffton, South Carolina 29910  
(843) 836-3033  
Attorney for Respondent

INDEX

VOLUME I

ORDERS AND JUDGMENTS

|                                                                                                           |    |
|-----------------------------------------------------------------------------------------------------------|----|
| Consent Order Substituting Counsel for Defendants filed January 27, 2014 .....                            | 1  |
| Final Order and Judgment filed March 23, 2016 .....                                                       | 2  |
| Amended Order Denying Summary Judgment dated May 20, 2015 .....                                           | 9  |
| Order Referring Non-Jury Action to the Beaufort County Master in Equity filed<br>September 22, 2015 ..... | 12 |
| Order filed November 19, 2015 .....                                                                       | 13 |
| Amended Form 4 filed June 2, 2016 .....                                                                   | 14 |

PLEADINGS

|                                                   |    |
|---------------------------------------------------|----|
| Summons and Complaint filed October 2, 2013 ..... | 16 |
| Answer of Defendants filed December 5, 2013 ..... | 24 |

TRANSCRIPTS

|                                                                          |    |
|--------------------------------------------------------------------------|----|
| Transcript of Deposition of Daniel R. Dennis, III on June 24, 2015 ..... | 28 |
| Transcript of Final Hearing held on January 25, 2016                     |    |

Rollin E. McKim, Jr.

|                                  |     |
|----------------------------------|-----|
| Examination by Mr. Bolchoz ..... | 221 |
| Cross by Mr. Moore .....         | 250 |
| Redirect by Mr. Bolchoz .....    | 299 |
| Recross by Mr. Moore .....       | 304 |
| Redirect by Mr. Bolchoz .....    | 307 |

Amber Hunting

|                                |     |
|--------------------------------|-----|
| Examination by Mr. Moore ..... | 330 |
| Cross by Mr. Bolchoz .....     | 334 |

Daniel R. Dennis, III

|                               |     |
|-------------------------------|-----|
| Examination by Mr. Moore..... | 338 |
| Cross by Mr. Bolchoz .....    | 350 |
| Redirect by Mr. Moore .....   | 376 |
| Recross by Mr. Bolchoz.....   | 379 |

Sean Bolchoz, Esquire

|                               |     |
|-------------------------------|-----|
| Examination by Mr. Moore..... | 382 |
|-------------------------------|-----|

#### Exhibits

|                                 |     |
|---------------------------------|-----|
| Plaintiff's Exhibit No. 1 ..... | 397 |
| Plaintiff's Exhibit No. 2 ..... | 414 |
| Plaintiff's Exhibit No. 3 ..... | 415 |
| Plaintiff's Exhibit No. 4 ..... | 416 |
| Plaintiff's Exhibit No. 5 ..... | 419 |
| Plaintiff's Exhibit No. 6 ..... | 421 |
| Plaintiff's Exhibit No. 7 ..... | 422 |
| Plaintiff's Exhibit No. 8 ..... | 423 |
| Plaintiff's Exhibit No. 9 ..... | 425 |

#### OTHER MOTIONS AND DOCUMENTS

|                                                                     |     |
|---------------------------------------------------------------------|-----|
| Plaintiff's First Request for Admissions dated January 3, 2014..... | 436 |
| Response to Request to Admit dated January 14, 2014.....            | 438 |

#### VOLUME II

|                                                                                                     |     |
|-----------------------------------------------------------------------------------------------------|-----|
| Defendant's Supplemental Responses to Plaintiff's First Interrogatories dated<br>June 5, 2014 ..... | 439 |
| Notice of Motion and Motion for Summary Judgment dated September 5, 2014.....                       | 442 |
| Thomas Crouch Email dated May 8, 2015 .....                                                         | 472 |
| Affidavit of Attorneys Fees dated February 9, 2015 .....                                            | 473 |
| Judge Marvin H. Dukes, III/Sean Michael Bolchoz's Email Exchange of<br>November 2015.....           | 476 |
| Motion to Dismiss filed December 13, 2015 .....                                                     | 478 |
| Notice of Final Hearing and Bench Trial dated December 2, 2015.....                                 | 479 |
| Plaintiff's Post Trial Brief and Memorandum of Law dated February 12, 2016.....                     | 480 |



|                                                                                                           |     |
|-----------------------------------------------------------------------------------------------------------|-----|
| Correspondence from Sean Michael Bolchoz to Judge Marvin H. Dukes, III dated February 22, 2016 .....      | 488 |
| Memorandum of Law Regarding Entitlement to Award of Attorneys Fees and Costs filed February 23, 2016..... | 489 |
| Email from Judge Marvin H. Dukes, III dated February 25, 2016.....                                        | 496 |
| Sean Michael Bolchoz’s Letter to Judge Marvin H. Dukes, III of February 29, 2016..                        | 497 |
| Judge Marvin H. Dukes, III Email to Counsel of March 1, 2016.....                                         | 498 |
| Notice of Appeal .....                                                                                    | 501 |
| Office Lease .....                                                                                        | 510 |

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

JRC Properties, LLC, )  
Plaintiff, )

vs. )

Dennis Corporation, a South Carolina )  
Corporation, and Daniel R. Dennis, III, )  
Defendants. )

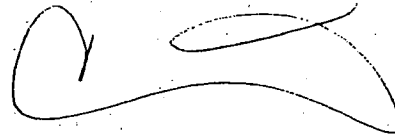
IN THE COURT OF COMMON PLEAS  
C/A NO.: 2013-CP-07-02131

CONSENT ORDER SUBSTITUTING  
COUNSEL FOR DEFENDANTS

Based on the motion of the undersigned counsel, it is hereby ordered that S.

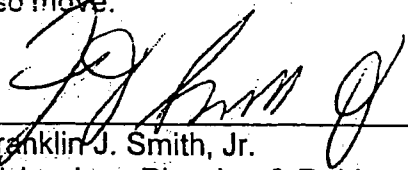
Jahue Moore of Moore, Taylor & Thomas, P.A., is hereby substituted for Franklin J. Smith, Jr. of Richardson Plowden & Robinson, P.A., as attorney for Defendants, Dennis Corporation, a South Carolina Corporation and Daniel R. Dennis, III in the above captioned matter.

It is so ordered.



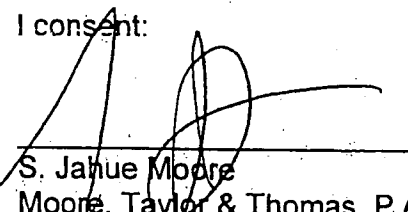
The Honorable Carmen T. Mullen  
Chief Administrative Judge  
Fourteenth Judicial Circuit

I so move:

  
Franklin J. Smith, Jr.  
Richardson Plowden & Robinson, PA  
P.O. Drawer 7788  
Columbia, SC 29202  
803-771-4400  
[fsmith@richardsonplowden.com](mailto:fsmith@richardsonplowden.com)

December 8, 2013  
Beaufort, South Carolina

I consent:

  
S. Jahue Moore  
Moore, Taylor & Thomas, P.A.  
1700 Sunset Boulevard  
West Columbia, SC 29169  
803-796-9160  
[jake@mttlaw.com](mailto:jake@mttlaw.com)

**FORM 4**

**STATE OF SOUTH CAROLINA  
COUNTY OF BEAUFORT  
IN THE COURT OF COMMON PLEAS**

**JUDGMENT IN A CIVIL CASE**

**CASE NO. 2013-CP-07-2131**

|                                           |                                                                                                                                                             |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>JRC PROPERTIES, LLC,</b>               | <b>DENNIS CORPORATION, a South Carolina Corporation, and DANIEL R. DENNIS, III,</b>                                                                         |
| <b>PLAINTIFF(S)</b>                       | <b>DEFENDANT(S)</b>                                                                                                                                         |
| <b>Submitted by: Sean Michael Bolchoz</b> | <b>Attorney for:</b> <input checked="" type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant<br><input type="checkbox"/> Self-Represented Litigant |

**DISPOSITION TYPE (CHECK ONE)**

- ☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- ☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered. ☐ See Page 2 for additional information.
- ☐ **ACTION DISMISSED. (CHECK REASON):** ☐ Rule 12(b), SCRPC; ☐ Rule 41(a), SCRPC Vol. Nonsuit; ☐ Rule 43(k), SCRPC (Settled); ☐ Other: \_\_\_\_\_
- ☐ **ACTION STRICKEN. (CHECK REASON):** ☐ Rule 40(j), SCRPC; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other: \_\_\_\_\_
- ☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**  
☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other: \_\_\_\_\_

**NOTE:** ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL

**IT IS ORDERED AND ADJUDGED:** ☒ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

**ORDER INFORMATION**

This order ☒ ends ☐ does not end the case.

Additional Information for the Clerk: \_\_\_\_\_

| <b>INFORMATION FOR THE JUDGMENT INDEX</b>                                                                                                                                                                    |                                              |                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------------------|
| Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below. |                                              |                                                          |
| Judgment In Favor of<br>(List name(s) below)                                                                                                                                                                 | Judgment Against<br>(List name(s) below)     | Judgment Amount To Be Enrolled<br>(List amount(s) below) |
| JRC PROPERTIES, LLC                                                                                                                                                                                          | DENNIS CORPORATION AND DANIEL R. DENNIS, III | \$69,024.50                                              |
|                                                                                                                                                                                                              |                                              | \$                                                       |
|                                                                                                                                                                                                              |                                              | \$                                                       |
| If applicable, describe the property, including tax map information and address, referenced in the order:                                                                                                    |                                              |                                                          |

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge

Judge Code

Date

**For Clerk of Court Office Use Only**

This judgment was entered on the \_\_\_\_ day of \_\_\_\_\_, 2016 and a copy mailed first class or placed in the appropriate attorney's box on this \_\_\_\_ day of \_\_\_\_\_, 2016 to attorneys of record or to parties (when appearing *pro se*) as follows:

**ATTORNEY(S) FOR THE PLAINTIFF(S)**

**ATTORNEY(S) FOR THE DEFENDANT(S)**

**CLERK OF COURT**

**COURT REPORTER:**

**ADDITIONAL INFORMATION REGARDING DECISION BY THE COURT AS REFERENCED  
ON PAGE 1.**

**This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.**

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff,

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

IN THE COURT OF COMMON PLEAS  
CASE NO. 2013-CP-07-02131

**FINAL ORDER AND JUDGMENT**

2015 MAR 23 PM 3:27  
CLERK OF COURT  
BEAUFORT COUNTY  
SOUTH CAROLINA

THIS MATTER comes before this Court by virtue of an Order of Reference dated September 22, 2015, and pursuant to the pleadings of the Plaintiff, JRC Properties, LLC ("JRC"), which assert causes of action against the Defendants for breach of contract (a commercial lease), conversion and violation of the S.C. Unfair Trade Practices Act (UTPA);

A BENCH TRIAL in this matter was held before this Court on January 25, 2016; present at the trial were Plaintiff's counsel, Sean Bolchoz, and Rollin McKim, as representative of and for the Plaintiff; and Defendants' counsel, S. Jahue Moore. Defendant Dan Dennis ("Dennis") and two witnesses;

HAVING TAKEN witness testimony, and having reviewed the evidence presented and having heard the arguments of counsel, I find and conclude as follows:

**FINDINGS OF FACT AND CONCLUSION OF LAW**

1. The Plaintiff and Defendant Dennis Corporation entered into a written commercial lease ("Lease") of an office space unit located at 6 Buckingham Plantation Drive in Bluffton, South Carolina; the written lease was executed by the parties in 2008. The Lease is an enforceable contract between the Plaintiff and Defendant Dennis Corporation.
2. The Lease term was for five (5) years, but Defendant Dennis Corporation exercised the right to early termination of the Lease under Section 2.2 by

providing written notice of early termination via letter from Defendant Dennis dated January 21, 2011; the termination was effective January 31, 2011.

3. At the time of the Defendants' early termination under Section 2.2, the rent was in arrears for four months (October, November, December of 2010 and January of 2011). McKim testified that this rent was never paid, despite efforts by the Plaintiff to recover these amounts from the Defendants. At trial, Defendant Dennis confirmed that this rent has never been paid.
4. Under Section 8.3 of the Lease, if any installment of rent goes unpaid for fifteen days, the Plaintiff is entitled to assess a late charge of five (5%) percent of the balance due. Also under Section 8.3 of the Lease, the Plaintiff is entitled to assess late charges of 1.5 percent of the balance due for each thirty day period the balance goes unpaid.
5. The monthly rental amount at the time Defendant Dennis Corporation exercised the early termination was Four Thousand Nine Hundred Ninety and 67/100 (\$4,990.67) Dollars. Multiplying this figure by four months equals Nineteen Thousand Nine Hundred Sixty-Two and 68/100 (\$19,962.68) Dollars. The five percent charge on the unpaid balance for four months equals Two Thousand Four Hundred Ninety-Five and 33/100 (\$2,495.33) Dollars. The 1.5 percent charge on the unpaid balance for the first four months of the arrearage equals Two Hundred Ninety-Nine and 44/100 (\$299.44) Dollars. Added together, this equals a total of Twenty-Two Thousand Seven Hundred Fifty-Seven and 45/100 (\$22,757.45) Dollars ("Base Rental Claim").
6. The Plaintiff also claimed physical property damage stemming from the Defendants' use of the unit, in the amount of Seven Thousand Four Hundred Twenty-One and 66/100 (\$7,421.66) Dollars, reduced by a credit of Four Thousand Six Hundred Seventy-Eight and 75/100 (\$4,678.75) Dollars,<sup>1</sup> for total property damage in the amount of Two Thousand Seven Hundred Forty-Two and 91/100 (\$2,742.91) Dollars. Although neither of the Defendants objected at the time to the application of the security deposit to Plaintiff's claimed property

damage, I do not feel that the Plaintiff carried its burden of proof as to the entirety of the physical property damage claim; instead, I feel the Plaintiff demonstrated a total property damage claim in the amount of One Thousand Three Hundred Fifty and No/100 (\$1,350.00) Dollars ("Property Damage").

7. Adding the Property Damage to the Base Rental Claim results in a figure of Twenty-Four Thousand One Hundred Seven and 45/100 (\$24,107.45) Dollars. Given that Defendant Dennis Corporation is entitled to a credit in the amount of the security deposit paid at the commencement of the Lease, this figure should be reduced by Four Thousand Six Hundred Seventy-Eight and 75/100 (\$4,678.75) Dollars, to Nineteen Thousand Four Hundred Twenty-Eight and 70/100 (\$19,428.70) Dollars ("Principal Claim").

1. Multiplying the Principal Claim by the 1.5 percent charge equals Two Hundred Ninety-One and 43/100 (\$291.43) Dollars; multiplying that figure by 60 months (February of 2011 to February of 2016) equals Seventeen Thousand Four Hundred Eighty-Five and 80/100 (\$17,485.80) Dollars; this figure should be added to the Principal Claim, for a principal judgment amount of Thirty-Six Thousand Nine Hundred Fourteen and 50/100 (\$36,914.50) Dollars.
2. Under Section 8.3 of the Lease, the Plaintiff is entitled to recover its reasonable actual attorney's fees and costs of collection incurred in collecting the unpaid rent and other charges from Defendant Dennis Corporation. The Plaintiff submitted an attorney's fee affidavit reflecting attorney's fees and costs incurred in this case in the amount of Thirty-Two Thousand One Hundred Ten and No/100 (\$32,110.00) Dollars. At trial, Defendants' counsel cross-examined Plaintiff's counsel extensively regarding the basis for the fees. Furthermore, Plaintiff's counsel, pursuant to this Court's instructions, delivered to this Court, for *in camera* review, invoices spanning more than two years for legal services provided to the Plaintiff. Upon reviewing all of the foregoing, and taking into account the standards applied in *Blumberg v. Nealco, Inc.*, 310 S.C. 492, 427 S.E.2d 659 (1993), namely: i) the nature, extent and difficulty of the legal services rendered;

---

<sup>1</sup>This represents Defendant Dennis Corporation's security deposit, paid at the commencement of the Lease.

ii) the time and labor necessarily devoted to the case; iii) the professional standing of counsel; iv) the contingency of compensation; v) the fee customarily charged in the locality for similar legal services; and vi) the beneficial results obtained, I find that the Plaintiff's attorney's fees and costs are reasonable, and award same to the Plaintiff.

3. In addition to its claim for breach of the Lease, the Plaintiff also asserted causes of action against both Defendants for conversion and violation of the UTPA. At the close of the Plaintiff's case-in-chief, the Plaintiff moved to dismiss the UTPA claim and I granted the motion; I do not believe the Plaintiff carried the burden of proof at trial with regard to this claim. At the close of all the evidence, the Defendants moved to dismiss the cause of action for conversion, and I granted this motion, as well, as I do not believe that the Plaintiff carried its burden of proof with regard to this cause of action, either.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED as follows:

- A. The Plaintiff shall have judgment against Defendant Dennis Corporation in the amount of Thirty-Six Thousand Nine Hundred Fourteen and 50/100 (\$36,914.50) Dollars; the Plaintiff is also awarded attorney's fees and costs in the amount of Thirty-Two Thousand One Hundred Ten and No/100 (\$32,110.00) Dollars, for a total judgment against Dennis Corporation in the amount of Sixty-Nine Thousand Twenty-Four and 50/100 (\$69,024.50) Dollars.
- B. In light of the provision in Section 8.3 of the parties' Lease regarding attorney's fees and costs of collection, the Plaintiff shall have the right to petition this Court in the future for any additional attorney's fees and costs of collection incurred for its efforts in collecting the aforesaid judgment against Defendant Dennis Corporation.



**IT IS SO ORDERED.**



The Honorable Marvin H. Dukes, III/  
Beaufort County Master-in-Equity and  
Special Circuit Court Judge

Beaufort, South Carolina

3/23, 2016

H:\H to M Clients\McKim, Rollin - BL006\final order and judgment.wpd

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC, )  
Plaintiff, )  
vs. )  
Dennis Corporation, a South Carolina )  
Corporation, and Daniel R. Dennis, III, )  
Defendants. )

C.A. No.: 2013-CP-07-2131

**AMENDED ORDER DENYING  
MOTION FOR  
SUMMARY JUDGMENT**

This matter is before the Court pursuant to the Plaintiff's Motion for Summary Judgment filed on September 8, 2014, and agreed to be decided by affidavits and briefs by telephone conference on February 5, 2015. Present via telephone and submitting affidavits and briefs was Sean Bolchoz for the Plaintiff and Jahue Moore for the Defendants. An Order was signed denying summary judgment and sent to Mr. Moore to file on February 25, 2015. Mr. Moore, however, never received the signed Order, so now the Court issues this Amended Order. The previous Order issued on this Plaintiff's Motion for Summary Judgment filed on September 8, 2014, is vacated.

#1  
PMB  
The Plaintiff brought an action for breach of contract, conversion, and violation of the South Carolina Unfair Trade Practices Act, arising from the termination of a Lease Agreement between the Plaintiff and Defendants. The Plaintiff moved for Summary Judgment as to the breach of contract claim for four months' rent and late fees which it argues is due pursuant to the Lease Agreement. The Court has considered the evidence brought before it, including the

Complaint, Answer, Notice of Motion and Motion for Summary Judgment and its Exhibits, the Affidavit of Defendant Dan Dennis, the Plaintiff's Reply, and the Lease Agreement in question.

Rule 56, SCRCR, requires the entry of summary judgment when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. See Fleming v. Rose, 350 S.C. 488, 494, 567 S.E.2d 857, 860 (2002). While viewing the evidence in a light most favorable to plaintiffs, under South Carolina law, where "plain, palpable and indisputable facts exist on which reasonable minds cannot differ," summary judgment in favor of the moving party is proper. Williams v. Chesterfield Lumber Co., 267 S.C. 607, 610, 230 S.E.2d 447, 448 (1976).

In a breach of contract action, the Court must view the evidence in the light most favorable to the nonmoving party and determine whether material issues of fact exist regarding whether the nonmoving party breached the contract. Baril v. Aiken Regional Medical Centers, 352 S.C. 282, 283, 573 S.E.2d 837 (Ct. App. 2002).

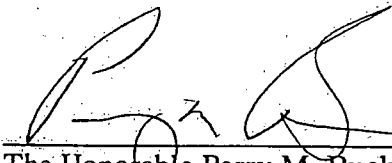
#2  
P.B.

In the present case, the Plaintiff, as the moving party, alleges that the Defendants, as the nonmoving party, did not pay rent for the months of October 2010, November 2010, December 2010 and January 2011. The Plaintiff also alleges and the Defendants agree that the Defendants exercised their right to terminate the Lease Agreement under Section 2.2, effective January 31, 2011, via a letter attached to the Affidavit of Dan Dennis. The Plaintiff argues in its Motion for Summary Judgment and Reply that the letter's January 31, 2011, effective date leaves no genuine issue of material fact and entitles the Plaintiff to judgment as a matter of law, as to the previous four months of rent. The Plaintiff attaches a Verified Statement of Account as Plaintiff's Exhibit F to its Motion for Summary Judgment showing the amount due for those four months.

However, in viewing the Plaintiff's First Request for Admissions and the Defendants' Responses in the light most favorable to the Defendants, attached to the Motion for Summary Judgment as Plaintiff's Exhibits D and E, respectively, there is a genuine issue of material fact as to whether the Plaintiff is owed four months of rent. Specifically, number three of the Request for Admissions asks the Defendants to admit or deny making no rental payments for October, November, and December of 2010, and January of 2011. The Defendants deny making no rental payments for those four months in their Responses. Therefore, there still remains at least this genuine issue of material fact to be determined by jury.

IT IS THEREFORE, ORDERED, ADJUDGED AND DECREED that the Motion for Summary Judgment as to the claim for breach of contract is denied.

#3

  
The Honorable Perry M. Buckner, III  
Judge for the Fourteenth Judicial Circuit

Walterboro, South Carolina

May 20, 2015

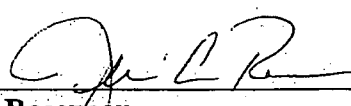
STATE OF SOUTH CAROLINA ) IN THE COURT OF COMMON PLEAS  
COUNTY OF BEAUFORT ) CASE NO: 2013CP0702131

JRC Properties LLC )  
Plaintiff(s) )  
vs. )  
Dennis Corporation )  
Defendant(s) )

**ORDER REFERRING NON-JURY  
ACTION TO THE BEAUFORT  
COUNTY MASTER IN EQUITY**

Pursuant to an Order of the South Carolina Supreme Court this Non-Jury matter is now referred to the Beaufort County Master in Equity with Finality. The Plaintiff is responsible for paying the Reference Fee pursuant to South Carolina Code of Laws Section 14-11-310. (\$100.00 for Partition Actions and Foreclosures and \$50.00 for all other cases); however, if the Plaintiff's case is over, any remaining party seeking Affirmative Relief will be responsible for paying the fee. The Reference Fee shall be paid within 45 days from the date this Order is signed or the Master will dismiss the case for non-payment of the Reference Fee.

**IT IS SO ORDERED:**

  
Jerri Roseneau  
Beaufort County Clerk of Court

Dated: 9/22/15  
Beaufort, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff,

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

IN THE COURT OF COMMON PLEAS  
CASE NO. 2013-CP-07-02131

~~CONSENT ORDER~~

NOV 19 AM 9:34  
CLERK OF COURT  
JANET L. WILKINS  
CLERK OF COURT  
JANET L. WILKINS  
CLERK OF COURT  
JANET L. WILKINS

THIS MATTER comes before me pursuant to an Order of Reference filed on September 22, 2015;

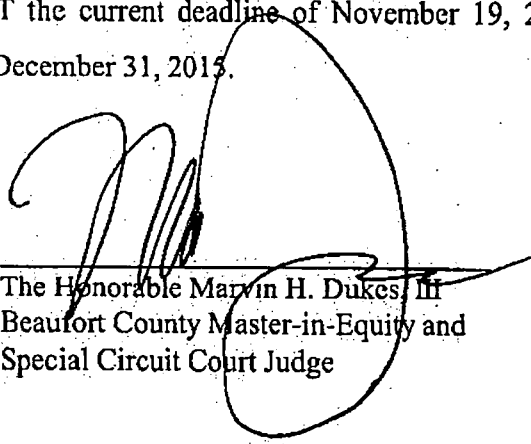
A NOTICE OF ADR having been issued for this case, setting the deadline for mediation of same as November 19, 2015; and

THE PARTIES herein, having settled upon Curtis L. Coltrane, Esquire, as mediator for this matter, and having scheduled a mediation conference for November 19, 2015;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT the parties shall mediate the within case on November 19, 2015, beginning at 10:00 a.m., at the law offices of Coltrane and Wilkins, LLC, with Curtis Coltrane serving as mediator at the conference.

IT IS FURTHER ORDERED THAT the current deadline of November 19, 2015 for mediation of this case is hereby extended to December 31, 2015.

IT IS SO ORDERED.

  
The Honorable Marvin H. Dukes, III  
Beaufort County Master-in-Equity and  
Special Circuit Court Judge

Beaufort, South Carolina  
11/16, 2015

**AMENDED FORM 4**

**STATE OF SOUTH CAROLINA  
COUNTY OF BEAUFORT  
IN THE COURT OF COMMON PLEAS**

**JUDGMENT IN A CIVIL CASE**

**CASE NO. 2013-CP-07-2131**

|                                           |                                                                                                                                                             |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>JRC PROPERTIES, LLC,</b>               | <b>DENNIS CORPORATION, a South Carolina Corporation, and DANIEL R. DENNIS, III,</b>                                                                         |
| <b>PLAINTIFF(S)</b>                       | <b>DEFENDANT(S)</b>                                                                                                                                         |
| <b>Submitted by: Sean Michael Bolchoz</b> | <b>Attorney for:</b> <input checked="" type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant<br><input type="checkbox"/> Self-Represented Litigant |

**DISPOSITION TYPE (CHECK ONE)**

- ☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- ☒ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered. ☐ See Page 2 for additional information.
- ☐ **ACTION DISMISSED. (CHECK REASON):** ☐ Rule 12(b), SCRPC; ☐ Rule 41(a), SCRPC (Vol. Nonsuit); ☐ Rule 43(k), SCRPC (Settled); ☐ Other: \_\_\_\_\_
- ☐ **ACTION STRICKEN. (CHECK REASON):** ☐ Rule 40(j), SCRPC; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other: \_\_\_\_\_
- ☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**  
☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other: \_\_\_\_\_

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL

**IT IS ORDERED AND ADJUDGED:** ☒ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

**ORDER INFORMATION**

This order ☒ ends ☐ does not end the case.

Additional Information for the Clerk: On March 23, 2016, Judgment was entered in the amount of \$69,024.50 against Daniel R. Dennis, III erroneously. That judgment should be vacated, none pro func.

| <b>INFORMATION FOR THE JUDGMENT INDEX</b>                                                                                                                                                                    |                                          |                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|----------------------------------------------------------|
| Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below. |                                          |                                                          |
| Judgment in Favor of<br>(List name(s) below)                                                                                                                                                                 | Judgment Against<br>(List name(s) below) | Judgment Amount To Be Enrolled<br>(List amount(s) below) |
|                                                                                                                                                                                                              |                                          |                                                          |
|                                                                                                                                                                                                              |                                          | \$                                                       |
|                                                                                                                                                                                                              |                                          | \$                                                       |
| If applicable, describe the property, including tax map information and address, referenced in the order:                                                                                                    |                                          |                                                          |

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Circuit Court Judge

Judge Code

Date

DC000014

This judgment was entered on the 2 day of June, 2016 and a copy mailed first class or placed in the appropriate attorney's box on this 6 day of July, 2016 to attorneys of record or to parties (when appearing *pro se*) as follows:

2 More

**ATTORNEY(S) FOR THE DEFENDANT(S)**

CLERK OF COURT

**ADDITIONAL INFORMATION REGARDING DECISION BY THE COURT AS REFERENCED  
ON PAGE 1.**

This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There is no handwriting or other markings on the paper.



STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

IN THE COURT OF COMMON PLEAS

2013 AUG 20 AM 10:40  
Plaintiff(s)

CIVIL ACTION COVERSHEET

2013-CP-07-02133

vs.

DENNIS CORPORATION, a South Carolina  
Corporation, and DANIEL R. DENNIS III,  
Defendant(s)

Submitted By: Sean Michael Bolchoz  
Address: PO Box 828  
Bluffton, SC 29910

SC Bar #: 15860  
Telephone #: (843)836-3033  
Fax #: (843)836-3035  
Other:  
E-mail: sbolchoz@bolchozlaw.com

NOTE: The coversheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for the use of the Clerk of Court for the purpose of docketing. It must be filled out completely, signed, and dated. A copy of this coversheet must be served on the defendant(s) along with the Summons and Complaint.

**DOCKETING INFORMATION** (Check all that apply)

*If Action Is Judgment/Settlement do not complete*

- ☐ JURY TRIAL demanded in complaint. ☒ NON-JURY TRIAL demanded in complaint.  
☐ This case is subject to ARBITRATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.  
☐ This case is subject to MEDIATION pursuant to the Court Annexed Alternative Dispute Resolution Rules.  
☐ This case is exempt from ADR. (Proof of ADR/Exemption Attached)

**NATURE OF ACTION** (Check One Box Below)

- |                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Contracts</b><br><input type="checkbox"/> Constructions (100)<br><input type="checkbox"/> Debt Collection (110)<br><input type="checkbox"/> Employment (120)<br><input type="checkbox"/> General (130)<br><input checked="" type="checkbox"/> Breach of Contract (140)<br><input type="checkbox"/> Other (199) | <b>Torts - Professional Malpractice</b><br><input type="checkbox"/> Dental Malpractice (200)<br><input type="checkbox"/> Legal Malpractice (210)<br><input type="checkbox"/> Medical Malpractice (220)<br>Previous Notice of Intent Case #<br>20 - CP -<br><input type="checkbox"/> Notice/ File Med Mal (230)<br><input type="checkbox"/> Other (299)                                               | <b>Torts - Personal Injury</b><br><input type="checkbox"/> Assault/Slander/Libel (300)<br><input type="checkbox"/> Conversion (310)<br><input type="checkbox"/> Motor Vehicle Accident (320)<br><input type="checkbox"/> Premises Liability (330)<br><input type="checkbox"/> Products Liability (340)<br><input type="checkbox"/> Personal Injury (350)<br><input type="checkbox"/> Wrongful Death (360)<br><input type="checkbox"/> Other (399)                                                                                                                                                                                          | <b>Real Property</b><br><input type="checkbox"/> Claim & Delivery (400)<br><input type="checkbox"/> Condemnation (410)<br><input type="checkbox"/> Foreclosure (420)<br><input type="checkbox"/> Mechanic's Lien (430)<br><input type="checkbox"/> Partition (440)<br><input type="checkbox"/> Possession (450)<br><input type="checkbox"/> Building Code Violation (460)<br><input type="checkbox"/> Other (499)                                                                                                                                                  |
| <b>Inmate Petitions</b><br><input type="checkbox"/> PCR (500)<br><input type="checkbox"/> Mandamus (520)<br><input type="checkbox"/> Habeas Corpus (530)<br><input type="checkbox"/> Other (599)                                                                                                                  | <b>Administrative Law/Relief</b><br><input type="checkbox"/> Reinstate Drv. License (800)<br><input type="checkbox"/> Judicial Review (810)<br><input type="checkbox"/> Relief (820)<br><input type="checkbox"/> Permanent Injunction (830)<br><input type="checkbox"/> Forfeiture-Petition (840)<br><input type="checkbox"/> Forfeiture-Consent Order (850)<br><input type="checkbox"/> Other (899) | <b>Judgments/Settlements</b><br><input type="checkbox"/> Death Settlement (700)<br><input type="checkbox"/> Foreign Judgment (710)<br><input type="checkbox"/> Magistrate's Judgment (720)<br><input type="checkbox"/> Minor Settlement (730)<br><input type="checkbox"/> Transcript Judgment (740)<br><input type="checkbox"/> Lis Pendens (750)<br><input type="checkbox"/> Transfer of Structured Settlement Payment- Rights Application (760)<br><input type="checkbox"/> Confession of Judgment (770)<br><input type="checkbox"/> Petition for Workers Compensation Settlement Approval (780)<br><input type="checkbox"/> Other (799) | <b>Appeals</b><br><input type="checkbox"/> Arbitration (900)<br><input type="checkbox"/> Magistrate-Civil (910)<br><input type="checkbox"/> Magistrate-Criminal (920)<br><input type="checkbox"/> Municipal (930)<br><input type="checkbox"/> Probate Court (940)<br><input type="checkbox"/> SCDOT (950)<br><input type="checkbox"/> Worker's Comp (960)<br><input type="checkbox"/> Zoning Board (970)<br><input type="checkbox"/> Public Service Comm. (990)<br><input type="checkbox"/> Employment Security Comm (991)<br><input type="checkbox"/> Other (999) |
| <b>Special/Complex/Other</b><br><input type="checkbox"/> Environmental (600)<br><input type="checkbox"/> Automobile Arb. (610)<br><input type="checkbox"/> Medical (620)<br><input type="checkbox"/> Other (699)                                                                                                  | <input type="checkbox"/> Pharmaceuticals (630)<br><input type="checkbox"/> Unfair Trade Practices (640)<br><input type="checkbox"/> Out-of State Depositions (650)<br><input type="checkbox"/> Motion to Quash Subpoena in an Out-of-County Action (660)<br><input type="checkbox"/> Sexual Predator (510)                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

Submitting Party Signature: \_\_\_\_\_

Date: August 19, 2013

Note: Frivolous civil proceedings may be subject to sanctions pursuant to SCRCP, Rule 11, and the South Carolina Frivolous Civil Proceedings Sanctions Act, S.C. Code Ann. §15-36-10 et. seq.

STATE OF SOUTH CAROLINA  
COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff,

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

2013 IN THE COURT OF COMMON PLEAS  
CASE NO. 10-2013-CP-01-02131

JEREMY A. BOLCHOZ  
CLERK OF COURT  
S.C.

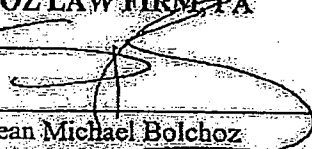
RECEIVED  
2013 OCT -2 AM 11:05  
RCSD

SUMMONS

TO: THE DEFENDANTS ABOVE-NAMED:

YOU ARE HEREBY SUMMONED and required to answer the Complaint in this action, a copy of which is hereby served upon you, and to serve a copy of your Answer to said Complaint upon the undersigned counsel for the Plaintiff in his office at Bolchoz Law Firm, PA, 6 Buckingham Plantation Drive, Suite B, Post Office Box 828, Bluffton, South Carolina, 29910, within thirty (30) days after the service hereof, exclusive of the date of such service. **IF YOU FAIL TO ANSWER THE COMPLAINT WITHIN SUCH TIME, THE PLAINTIFF IN THIS ACTION WILL APPLY TO THE COURT FOR THE RELIEF DEMANDED THEREIN.**

BOLCHOZ LAW FIRM, PA

By: 

Sean Michael Bolchoz  
Attorney for Plaintiff  
6 Buckingham Plantation Drive, Suite B  
P.O. Box 828  
Bluffton, SC 29910  
(843) 836-3033

Bluffton, South Carolina

August 19, 2013

File to: Clients\McKim, Rollin - BL006\summons.wpd

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff,

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

2013 AUG 29 11:15 AM  
IN THE COURT OF COMMON PLEAS  
CASE NO. 0 2013-CP-07-02131  
JESSIE L. ROSENEAU  
BEAUFORT COUNTY, S.C.  
CLERK OF COURT

**COMPLAINT**

The Plaintiff, complaining of the acts and omissions of the Defendants herein, would respectfully show the following unto this Honorable Court:

**GENERAL AVERMENTS**

1. Defendant Dennis Corporation is, upon information and belief, a corporation organized and existing under the laws of the State of South Carolina, which, at all times pertinent hereto, did business in Beaufort County, South Carolina.
2. Defendant Daniel R. Dennis, III is, upon information and belief, a citizen and resident of the State of South Carolina, and the principal of Defendant Corporation who, at all times pertinent hereto, directed Defendant Corporation's actions, as more fully set forth hereinbelow.
3. The parties hereto and all matters and things hereinafter alleged are within the jurisdiction of this Court and venue of this action is proper.
4. In January of 2008, the Plaintiff and Defendant Corporation entered into a written contract whereby the parties agreed that the Plaintiff would rent an office unit located in Bluffton, South Carolina (the "Unit"), to Defendant Corporation for a term of five (5) years (the "Office Lease").

5. The parties contemplated that Defendant Corporation would lease the unit while the Defendants were contracted with and working for Beaufort County as an engineer for construction of the Bluffton Parkway.
6. Section 2.2 of the Office Lease provides that, upon termination of Defendant Corporation's contract with Beaufort County, the Defendants shall have the option to immediately terminate the Office Lease.
7. Section 3.3 of the Office Lease provides that the Defendant Corporation's obligation to pay the base rental, any additional rent, and all other charges due and owing shall survive any expiration of or early termination of the Office Lease.
8. By letter dated January 21, 2011, Defendant Dennis notified the Plaintiff of the voluntary termination of the Office Lease with Defendant Corporation (the "Notice").
9. At the time of the Notice, Defendant Corporation was in arrears for four (4) months' worth of rent owed to the Plaintiff, as well as late charges and other amounts due.
10. At the time of the Notice, Defendants knew that Defendant Corporation was in default under the Office Lease for failing and refusing to make the previous four (4) months' rental payments to Plaintiff.
11. Upon information and belief, during the Defendants' occupancy of the Unit, the Defendants received certain payments from Beaufort County that were specifically earmarked for and/or made reference to various subcontractors, suppliers, vendors, consultants and other creditors of the Defendants.
12. Upon information and belief, the Plaintiff, as Defendant Corporation's landlord, was one of the creditors for which Beaufort County made payment to the Defendants, and specifically earmarked funds for payment to the Plaintiff.
13. Upon information and belief, the Defendants received monies directly from Beaufort County which were specifically earmarked for payment to Plaintiff as landlord, which monies the Defendants kept and refused to pay over to the Plaintiff.
14. The Plaintiff has made several demands of the Defendants for payment of the amounts owed, and has fully performed all conditions precedent before bringing this action to collect the amounts due.

15. The Plaintiff has also suffered losses due to the Defendants' having physically damaged the Unit during occupancy, which damage included but is not limited to significant damage to the interior walls and carpet, all of which necessitated extensive remediation and repair, which was paid for by the Plaintiff.
16. Section 8.1 of the Office Lease provides that, upon Defendant Corporation's default, or upon termination of the Office Lease, the Plaintiff is entitled to recover its costs of collection, including attorney's fees and costs, for unpaid rent, charges and other debt.

**FOR A FIRST CAUSE OF ACTION**

**(Breach of Contract)**

17. Each and every allegation contained in paragraphs 1 through 16 above is realleged as if fully repeated herein verbatim.
18. The Plaintiff and Defendant Corporation had a valid and enforceable agreement in the form of the Office Lease.
19. The Plaintiff has performed all duties and obligations under the terms of the parties' agreement.
20. The Defendant Corporation has breached the terms of the parties' agreement in several respects, including but not limited to the following: by failing to make rental payments due and owing during the Defendants' occupancy of the Unit; by failing to pay late fees and other charges; by causing physical damage beyond normal wear and tear to the Unit; and by failing and/or refusing to abide by other terms of the parties' agreement.
21. As a direct result of Defendant Corporation's breach of the parties' agreement, the Plaintiff has suffered actual, consequential and incidental damages, and is further entitled to recover its costs of collection, including attorney's fees and costs, pursuant to the parties' agreement.

**FOR A SECOND CAUSE OF ACTION**

**(Conversion)**

22. Each and every allegation contained in paragraphs 1 through 21 above is realleged as if fully repeated herein verbatim.
23. Upon information and belief, the Defendants received certain monies from Beaufort County which were specifically earmarked for and/or made reference to Plaintiff as Defendant Corporation's landlord, and which were intended to be paid to Plaintiff for rental of the Unit.
24. Upon information and belief, the Defendants failed and/or refused to apply the monies received from Beaufort County to rental payments due the Plaintiff for the Unit.
25. The Plaintiff's interest in and to the aforesaid monies received from Beaufort County by the Defendants was superior to that of the Defendants.
26. Upon information and belief, the Defendants converted the aforesaid monies received from Beaufort County to Defendants' own use.
27. The Defendants' exerting control over and possession of the monies received from Beaufort County and conversion of same was unauthorized and without the Plaintiff's knowledge and/or permission.
28. Upon information and belief, the Defendants' control over and possession of the monies received from Beaufort County was willful and intentional and/or with a reckless and conscious disregard for the Plaintiff's rights in and to the said monies.
29. As a direct result of the Defendants' conversion of the said monies, the Plaintiff has suffered actual damages, and is further entitled to punitive damages in an amount to be determined at trial.

**FOR A THIRD CAUSE OF ACTION**

**(Unfair Trade Practices)**

30. Each and every allegation contained in paragraphs 1 through 29 above is realleged as if fully repeated herein verbatim.

31. The Defendants' acts and omissions, as outlined hereinabove, constitute and constituted the utilization of unfair and/or deceptive methods, acts or practices within the meaning of the South Carolina Unfair Trade Practices Act.
32. Upon information and belief, the Defendants' acts and omissions, including but not limited to converting monies earmarked for third parties to Defendants' own use, have occurred with other parties in the past and/or are subject to repetition in the future.
33. As a direct and proximate result of the aforesaid actions of the Defendants, the Plaintiff has suffered the damages outlined hereinabove.
34. The Plaintiff is entitled to recover damages from the Defendants, in accordance with S.C. Code Ann. Section 39-5-140, in the amount of three (3) times its actual damages, together with the recovery of attorney's fees and costs associated with this action.

**WHEREFORE**, the Plaintiff, having alleged a Complaint against the Defendants herein, would request from this Court an Order as follows:

- A. As to the First Cause of Action: Granting the Plaintiff judgment against Defendant Corporation all of its actual, consequential and incidental damages, as well as its costs of collection, including attorney's fees and costs;
- B. As to the Second Cause of Action: Granting the Plaintiff judgment against the Defendants, jointly and severally, for its actual, incidental and consequential damages, as well as an award of punitive damages in an amount to be determined at trial, and holding that any and all monies paid to Defendants by third parties which were earmarked, designated or intended for Plaintiff are held in a constructive trust by the Defendants for the benefit of the Plaintiff;
- C. As to the Third Cause of Action: Granting the Plaintiff judgment against the Defendants, jointly and severally, for treble the Plaintiff's actual damages, plus its attorney's fees and the costs of this action; and
- D. As to All Causes of Action: Granting any such other and further relief as this Court

may deem just and proper.

**BOLCHOZ LAW FIRM, PA**

By: \_\_\_\_\_

Sean Michael Bolchoz

Attorney for Plaintiff

6 Buckingham Plantation Drive, Suite B

P.O. Box 828

Bluffton, SC 29910

(843) 836-3033

Bluffton, South Carolina

August 19, 2013

E:\H to M Clients\McKim, Rollin - BL006\complaint - breach.wpd



STATE OF SOUTH CAROLINA )

COUNTY OF BEAUFORT )

JRC Properties, LLC, )

Plaintiff, )

vs. )

Dennis Corporation, a South Carolina )  
Corporation, and Daniel R. Dennis, III, )

Defendants. )

IN THE COURT OF COMMON PLEAS

C/A NO.: 2013-CP-07-02131

ANSWER OF DEFENDANTS

DEC-5 PM 1:29  
BEAUFORT COUNTY S.C.  
CLERK OF COURT

The Defendants, Dennis Corporation and Daniel R. Dennis, III, answer the Plaintiff's Complaint as follows, subject to their motion to dismiss previously made:

**FOR A FIRST DEFENSE**

1. They deny each and every allegation not specifically admitted.
2. Regarding paragraph 1, they admit only that Dennis Corp. is a South Carolina corporation and that it performed work in Beaufort County; however, its principal place of business is in Richland County and venue is proper in Richland County.
3. Regarding paragraph 2, they admit only that Daniel R. Dennis, III is a resident of Richland County and is the principal owner of Dennis Corporation.
4. They deny paragraph 3.
5. Regarding paragraphs 4, 5, 6, and 7 they crave reference to the agreement and deny any allegations inconsistent with the agreement.
6. Regarding paragraph 8, they crave reference to the January 21, 2011 letter and deny any allegations inconsistent with the letter.

7. They deny paragraphs 9 and 10.
8. Regarding paragraphs 11, 12, and 13, the Defendants acknowledge that they have received payments from Beaufort County for work performed but deny the remaining allegations.
9. They deny paragraphs 14 and 15.
10. Regarding paragraph 16, they crave reference to the lease and deny any allegations inconsistent with the lease.
11. Regarding paragraph 17, they reallege the above paragraphs as if repeated verbatim.
12. Regarding paragraph 18, Defendants crave reference to the agreement and deny any allegations inconsistent with the agreement.
13. They deny paragraphs 19, 20, and 21.
14. Regarding paragraph 22, they reallege the above paragraphs as if repeated verbatim.
15. Regarding paragraph 23, Defendants admit they received payments from Beaufort County for work performed on a separate contract and deny the remaining allegations.
16. The Defendants deny paragraphs 24 through 29.
17. Regarding paragraph 30, they reallege the above paragraphs as if repeated verbatim.
18. They deny paragraphs 31 through 34.

**FOR A SECOND DEFENSE**

19. The Complaint fails to state facts sufficient to constitute a cause of action against the Defendant, Daniel R. Dennis, III.

**FOR A THIRD DEFENSE**

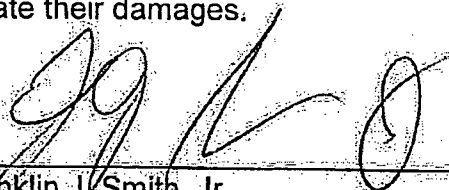
20. The Defendants' actions do not impact the public interest; and therefore, Plaintiff fails to state facts sufficient to constitute a cause of action under the Unfair Trade Practices Act.

**FOR A FOURTH DEFENSE**

21. The Plaintiff fails to state facts sufficient to constitute an action in conversion in that the Plaintiff had no right to any specific funds paid by Beaufort County to the Defendants.

**FOR A FIFTH DEFENSE**

22. The Plaintiff has failed to mitigate their damages.



---

Franklin J. Smith, Jr.  
Richardson Plowden & Robinson, P.A.  
1900 Barnwell Street (29201)  
P.O. Drawer 7788  
Columbia, SC 29202  
Phone: (803) 771-4400  
E-mail: [fsmith@richardsonplowden.com](mailto:fsmith@richardsonplowden.com)  
**Attorneys for Defendants**

December 2, 2013  
Columbia, South Carolina

STATE OF SOUTH CAROLINA )

COUNTY OF BEAUFORT )

JRC Properties, LLC, )

Plaintiff, )

vs. )

Dennis Corporation, a South Carolina )  
Corporation, and Daniel R. Dennis, III, )

Defendants. )

IN THE COURT OF COMMON PLEAS

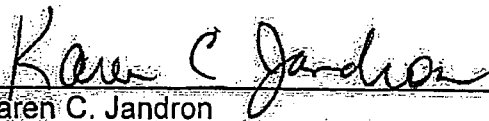
C/A NO.: 2013-CP-07-02131

CERTIFICATE OF SERVICE

13 DEC -5 PM 1:29  
CLERK OF COURT  
BEAUFORT COUNTY, S.C.

I, the undersigned employee of Richardson Plowden & Robinson, P.A., counsel for Defendants do hereby certify that I have served a copy of the **ANSWER OF DEFENDANTS** by depositing a copy of the same in the United States mail, via electronic delivery or first class postage prepaid, addressed to counsel of record on this 2nd day of December 2013:

Sean Michael Bolchoz, Esquire  
Bolchoz Law Firm  
P.O. Box 828  
Bluffton, SC 29910  
Attorney for Plaintiff

  
Karen C. Jandron  
Legal Assistant to Franklin J. Smith, Jr.



**Garber**  
Reporting Service  
& Videoconferencing

1226 Pickens Street  
Columbia, South Carolina 29201  
info@garberreporting.com  
Telephone: (803) 256-4500 | Fax: (803) 256-1999

**DEPOSITION OF:**  
**DANIEL R. DENNIS, III**

JUNE 25, 2015

JRC PROPERTIES, LLC

vs.

DENNIS CORPORATION, a South Carolina Corporation,  
and DANIEL R. DENNIS, III

2013-CP-07-02131

REPORTER: JAIME D. NEWTON

1 STATE OF SOUTH CAROLINA ) IN THE COURT OF COMMON PLEAS  
2 COUNTY OF BEAUFORT ) CASE NO.: 2013-CP-07-02131  
3

4 JRC Properties, LLC, ) DEPOSITION OF  
5 Plaintiff, ) DANIEL R. DENNIS, III  
6 vs. ) JUNE 25, 2015

7 Dennis Corporation, a South  
8 Carolina Corporation, and  
9 Daniel R. Dennis, III, )  
10 Defendants. )  
11 \_\_\_\_\_ )  
12

13 Deposition on oral examination of Daniel R. Dennis,  
14 III, reported by Jaime D. Newton, Court Reporter and  
15 Notary Public in and for the State of South Carolina;  
16 pursuant to Rule 30 of the South Carolina Rules of Civil  
17 Procedure; said deposition taken at the Law Offices of  
18 Bowers Law Firm, 1419 Pendleton Street, Columbia, South  
19 Carolina, on Thursday, the 25th day of June, 2015,  
20 commencing at the hour of 10:02 a.m.  
21  
22  
23  
24  
25

APPEARANCES:

Representing the Plaintiff:

SEAN MICHAEL BOLCHOZ, ESQUIRE

Bolchoz Law Firm, P.A.

6 Buckingham Plantation Drive, Suite B  
Bluffton, South Carolina 29910

Representing the Defendants:

GREG CLOSE, ESQUIRE

Moore Taylor Law Firm, P.A.

1700 Sunset Boulevard

West Columbia, South Carolina 29171

Also present:

Rollin McKim, Jr.

## 1 CONTENTS

2 (Deposition of Daniel R. Dennis, III)

|                              | PAGE |
|------------------------------|------|
| 3 Exhibit Index              | 3    |
| 4 Stipulations               | 5    |
| 5 Examination by Mr. Bolchoz | 5    |
| 6 Certificate of Reporter    | 137  |
| 7 Word Index                 |      |

9 \* \* \* \* \*

## 10 EXHIBIT INDEX

11 Exhibits:

12 Marked at Page

13 (Copy of exhibits attached to  
14 each copy of transcript.)

|                                           |    |
|-------------------------------------------|----|
| 15 1 Office Lease                         | 10 |
| 16 2 Letter to JRC Properties, LLC        | 16 |
| 17 dated January 21, 2011                 |    |
| 18 3 Answer of Defendants                 | 26 |
| 19 4 Plaintiff's First Request for        | 29 |
| 20 Admissions                             |    |
| 21 5 Response to Request to Admit         | 30 |
| 22 6 Defendants' Responses to Plaintiff's | 35 |
| 23 First Interrogatories                  |    |
| 24 7 Defendants' Supplemental Response to | 44 |



|    |    |                                             |     |
|----|----|---------------------------------------------|-----|
| 1  |    | Plaintiff's First Interrogatories           |     |
| 2  | 8  | Copy of Check dated January 19, 2011        | 46  |
| 3  | 9  | Copy of Check dated May 20, 2011            | 56  |
| 4  | 10 | Photos                                      | 77  |
| 5  |    | (Retained by Sean Michael Bolchoz, Esquire) |     |
| 6  | 11 | Affidavit of Dan Dennis                     | 80  |
| 7  | 12 | Email Chain                                 | 102 |
| 8  | 13 | Statement of Rents and Fees Payable         | 106 |
| 9  |    | dated May 2, 2011                           |     |
| 10 | 14 | Letter to Dennis Corporation dated          | 108 |
| 11 |    | July 5, 2011                                |     |
| 12 | 15 | Statement of Rents and Fees Payable         | 109 |
| 13 |    | dated July 1, 2011                          |     |
| 14 | 16 | Letter to JRC Properties, LLC from          | 125 |
| 15 |    | S. Jahue Moore dated July 12, 2011          |     |
| 16 | 17 | Statement of Repairs Required dated         | 135 |
| 17 |    | February 11, 2011                           |     |

\* \* \* \* \*

Court Reporter's note:

-- indicates interruption; incomplete phrases; unfinished sentences

1           This deposition is taken in accordance with the  
2       South Carolina Rules of Civil Procedure.

3           It is agreed and stipulated by the deponent and  
4       respective counsel that the reading and signing of the  
5       examination under oath by the deponent is expressly  
6       waived.

7           WHEREUPON:

8           DANIEL R. DENNIS, III, being duly sworn and  
9       cautioned to speak the truth, the whole truth and nothing  
10      but the truth, testifies as follows:

11          EXAMINATION BY MR. BOLCHOZ:

12      Q:       Mr. Dennis, my name is Sean Bolchoz, and I  
13               represent JRC Properties. The Plaintiff in this  
14               case. I guess my first question for you is have  
15               you ever had your deposition taken before?

16      A:       Yes.

17      Q:       So you know how it works. I'll go through some  
18               of the ground rules for you as a refresher, if  
19               nothing else. I'm going to ask you a series of  
20               questions under oath. You've already been sworn  
21               by the court reporter here and she's going to  
22               take down everything that you and I say for a  
23               transcript to be typed up later. If you answer  
24               my question, I'm going to assume that you  
25               understood my question and that you answered to

1 the best of your ability. Is that fair?

2 A: Yes.

3 Q: If you don't understand my question, then I would  
4 ask that you ask me to explain it and I will do  
5 my best for that. Is that fair?

6 A: Yes.

7 Q: I would also ask that you let me finish my  
8 questions before you answer because that makes a  
9 cleaner record. The court reporter can't pick us  
10 up talking over each other. Is that acceptable?

11 A: Yes.

12 Q: And also, I'd ask that you verbalize all of your  
13 answers, because the court reporter can't pick up  
14 nods of the head and grunts and that kind of  
15 thing. Okay?

16 A: Yes.

17 Q: You have the right to read and sign your  
18 deposition transcript. You don't have to. You  
19 can waive it. I don't know if you all have  
20 discussed that with your attorney. Do you want  
21 to read and sign or --

22 A: I'll waive it.

23 Q: You'll waive it?

24 A: Yeah.

25 Q: All right. Can you state --

1 A: But I would like a copy.

2 Q: Yeah. Your attorney --

3 MR. CLOSE: We'll get that.

4 Q: Your attorney will get a copy. Can you state  
5 your full name for the record, please?

6 A: Daniel R. -- Daniel Raymond Dennis, III. Excuse  
7 me.

8 Q: And what is your address?

9 A: 13 Governor's Hill, Columbia, 29201.

10 Q: Give me your educational background beginning  
11 after high school.

12 A: A 1990 Citadel graduate with a degree in civil  
13 engineering. I'm a 1993 Citadel Union College  
14 graduate with a Master's in business  
15 administration.

16 Q: Anything else?

17 A: No.

18 Q: How about your employment background beginning  
19 after high school?

20 A: After high school, I worked summer jobs while I  
21 was at the Citadel in construction. And when I  
22 graduated from the Citadel in 1990, I worked for  
23 two engineering firms here in the Charleston area  
24 working on bridge construction projects and road  
25 construction projects. Both of those companies

1 are out of business now.

2 Q: What were the names of those companies?

3 A: The first company was Sverdrup. It's got an  
4 unusual spelling. It's a gentleman's last name.  
5 S-v-e-r-d-r-u-p. They were out of Washington,  
6 D.C. And then the second company was Greiner, G-  
7 r-e-I--e-r, out of Tampa, Florida. Then I moved  
8 to Columbia and went to work for the LPA Group.

9 Q: When was that?

10 A: That was in 1993 or four. Probably the end of  
11 1993. And stayed with them until 1997.. Went to  
12 work for Davis and Floyd in Greenwood, South  
13 Carolina.

14 Q: As what?

15 A: As a engineer. And left Davis and Floyd to come  
16 back to LPA in 1999, again as an engineer. And  
17 then I started Dennis Corporation on June the  
18 13th, 2005.

19 Q: And you've been there ever since?

20 A: Yes.

21 Q: Is that your current employer?

22 A: Yes.

23 Q: What's your position there?

24 A: I'm the president.

25 Q: Do you have any special licenses, certifications

1 or training?

2 A: Yes.

3 Q: What are those?

4 A: I'm a South Carolina registered professional  
5 engineer and a South Carolina registered  
6 professional land surveyor. I'm also a  
7 registered engineer in several other states.

8 Q: What other states?

9 A: North Carolina, Georgia, Alabama, Missouri,  
10 Connecticut, Virginia, Louisiana. I think that's  
11 it.

12 Q: And you're a PE in all those states?

13 A: Yes.

14 Q: You keep your license current there --

15 A: Yes.

16 Q: -- in all those states? Do you do business in  
17 those states?

18 A: We have in some. Not all of those states, no.

19 Q: Mr. Dennis, have you ever been convicted of any  
20 crimes?

21 A: Would you define a traffic violation as a crime?

22 Q: I'm not looking for traffic violations. Anything  
23 other than traffic violations?

24 A: No, sir.

25 Q: What did you do to prepare for this deposition

1           today?

2   A:       I read through my file.

3   Q:       When you say you read through your file, you read  
4           through your file for this particular lawsuit?

5   A:       Yes.

6   Q:       Anything else?

7   A:       No.

8   Q:       You didn't discuss the matter with anybody?

9   A:       No.

10   Q:      I'm going to show you a document and ask you if  
11           you recognize it.

12   A:       I do.

13   Q:       What is it?

14   A:       It's the office lease agreement between JRC  
15           Properties, LLC and Dennis Corporation.

16   MR. BOLCHOZ: If we could get that marked.

17   (Plaintiff's Exhibit Number One was marked for  
18           identification purposes.)

19   Q:       Take a look on the last page at what's been  
20           marked as Plaintiff's One for me. Is that your  
21           signature there at the bottom?

22   A:       Yes.

23   Q:       Did you take possession of the premises at  
24           building number six on Buckingham Plantation  
25           Drive in Bluffton?

1 A: Yes.

2 Q: When?

3 A: I'm going to assume around January, 2008, or  
4 thereafter. Shortly thereafter.

5 Q: Well, the lease -- let's see. The lease states  
6 at 2.1 -- I'm looking at page one, moving over to  
7 page two. That the lease term -- the initial  
8 lease term shall commence on March 1st, 2008, the  
9 commencement date. Does that refresh your  
10 recollection --

11 A: Yes.

12 Q: -- or you recall moving in before then?

13 A: No, sir. That would refresh my recollection. It  
14 would have been after March the 1st, 2008.

15 Q: How much after?

16 A: I don't know.

17 Q: In the month of March?

18 A: I don't know.

19 Q: Was there reason for the delay in moving in after  
20 the --

21 A: I just don't know the day we moved in.

22 Q: Right. But you know it wasn't March 1st?

23 A: I just don't know the day we moved in. Could  
24 have been March 1st, but I don't know.

25 Q: Do you have any reason to believe that it wasn't



1 March 1st?

2 A: No.

3 Q: When did the lease term end?

4 A: I believe it was a five-year lease, so it would  
5 have been five years from March 1st, 2008.

6 Q: Okay. Again, on page two at the top, that same  
7 sentence finishes with an expiration date. Do  
8 you see that date there?

9 A: Yes.

10 Q: What is that date?

11 A: That is February 28th, 2013.

12 Q: So that's the ending of the lease term, as far as  
13 you're concerned?

14 A: Yes.

15 Q: Why did you vacate the premises before the lease  
16 term ended?

17 A: My contract with Beaufort County was terminated.

18 Q: Take a look -- we're still on page two of  
19 Plaintiff's One. Take a look at section 2.2 for  
20 me there. Do you see that?

21 A: Yes.

22 Q: Okay. Did you exercise the right of early  
23 termination under that section 2.2?

24 A: Yes.

25 Q: Let's move over to section 3.2. It's on page

- 1           three. What was the initial monthly rental  
2           amount under section 3.2?
- 3    A:       Reading from paragraph A, it was \$15 per square  
4           foot, which was a monthly rental of \$4,678.75.
- 5    Q:       That's what the lease says. Is that your  
6           recollection of the initial monthly rental?
- 7    A:       Yes.
- 8    Q:       And what was the rental amount when you left?
- 9    A:       I don't know.
- 10   Q:       If I represented to you that it was \$4,990.67 a  
11           month, would you have any reason to dispute that?
- 12   A:       Not at the current time. No.
- 13   Q:       And how much was the security deposit you paid?
- 14   A:       \$4,678.75.
- 15   Q:       That's what that is referenced in section 3.2(b)  
16           of the lease, correct?
- 17   A:       Yes.
- 18   Q:       And is that your recollection of the security  
19           deposit you actually paid?
- 20   A:       Yes.
- 21   Q:       Take a look at section 3.3 for me, payments.  
22           We're still on page three. Tell me when you  
23           found it.
- 24   A:       Got it.
- 25   Q:       Read the last sentence of that section out loud

1           for me beginning with "Tenant's obligation to  
2           pay."

3       A:       "Tenant's obligation to pay the base rental, any  
4               additional rent and all other charges due and  
5               owing by tenant under the lease shall survive the  
6               expiration or earlier termination of this lease  
7               unless termination is through the faults or acts  
8               of the landlord."

9       Q:       So under the language of the lease, there's  
10               evidence here by section 3.3, that if the tenant  
11               terminates early, then the base rental, any  
12               additional rent and all other charges due survive  
13               such early termination; is that correct?

14      A:       Depends on how you interpret it.

15      Q:       Okay. Well, how do you interpret it?

16      A:       I'm not sure. I'd have to ask my attorney that,  
17               and he's not here.

18      Q:       Well, what was your understanding of that  
19               provision when you executed this contract?

20      A:       I'm not sure. I don't know if I recall reading  
21               that one, when I signed this contract.

22      Q:       So you may not have read the entire contract  
23               before you executed it?

24      A:       That would be fair to say.

25      Q:       Well, how do you interpret that sentence now as

1           you're sitting here today in this deposition? In  
2           other words, what does it mean?

3   A:       I believe it means that if the lease is  
4           terminated early, then the base rent would be  
5           due.

6   Q:       What about additional rent?

7   A:       And it also says additional rent. You are  
8           correct.

9   Q:       And what about other charges due and owing by the  
10          tenant?

11   A:       Can you define other charges?

12   Q:       Well --

13   A:       I mean, it says other charges, but I'm not sure  
14          what other charges was -- I mean, just other  
15          charges.

16   Q:       So you're not sure what other charges mean as you  
17          sit here today?

18   A:       No. I'm not sure what that means.

19   Q:       So, although you don't know what other charges  
20          means as we sit here, you know what base rental  
21          is, correct?

22   A:       Yes, sir.

23   Q:       And you know what additional rent is, correct?

24   A:       I would assume that would mean any months -- or  
25          any months that would occur after the initial

1 rent. The first month rent.

2 Q: Right. Because 3.2(a) indicates that the base  
3 rental -- or, excuse me, 3.2(c) indicates that  
4 the base rental will increase by 50 cents per  
5 square foot for each year of the initial lease  
6 term, correct?

7 A: Correct.

8 Q: So base rental, additional rent, and other  
9 charges due and owing shall survive the  
10 expiration or earlier termination of this lease.  
11 So if the termination of the lease is earlier  
12 than the lease term, those amounts are still due  
13 and owing from the tenant, correct?

14 A: I would agree with that.  
15 (Plaintiff's Exhibit Number Two was marked for  
16 identification purposes.)

17 Q: Okay. I'm going to show you another document and  
18 ask you if you recognize that. Do you recognize  
19 that document?

20 A: Yes.

21 Q: What is that?

22 A: That is a letter I wrote on January 21st, 2011  
23 and signed that day to Mr. Rollin.

24 Q: Hang on. Let me get that marked. It's a letter  
25 that you wrote to Rollin?

1 A: Yes, sir.

2 Q: And is this the letter, what's been marked as  
3 Plaintiff's Two, the one you sent to Rollin to  
4 terminate the lease early?

5 A: This is the written correspondence to terminate  
6 the lease early. You are correct.

7 Q: And you sent this letter pursuant to section 2.2  
8 of the lease, correct?

9 A: Yes.

10 Q: What is the effective date of the termination in  
11 this letter?

12 A: January 31st, 2011.

13 Q: And what did you mean when you wrote effective  
14 date?

15 A: I don't know.

16 Q: Okay. Did you actually write this letter or did  
17 somebody write it for you?

18 A: More than likely somebody wrote it for me.

19 Q: Did they write it at your direction?

20 A: Yes.

21 Q: And so, somebody else put effective in there and  
22 you're not sure what that means?

23 A: Correct.

24 Q: And at the time you sent the letter marked  
25 Plaintiff's Number Two, you had not paid rent for

1                   October of 2010, correct?

2    A:            I believe that's correct.

3    Q:            And you had not paid rent for November of 2010,  
4                   correct?

5    A:            I believe that's correct.

6    Q:            And you had not paid rent for December of 2010,  
7                   correct?

8    A:            I believe that's correct.

9    Q:            And you had not paid rent for January of 2011,  
10                  correct?

11   A:            I believe that's correct..

12   Q:            Looking back at Plaintiff's Number One, which is  
13                  the lease, for me. Turn to section 8.3. It's  
14                  the section titled late payments. Tell me when  
15                  you're there.

16   A:            I'm there.

17   Q:            Read that first sentence out loud for me, please.

18   A:            "Tenant shall pay as a late charge in the event  
19                  any installment of rent, additional rent or other  
20                  charges to be paid by tenant hereunder as not  
21                  paid within 15 days of when due. The greater of  
22                  \$100, or an amount equal to five percent of the  
23                  amount due, but in no event shall the amount of  
24                  such late charge exceed an amount based upon the  
25                  highest and legally permissible rate chargeable

1 at any time by landlord under the circumstances."

2 Q: So under this section that you just read the  
3 tenant agrees to pay \$100, or five percent of the  
4 base rental of the amount due on top of the  
5 amount due if it's late; is that correct?

6 A: No, it's not.

7 Q: Tell me how that's incorrect.

8 A: Well, the invoice you would receive would have to  
9 be correct. I don't pay incorrect invoices.

10 Q: Well, let's assume for the sake of reading this  
11 lease term right here that you've got a correct  
12 invoice.

13 A: From who?

14 Q: From the landlord.

15 A: Okay.

16 Q: If the invoice is correct.

17 A: If the invoice is correct, then "the tenant shall  
18 pay as a late charge in the event any installment  
19 of rent, additional rent or other charge to be  
20 paid by tenant hereunder is not paid within 15  
21 days when due the greater of \$100 or an amount  
22 equal to five percent of the amount due, but in  
23 no event shall the amount of such late charge  
24 exceed an amount based upon the highest legally  
25 permissible rate chargeable at any time by



1 landlord under the circumstances."

2 Q: So again, assuming that you have an accurate  
3 invoice, just for the sake of this question, then  
4 the landlord is entitled to charge you the late  
5 fees referenced here in 8.3; isn't that correct?

6 A: Yes.

7 Q: Read that second sentence for me, please,  
8 beginning with "Tenant shall also pay."

9 A: "Tenant shall also pay as a late charge an amount  
10 equal to one and one-half percent of the amount  
11 due to landlord hereunder for each 30-day period  
12 that such an amount remains unpaid commencing  
13 upon the end of the first 30-day period after the  
14 due date of such amount."

15 Q: Thank you. So under this section, the tenant  
16 agrees to pay 1.5 percent of the amount due for  
17 each 30-day period that such an amount remains  
18 unpaid; is that correct?

19 A: No.

20 Q: Okay. How is that incorrect?

21 A: It would have to be a correct invoice.

22 Q: Okay. So assuming for the sake of this question  
23 that you received a proper and correct invoice,  
24 this section dictates that the tenant will pay  
25 1.5 percent of the amount due for each 30-day

1 period that such an amount remains unpaid; is  
2 that correct?

3 A: Yes.

4 Q: Read the very last sentence of that section out  
5 loud for me, please. Excuse me. I might have  
6 said sentence. I meant section. The end of 8.3  
7 beginning with "If any rent."

8 A: "If any rent, additional rent or other debt owing  
9 by one party to the other hereunder is collected  
10 by or through an attorney at law, the prevailing  
11 party shall be entitled to collect its reasonable  
12 actual attorney's fees and costs incurred in the  
13 collection of such rent or other debt."

14 Q: Okay. So under this section, again 8.3, if the  
15 landlord files suit to collect rent and is the  
16 prevailing party, the tenant agrees to pay the  
17 landlord's cost of collection and attorney's  
18 fees, correct?

19 A: No.

20 Q: How is that incorrect?

21 A: The invoice would have to be correct.

22 Q: Well, assuming again for the sake of this  
23 question that the tenant received a proper and  
24 correct invoice, then if the landlord files suit  
25 to collect rent and is the prevailing party, the

1           tenant agrees to pay the landlord's cost of  
2           collection and attorney's fees, correct?

3   A:       No.

4   Q:       How is that incorrect?

5   A:       I would say it would have to follow South  
6           Carolina law. The judge would have to rule on  
7           that.

8   Q:       So you're saying that this provision in the  
9           contract that you signed doesn't have any meaning  
10          unless the judge passes on it?

11   A:       Well, no matter what's in a contract it has to  
12          follow South Carolina state law.

13   Q:       Right.

14   A:       So I'm not sure if that follows South Carolina  
15          state law or not. I guess a judge would  
16          determine that, or a jury.

17   Q:       Well, did you read this provision? Is this  
18          another provision you didn't read when you signed  
19          the contract?

20   A:       I don't remember.

21   Q:       You don't remember reading this?

22   A:       No, sir. This was 2008. I don't remember.

23   Q:       Do you generally execute contracts without  
24          reading them all the way through in your  
25          business?

1 A: Occasionally, yes. Probably more often than not.

2 Q: Well, let me ask you this then, Mr. Dennis. Do  
3 you know what prevailing party means under 8.3?  
4 Do you know what that term means?

5 A: I would assume that would be whoever wins the  
6 lawsuit.

7 Q: If the landlord wins the lawsuit against the  
8 tenant for collecting rent, then is the tenant  
9 responsible for paying cost of collection and  
10 attorney's fees under this lease?

11 A: If South Carolina law allows it.

12 Q: Is it your testimony to the court, Mr. Dennis,  
13 that this provision of section 8.3 is illegal  
14 under South Carolina law?

15 A: I don't know.

16 Q: Well, you've made a number of statements that  
17 suggest that perhaps it might be illegal. Are  
18 you thinking that it's possible that is an  
19 illegal term?

20 A: Yes.

21 Q: What are you basing that on?

22 A: Just some, I guess, intuitive knowledge I have.

23 Q: Okay. Have you ever executed any other contracts  
24 that provide for cost of collection and  
25 attorney's fees?

1 A: Most of my contracts I have have that language in  
2 there.

3 Q: And so, are the provisions in most of your  
4 contracts, is it your position that those are  
5 possibly illegal as well?

6 A: Could be. Yes, sir.

7 Q: How many contracts do you sign a year, Mr.  
8 Dennis, in your business?

9 A: May five to 600.

10 Q: And you said most of those five to 600 contracts  
11 have attorney fee provisions in them?

12 A: I would say 80 percent.

13 Q: And it's your testimony here today that you  
14 believe that 80 percent of those 500 to 600  
15 contracts a year that you sign has a potentially  
16 illegal provision in them?

17 A: Well, they're not my contracts. They're my  
18 client's contracts. So --

19 Q: Well, but you're one of the parties of the  
20 contract, aren't you?

21 A: Absolutely. So I sign them so I can get the  
22 work. If I don't sign them, I don't get the  
23 work.

24 Q: Have you ever tried to negotiate with --

25 A: Yes.

1 Q: -- the other party to the -- let me finish my  
2 question, please. Have you ever tried to  
3 negotiate with the other party to any of these  
4 contracts to remove that provision?

5 A: Yes.

6 Q: Any success with that?

7 A: No.

8 Q: Have you ever brought to the attention of any of  
9 these other hundreds of parties that you think  
10 the provision -- the attorney fee provision in  
11 their contract is illegal?

12 A: No.

13 Q: And why not?

14 A: It wouldn't matter.

15 Q: Okay. Have you ever executed any other lease  
16 contracts that has this provision in it, or  
17 provision similar to this one collecting  
18 attorney's fees and cost?

19 A: Not to my knowledge.

20 Q: How many other leases have you signed since you  
21 started Dennis Corporation 10 years ago?

22 A: I would say I've probably signed 10 lease  
23 agreements for either furniture, vehicles, office  
24 space.

25 Q: And do you recall if any of them had attorney fee

1 provisions in them?

2 A: I would assume several would have had them. Yes.

3 Q: And did you ever object to those provisions with  
4 either the landlord or the other party to that  
5 contract?

6 A: No.

7 Q: And why not?

8 A: It wouldn't have changed. They wouldn't have  
9 changed it.

10 Q: In this particular contract, what's been marked  
11 as Plaintiff's Exhibit One, however, you  
12 indicated that you may not have even read that  
13 before you signed this, correct?

14 A: Yes.

15 Q: Let me show you another document and ask if you  
16 recognize that.

17 Q: Mr. Dennis, do you recognize that?

18 A: Yes.

19 Q: Okay. What is that?

20 A: It is an Answer of Defendants.

21 Q: For this case?

22 A: Yes.

23 MR. BOLCHOZ: Let me get this marked.

24 (Plaintiff's Exhibit Number Three was marked for  
25 identification purposes.)

1 Q: So that is your Answer in this case, correct?

2 A: Yes.

3 Q: Who is Franklin Smith?

4 A: At the time this document was signed, he was my  
5 attorney representing me on this case.

6 Q: Is he your attorney in this case now?

7 A: No.

8 Q: Is he Dennis Corporation's attorney?

9 A: He handles some cases, yes.

10 Q: But is he Dennis Corporation's attorney in this  
11 case?

12 A: No.

13 Q: So he was your original attorney for this matter  
14 and then you switched over to Jahue Moore?

15 A: Yes, sir.

16 Q: In my client's Complaint, in paragraph nine, he  
17 alleges that at the time of the notice of January  
18 21, 2011, Defendant corporation was in arrears  
19 for four month's worth of rent owed to the  
20 Plaintiff as well as late charges and other  
21 amounts due. Read your answer there at paragraph  
22 seven.

23 A: They deny paragraphs nine and 10.

24 Q: So why did you deny that allegation?

25 A: The invoices weren't correct.



1 Q: Well, you've already testified that you owed for  
2 October, November and December, 2010 and January,  
3 2011, correct?

4 A: Yes.

5 Q: But there was something else in addition to those  
6 figures on the invoices that you believe were  
7 incorrect --

8 A: Yes.

9 Q: -- is that right?

10 A: Yes.

11 Q: And what was incorrect? What did you object to?

12 A: I don't have that in front of me. I don't have  
13 the invoice in front of me.

14 Q: You don't remember as you're sitting here today?

15 A: No. I'd have to identify each incorrect item.

16 Q: I'll show you another document and ask if you  
17 recognize that.

18 A: I do.

19 Q: What is that?

20 A: It's Plaintiff's First Request for Admissions.

21 Q: Have you read these before today?

22 A: I don't remember.

23 Q: Well, take a look at it for a minute and see if  
24 you can refresh your recollection.

25 A: I would say it looks familiar.

1 Q: So if it looks familiar, it's likely you read  
2 these before today. Is that a fair statement?

3 A: That's fair.

4 Q: Okay. Please read paragraph number three for me  
5 out loud.

6 A: "That the Defendant's made no rental payments to  
7 the Plaintiff for the following months; October,  
8 November, and December of 2010 and January of  
9 2011."

10 Q: Did you understand that question when you read  
11 it, Mr. Dennis?

12 A: Yes.

13 MR. BOLCHOZ: Let me get this marked.

14 (Plaintiff's Exhibit Number Four was marked for  
15 identification purposes.)

16 Q: I'm showing you another document and asking if  
17 you recognize that?

18 A: I believe I recognize this. Yes, sir.

19 Q: What is it?

20 A: It's Response to Request to Admit.

21 Q: What's the date of that?

22 A: January 14th, 2014.

23 Q: Is that signed by your attorney?

24 A: Yes, sir.

25 MR. BOLCHOZ: Let's get this marked.

1 (Plaintiff's Exhibit Number Five was marked for  
2 identification purposes.)

3 Q: Now, take a look at Plaintiff's Number Five and  
4 read your response to my request to admit number  
5 three.

6 A: "Denied."

7 Q: Why did you deny that request to admit?

8 A: The invoices were incorrect.

9 Q: Okay. Read number three again for me, please.

10 A: "That the Defendants made no rental payments to  
11 Plaintiff for the following months; October,  
12 November and December of 2010 and January of  
13 2011."

14 Q: Okay. Now, Mr. Dennis, you just testified here  
15 today before the court that that is an accurate  
16 statement, correct?

17 A: Yes.

18 Q: But here, January 14th of 2014, you denied that  
19 statement, correct?

20 A: Yes.

21 Q: So my question to you again is why did you deny  
22 that request to admit?

23 A: May have been confused thinking that it was  
24 requesting that -- or if it was asking that I was  
25 admitting to the actual invoice and not the rent

1 payment.

2 Q: I submit to you, Mr. Dennis, that that request to  
3 admit number three is a pretty straightforward  
4 statement. Would you disagree with that?

5 A: Well, it says rental payments. And then we go  
6 back to that other term you mentioned called  
7 other charges, which I'm still not sure what  
8 other charges are.

9 Q: But all request number three asks was for you to  
10 admit or deny that particular statement, which  
11 you've already testified here today is true.

12 A: Right. But in this document, I denied it.

13 Q: And that's what I'm asking. Why did you deny  
14 something that you knew to be true?

15 A: Because I felt like the admit or deny for number  
16 three was based upon a true and correct invoice  
17 for each of those months, which I testified that  
18 I don't believe they were.

19 Q: Did you subsequently admit the allegation at  
20 paragraph number three on Plaintiff's Number  
21 Four?

22 A: Could you say that again?

23 Q: Sure. Did you subsequently admit -- I mean, I  
24 can probably clarify it. Did you subsequently  
25 admit the allegation at paragraph number three in

1 the Request to Admit in a later court filing in  
2 this case? Because you denied it here, right?  
3 A: If you're asking me if I had admitted it in Mr. -  
4 - in the Answer of Defendants --

5 Q: No, no.

6 A: No?

7 Q: No.

8 A: Is that what you're asking me?

9 Q: No. What is the date of Plaintiff's Number Four?  
10 What's the date on that?

11 A: January 3rd, 2014.

12 Q: And what is the date of Plaintiff's Exhibit  
13 Number Five?

14 A: January 14th, 2014.

15 Q: Okay. So you answered the request to admit on  
16 January 14th, 2014, correct?

17 A: Yes, sir.

18 Q: Did you at any time after January 14, 2014 file  
19 any documents in this case that subsequently  
20 admitted the allegation at request to admit  
21 number three?

22 A: Not to my knowledge.

23 Q: And your testimony here today is that the reason  
24 you denied that request to admit number three is  
25 because you were confused at the time you read

1           it. Is that your testimony?

2   A:       Yes, sir.

3   Q:       But you're not confused about that statement as  
4           we sit here today, are you?

5   A:       No. I would say I am.

6   Q:       Well, you just testified not too long ago, sir,  
7           that you did not make any rental payments to the  
8           Plaintiff for October, November and December of  
9           2010 and January of 2011, correct?

10   A:      I did, but I'm -- again, I'm not sure of the  
11           definition of rental payments. Is that including  
12           other charges such as interest, damages,  
13           attorney's fees, postage? You know, it doesn't  
14           define rental payments. I mean, it doesn't say  
15           monthly rent. It says rental payments.

16   Q:      Well now, did you have that confusion about what  
17           constituted rental payments for the two years, or  
18           almost three years you were on the premises?

19   A:      No. We knew every month what our base rent was.

20   Q:      I mean, but did you have any confusion about what  
21           constituted rental payments like you're  
22           expressing here today?

23   A:      Prior to October of 2010, we made monthly  
24           payments, as I've stated before the amount, every  
25           month. Those did not include any other fees.

1 Q: And what did you call those monthly payments?  
2 A: The rent.  
3 Q: Rental payments?  
4 A: No. I called them the rent.  
5 Q: Would they also be known as rental payments?  
6 A: Those are your words, not mine.  
7 Q: Would it be fair to call them, what you refer to  
8 as rent, rental payments?  
9 A: What would I refer to?  
10 Q: What are you referring to when you say rent?  
11 A: The base rent.  
12 Q: That you paid when?  
13 A: Every month.  
14 Q: So would it also be accurate to call those rental  
15 payments that you paid every month?  
16 A: As long as they didn't consist of any other  
17 charges.  
18 Q: Okay. I'll show you that document and ask if you  
19 recognize that.  
20 A: I do.  
21 Q: What is that?  
22 A: It's the Defendant's Responses to Plaintiff's  
23 First Interrogatories.  
24 Q: So those are your responses to the first  
25 interrogatories in this case?

1 A: I believe so.

2 Q: Who signed the bottom of these on the last page?

3 A: Joshua Moore.

4 Q: It looks like Jahue Moore. Is that what you  
5 meant?

6 A: No. S. Joshua Moore signed it.

7 MR. CLOSE: It's Jahue. His name is Jahue Moore.

8 Jahue.

9 THE WITNESS: I know. But his question was who signed  
10 it, and it was signed by S. Jahue --

11 MR. BOLCHOZ: I think it's pronounced Jahue.

12 MR. CLOSE: It's pronounced Jahue.

13 THE WITNESS: I call him Joshua. Maybe that's why he  
14 doesn't -- he yells at me sometimes.

15 Q: So is that your attorney in this case?

16 A: Yes.

17 Q: Okay. And what's the date this was signed?

18 A: January the 14th, 2014.

19 Q: Okay. Thank you.

20 MR. BOLCHOZ: Let's get that marked.

21 (Plaintiff's Exhibit Number Six was marked for  
22 identification purposes.)

23 Q: Take a look at interrogatory number two for me in  
24 your response. Mr. Dennis, do you see your  
25 response to number 2(c)?



1 A: Yes, sir.

2 Q: That says, "Various witnesses from Beaufort  
3 County from Dennis Corporation whose names  
4 presently are unknown." Do you see that?

5 A: Yes, sir.

6 Q: Who are the various witnesses from Beaufort  
7 County and Dennis Corporation that you are  
8 referring to here?

9 A: They would be staff that was employed at the  
10 time, or currently still serving as staff or have  
11 since retired or been fired.

12 Q: Staff who work for whom?

13 A: For both Dennis Corporation and the county.

14 Q: Okay. Do you have the names of any of those  
15 staff people from Beaufort County?

16 A: Yes, sir.

17 Q: Who are they?

18 A: Gary Kubic, County Administrator, Weston Newton,  
19 former chairman of County Council, currently  
20 State House Representative from Beaufort, Rob  
21 McFee, Director of Transportation for the county,  
22 Bob Klink, former engineer of Beaufort County,  
23 former Beaufort County attorney -- I forget his  
24 name now. Not Josh Groves who is the current  
25 attorney that won --

1 Q: Is it Josh Gruber?

2 A: Excuse me. Josh Gruber is the current county  
3 attorney. It was the attorney prior to Josh.  
4 Lance?

5 Q: Ladson Howell?

6 A: Yes, sir. Assistant County Attorney -- excuse  
7 me, Assistant County Administrator. His name  
8 escapes me also. He is now a county  
9 administrator in Hampton Roads, Virginia. Brian  
10 was his first name. That would be all I would  
11 remember at this time from Beaufort County.

12 Q: That work for Beaufort County. Okay. And what  
13 are these witnesses going to testify to in this  
14 case?

15 A: I think some would testify to the damages, or the  
16 lack thereof damages in the premises -- the  
17 rental premises. Some may testify as to the date  
18 of Dennis Corporation's termination.

19 Q: Dennis Corporation's --

20 A: Contract termination with Beaufort County, as  
21 referenced in the prior document we just looked  
22 at somewhere.

23 Q: Is it your belief that that is a contested issue  
24 in this case?

25 A: Yes.

1 Q: And what's that belief based on?

2 A: Well, during the four months while our -- during  
3 the four months that I already testified that we  
4 did not pay rent, we were not occupying the  
5 office except for it was storing furniture and  
6 equipment owned by Beaufort County. And Beaufort  
7 County refused to come and get it.

8 Q: And why is that relevant in this case?

9 A: Well, if they had come and got it, I would have  
10 terminated the lease earlier.

11 Q: I see. So is it your position that the county  
12 has some liability to you in this matter?

13 A: No. To your client.

14 Q: The county has liability to my client?

15 A: I believe so, yes.

16 Q: Have you made any effort to bring the county in  
17 as a party to this lawsuit?

18 A: I have not, no.

19 Q: And why not?

20 A: I think your client should do that.

21 Q: Well, my client is suing you, and you believe  
22 that a party that has not been named in the  
23 lawsuit is potentially liable for the harm my  
24 client suffered. Is that a fair statement?

25 A: Yes, sir.

1 Q: So, in other words, I guess, to take the heat off  
2 of you, why wouldn't you bring in Beaufort County  
3 as a party?

4 A: We may.

5 Q: You're considering doing that?

6 A: I'd have to talk to my attorney.

7 Q: Now, how does the termination of your contract --  
8 tell me how that impacts the letter that you sent  
9 that's that's marked as Plaintiff's Exhibit Two  
10 that's in front of you, if you need to look at  
11 it.

12 A: Can you repeat your question?

13 Q: Yeah. I'm trying to figure out why it's relevant  
14 as to when your contract was terminated by the  
15 county given your letter on your letterhead dated  
16 January 21, 2011. In other words, what  
17 difference does it make when your contract was  
18 terminated.

19 A: Well, the lease agreement says that when the  
20 contract -- in order -- in order to have the  
21 contract -- the lease agreement terminated  
22 prematurely, one of the clauses would have -- is  
23 the termination of my contract with Beaufort  
24 County.

25 Q: Okay.

1 A: And in my opinion, that is somewhat cloudy, based  
2 upon the fact that my contract was terminated  
3 prior to that letter I wrote. I was just stuck  
4 with a bunch of furniture -- very expensive  
5 furniture, I should mention, and computers and  
6 printers and plotters that was extremely valuable  
7 and it had nowhere to go. And the county, you  
8 know, basically would not answer my questions as  
9 to what to do with it. It was their equipment,  
10 but it was in a building that I was leasing. And  
11 they owned that equipment.

12 Q: But you were --

13 A: And they were also making the rental payments to  
14 me, then they stopped making the rental payments  
15 to me.

16 Q: You're saying that Beaufort --

17 A: That's to the best of my recollection.

18 Q: You're telling me that Beaufort County was giving  
19 you money specifically earmarked to pay your  
20 landlord?

21 A: Absolutely. It was a contract for -- it was a  
22 project specific contract.

23 Q: Now, how did the county earmark this money that  
24 was meant for your landlord?

25 A: Our contract with Beaufort County stated that

1           they would reimburse us for the monthly rent.

2    Q:       I mean, did they make checks directly payable to  
3           your landlord?

4    A:       No.

5    Q:       Did the contract require that you take a portion  
6           of what they pay you to pay your landlord?

7    A:       Yes, sir.

8    Q:       What are the various witnesses from Dennis  
9           Corporation that you're referring to here in  
10          response to interrogatory number two?

11   A:       There are various staff members who either  
12           currently work for Dennis Corporation or did work  
13           for Dennis Corporation during this time period.  
14           Some may have resided or worked out of that  
15           office. Some may have worked temporarily out of  
16           that office. Some may have worked in our  
17           corporate office in Columbia.

18   Q:       Well, you list two -- it looks like two employees  
19           here -- actually, just one, I'm sorry, besides  
20           you. You have a lady named Amber Hunting --

21   A:       Yes, sir.

22   Q:       -- is that correct?

23   A:       Yes, sir.

24   Q:       Is she one of those various witnesses you're  
25           referring to?

1 A: Yes, sir.

2 Q: Okay. And is Amber Hunting still with the  
3 corporation?

4 A: Yes, sir.

5 Q: And what is Amber Hunting's position?

6 A: She is an administrative assistant and also jack  
7 of all trades. She handles a lot of different  
8 things.

9 Q: Does she work directly for you?

10 A: No, sir..

11 Q: And what is she going to testify to?

12 A: She's going to testify that she came down to the  
13 premises to collect several boxes of files,  
14 paperwork. Maybe over, I think, 50 boxes.  
15 Banker boxes. And brought them over to the  
16 county's office to drop them off once the county  
17 decided what they wanted to do.

18 Q: And help me out. How is that relevant to this  
19 case?

20 A: Well again, you know, the county, in my opinion,  
21 hurt both your client and myself in not handling  
22 this situation correctly. So Amber was  
23 definitely involved with, you know, the dilemma  
24 of what do we do with the furniture, what do we  
25 do with the files, you know. She made phone

1 calls to the county requesting an answer. I  
2 believe she also made a site visit down to the  
3 lease office once the furniture was removed and  
4 the boxes were removed. I believe she would  
5 testify that she did a final inspection on her  
6 own.

7 Q: When did Amber Hunting do the final inspection?

8 A: I don't know.

9 Q: Any other witnesses from Dennis Corporation  
10 besides Amber?

11 A: Yes, sir.

12 Q: Who? Can you name them for me, please?

13 A: Mr. Frank Hribar. He's one of our vice  
14 presidents. Frank worked on the Beaufort County  
15 Program Management contract. And Frank is  
16 Amber's supervisor.

17 Q: What is his -- what did you say? Did you already  
18 tell me his position? Can you tell me it again?

19 A: He's the vice president of Dennis Corporation.  
20 And he's Amber Hunting's supervisor.

21 Q: What will he testify to?

22 A: He also made as many attempts to get answers from  
23 Beaufort County to determine where they wanted  
24 the furniture delivered to and all of the boxes  
25 and files and equipment. I'm not sure if Frank



1           made a final inspection himself also. I know he  
2           was -- I believe he was personally involved with  
3           removing the furniture since his employees were -  
4           - the employees under his supervision were doing  
5           that.

6   Q:       Who else?

7   A:       At this time it would probably be just those two.

8   Q:       I'll show you another document and ask you if you  
9           recognize that.

10  A:       I vaguely remember this. Yes, sir.

11  Q:       Can you tell me what that is?

12  A:       It's Defendant's Supplemental Responses to  
13           Plaintiff's First Interrogatories.

14  Q:       Okay. And that's for this case, correct?

15  A:       Yes.

16  Q:       Take a look at the last page for me. Can you  
17           tell me who signed that?

18  A:       My attorney.

19  Q:       What's the date on that?

20  A:       June the 5th, 2014.

21  MR. BOLCHOZ: Let's get that marked.

22           (Plaintiff's Exhibit Number Seven was marked for  
23           identification purposes.)

24  Q:       I'm handing you back Plaintiff's Exhibit Seven.  
25           My first question is, do you know what

1 supplemental response means?

2 A: No, sir.

3 Q: Well, the date on these looks to be -- is June of  
4 2014, and your Defendant's Responses, which is  
5 marked as Exhibit Number Six is dated January of  
6 2014, correct?

7 A: Yes, sir.

8 Q: So I would submit to you that these are  
9 supplemental responses to the interrogatories you  
10 previously answered earlier in January. Would  
11 you have any reason to disagree with that?

12 A: No, sir.

13 Q: Okay. Look at interrogatory number two for me,  
14 which is on that first page. Do you see it?

15 A: Yes, sir.

16 Q: And it looks like you supplemented your response  
17 about witnesses and you mentioned -- you  
18 mentioned Frank -- is that Hribar?

19 A: Yes, sir. The H is silent.

20 Q: Okay. And you mentioned Amber Hunting, correct?

21 A: Yes.

22 Q: And we've already talked about those two  
23 witnesses, right?

24 A: Yes, sir.

25 Q: Take a look at your response to interrogatory

1           number 13 for me. It's on page two. Do you see  
2           it?

3   A:       Yes, sir.

4   Q:       Now, I asked you to "identify any and all  
5           payments made by Beaufort County to the  
6           Defendant's between January 21, 2011 and July 12,  
7           2011 setting forth the following information for  
8           each such payment, the payment amount, the date  
9           of payment, the purpose of such payment." Can  
10          you read your answer there?

11   A:       "Attached are copies of all payments made by  
12           Beaufort County dated January 21st, 2011 through  
13           July 12th, 2011 for professional services  
14           rendered."

15   Q:       Thank you. Let me show you another document  
16           here. Do you recognize that?

17   A:       Vaguely.

18   Q:       Can you tell me what that is?

19   A:       It's a check from Beaufort County to Dennis  
20           Corporation in the amount of \$503,327 and some  
21           change.

22   Q:       And what's the date of that check?

23   A:       January 19th, 2011.

24   MR. BOLCHOZ: Let's get that marked.

25   (Plaintiff's Exhibit Number Eight was marked for

1 identification purposes.)

2 Q: I'm handing you back what's marked as Plaintiff's  
3 Exhibit Eight. Now, did you receive those funds?

4 A: I would think so.

5 Q: Well, your attorney produced this to me. I would  
6 submit to you. So do you have any reason to  
7 doubt that?

8 A: I don't. No, sir.

9 Q: What date did you receive this check?

10 A: I don't know.

11 Q: Was it close to the check date that's referenced  
12 here on Exhibit Eight?

13 A: I don't know.

14 Q: Well, that's half a million dollars. You don't  
15 have any idea when you received this check?

16 A: They owed us a lot more than that, and we were in  
17 negotiations -- or I was in negotiations with  
18 them to try to get paid in full. So again, I'm  
19 not sure if this was the last payment they made  
20 to us, or the only payment. You know, they  
21 didn't pay us for five or six months. Almost  
22 bankrupted my company. I lost about 1.3 million  
23 dollars.

24 Q: Did you have this check, Plaintiff's Exhibit  
25 Eight, at the time you wrote the letter of

1           January 21, 2011?

2       A:       I don't know.

3       Q:       Well, do you think you received this check  
4               anywhere around the time of when you wrote this  
5               letter of January 21, 2011?

6       A:       Possibly. The county was holding me hostage.  
7               They were, you know, basically saying, Dan, you  
8               know, either you -- you take this check or you'll  
9               have to sue us and you'll lose and you'll get  
10              nothing, then I'll go out of business and 100  
11              people will lose their jobs.

12      Q:       How did you receive checks from the county during  
13               the project?

14      A:       Various ways. We would pick them up sometimes.  
15               We would get them in the mail. Either hand-  
16               delivery or US mail.

17      Q:       Hand-delivery. You say you'd pick them up.  
18               Would you go to Beaufort to pick them up?

19      A:       Yes, sir.

20      Q:       And sometimes they came in the mail?

21      A:       Yes, sir.

22      Q:       And you don't know how this check was delivered  
23               to you?

24      A:       If this was the final check, it may have been  
25               when I met with Lad Howell and the assistant

1 county administrator, and they were basically,  
2 you know, I would say blackmailing me, saying,  
3 look, you either take this check and agree to our  
4 terms or don't take it and then, you know, you're  
5 on your own.

6 Q: Does that mean that if you said you got this  
7 check, as you recall, you were meeting with them  
8 that they handed it to you and didn't mail it to  
9 you?

10 A: If this was the last check.

11 Q: If it wasn't, then what? It could have been  
12 mailed to you?

13 A: Could have. I do know, to the best of my  
14 recollection, of the last check I was there in  
15 this meeting with Lad and Brian and -- for what I  
16 thought was going to be final negotiations, but  
17 there was absolutely no negotiations. It was  
18 just take it or leave it.

19 Q: Now, why didn't you use the money that you got in  
20 this half million dollars to pay your landlord  
21 what you owed him?

22 A: This is just a fraction of what I owed. Like I  
23 said, I lost \$1.3 million. This check was  
24 deposited in Dennis Corporation in business to  
25 pay wages. Plus, I believe the county said that

1           they were not responsible for paying the rent.

2           There was an argument over that.

3       Q:       But I believe you just testified that the county  
4               gave you specific monies to pay your landlord?

5       A:       I never said that.

6       Q:       Okay. You did not testify that the --

7       A:       Prior to October, yes. You are correct. Prior  
8               to October, in our contract, we would be  
9               reimbursed by the county for all monthly rent.  
10              After October, the county stopped paying me.  
11              They stopped paying me for my employees' wages.  
12              They stopped paying me for the 25 vehicles that I  
13              had on the project. They stopped paying me for  
14              the monthly rent. They stopped paying me for  
15              everything. So for four months I basically  
16              footed the bill for Beaufort County, not knowing  
17              what they wanted to do.

18      Q:       But then January 19th of 2011, at the end of that  
19               four-month period, they sent you half a million  
20               dollars, correct?

21      A:       Yes, sir.

22      Q:       And you've already testified up until at least  
23               October they were paying you money, a portion of  
24               which was to go to your landlord, correct?

25      A:       Prior to October. Yes, sir.

1 Q: So why wasn't a portion of this \$500,000 check  
2 earmarked for your landlord?

3 A: I have to have my accountant here to explain  
4 that. To the best of my knowledge, this \$503,000  
5 was for work performed well before October. It's  
6 for work performed and expenses such as rent,  
7 mileage, fuel, per diem, lodging, for work prior  
8 to October of 2011.

9 Q: Is it your testimony here that with each check  
10 you got from the county, the county gave you a  
11 breakdown of where the money and the check was  
12 supposed to go?

13 A: We would send the county an invoice that would  
14 have different categories that were approved from  
15 our contract, and then they would send us just  
16 one check.

17 Q: And how often would you send those?

18 A: I believe it was bimonthly for the first year of  
19 the program, and then after that, it was monthly.

20 Q: So when you sent these monthly -- what did you  
21 call them, invoices?

22 A: Yes, sir.

23 Q: When you sent these monthly invoices to the  
24 county, did you also include your monthly rent?

25 A: I don't remember if it was a specific line item.



1 But it was agreed upon early on with the county  
2 that -- well, it wasn't agreed upon. It was in  
3 our contract that the county was to reimburse  
4 Dennis Corporation for all, what we could call in  
5 our industry, direct expenses. Anything not  
6 labor.

7 Q: Which would include your rent?

8 A: Absolutely.

9 Q: So my question to you, sir, is when you got this  
10 check dated January 19th, 2011 and you were  
11 already four months in arrears on your rent with  
12 your landlord, why didn't you take four months  
13 worth of rent from this check and pay your  
14 landlord? I mean, isn't that what the county  
15 gave this to you for?

16 A: No.

17 Q: So my question to you know is, how do you know  
18 that the county did not intend for you to spend  
19 some of this money on your overdue rent?

20 A: Because of our accounting records. You'd have to  
21 look at our accounting records. You'd have to  
22 look at our invoices and compare them with what  
23 we were paid. You know, the county typically was  
24 90 to 120 days late in paying. So what I'm  
25 saying is this \$503 was payment for work -- and

1 not all of it, I may add, for work done prior to  
2 October of 2011.

3 Q: Did you get some -- I may have already asked you  
4 this. But did you get some kind of breakdown  
5 from the county that accompanied this payment  
6 that told you --

7 A: Absolutely not, and that --

8 Q: Let me finish my question.

9 A: Yes, sir.

10 Q: Did you get some kind of breakdown from the  
11 county accompanying this check that directed you  
12 where to send monies from this check?

13 A: Absolutely not.

14 Q: But you've already testified numerous times now  
15 that the county was responsible under your  
16 contract to reimburse you for your rent, correct?

17 A: Yes. I think I said that five times. So I will  
18 say it for the sixth time. You are correct.

19 Q: So I want you to help me understand why the  
20 rental arrearage you had as of the date of this  
21 check -- which was four months, correct, as of  
22 the date of this check?

23 A: Yes.

24 Q: Why -- well, scratch that. Is it your testimony  
25 here today that the county prohibited you from

1 taking a portion of the this half a million  
2 dollars to pay your landlord?

3 A: No.

4 Q: And up until this time they had been -- the  
5 payments they had been making to you included  
6 reimbursement for your monthly rental, correct?

7 A: Prior to what time?

8 Q: Well, you said October of 2010.

9 A: So I would say that again. Prior to 2010, when  
10 we received payment from Beaufort County, it  
11 would include reimbursement for direct expenses,  
12 which included rent, mileage, fuel, lodging,  
13 meals, et cetera.

14 Q: But you said direct expenses.

15 A: That's what I said.

16 Q: Right, okay. So was there something between  
17 October of 2010 and January or February of 2011  
18 where the county indicated to you that they were  
19 no longer going to reimburse you for your monthly  
20 rent?

21 A: Yes.

22 Q: What was that? Was that --

23 A: They just stopped all payments for everything.  
24 Labor, directs including rent, hotel, lodging,  
25 meals, fuel, insurance on the vehicles. They

1           stopped paying everything.

2       Q:       What I asked was, was there some kind of -- what  
3                I meant to ask, rather, was there some kind of  
4                written communication from the county to you  
5                indicating that in October of 2010 that they were  
6                no longer going to be reimbursing you for your  
7                direct expenses?

8       A:       No. As I said earlier, I could not get any  
9                communication from the county from October  
10               through really the -- I believe the middle of  
11               January, or whenever I met to pick that check up.  
12               If that is the last check.

13      Q:       But --

14      A:       Exhibit Eight.

15      Q:       And you have testified to this. The county did  
16                not tell you what to do with this half million  
17                dollars?

18      A:       That is correct.

19      Q:       So it was your decision where this money went  
20                after you received it, correct?

21      A:       Well, we had already incurred cost prior to  
22                October of 2011. So these monies were applied to  
23                those prior costs. And like I said, the \$503,000  
24                didn't even cover those costs.

25      Q:       Were those direct expenses?

1 A: And labor.

2 Q: And direct expenses?

3 A: Yes.

4 Q: So you did pay some direct expenses from this  
5 half million dollar check?

6 A: For the months prior to October of 2011.

7 Q: But you ultimately made the decision of where  
8 this money went, correct?

9 A: Based upon the invoices when they were received.

10 Q: Right. And that's an accounting decision that  
11 you made. That's not something that was imposed  
12 upon you by the county, correct?

13 A: I would say that's an industry standard. You  
14 would pay your older invoices first. I can't  
15 imagine a business that does not operate like  
16 that.

17 Q: So then the answer to my question is yes?

18 A: What is your question, sir?

19 Q: That it was at your discretion where these monies  
20 went? This half million dollars. You made the  
21 decision. The decision wasn't imposed upon you.  
22 You made an accounting decision on where this  
23 money went, correct?

24 A: Correct.

25 Q: Let me show you another document and ask if you

1 recognize that.

2 A: I don't recognize it. But I have no reason to  
3 doubt that it was a check that Dennis Corporation  
4 deposited and was paid for by Beaufort County.

5 MR. BOLCHOZ: Let's get that marked.

6 (Plaintiff's Exhibit Number Nine was marked for  
7 identification purposes.)

8 Q: I'm handing you back what's been marked as  
9 Plaintiff's Nine. And you said this is a check  
10 from Beaufort County, correct?

11 A: Yes, sir.

12 Q: To Dennis Corporation, correct?

13 A: Yes.

14 Q: And what dollar amount?

15 A: \$212,000.

16 Q: And what's the date of this check?

17 A: May the 20th, 2011.

18 Q: Did you receive anything accompanying this check  
19 from Beaufort County that directed you to pay  
20 certain parties out of this check?

21 A: No.

22 Q: So my question then for this check is, why didn't  
23 you use some of the money from this \$200,000 to  
24 pay your rental arrearage?

25 A: Again, as I've stated, the check with the amount

1 of \$503,327 that was grossly under what I was  
2 owed. I don't have my numbers of what I was  
3 owed. But I was owed in excess of well over a  
4 million dollars. Well over. And this \$200,000  
5 check, this may have been the last check. And  
6 again, it went to debts incurred prior to October  
7 of 2011.

8 Q: Did you pay direct --

9 A: Or, excuse me, or 2010. I'm miscorrect there.

10 Q: Did you pay any direct expenses with the check  
11 marked Plaintiff's Number Nine?

12 A: I don't know.

13 Q: And it was your decision what to pay with this  
14 \$212,000 check, correct?

15 A: Yes.

16 Q: And it's your testimony here today, Mr. Dennis,  
17 that you didn't use any of the monies from this  
18 \$212,000 check to pay any bills or debts incurred  
19 by your company after October of 2010?

20 A: Yes, sir.

21 Q: And you remember that specifically?

22 A: Yes.

23 Q: Would that be the same thing with Exhibit Number  
24 Eight?

25 A: Can you restate your question? I think I may

1 have misunderstood it.

2 Q: Okay. I believe you -- going back to Exhibit  
3 Number Eight. I believe you testified that the  
4 half a million dollar check was used to pay only  
5 those expenses incurred by you, or the company,  
6 prior to October of 2010. Is that your  
7 testimony?

8 A: To the best of my knowledge.

9 Q: And I just asked you if that was the same case  
10 for the check marked Exhibit Number Nine for  
11 \$212,000.

12 A: To the best of my knowledge. Yes, sir.

13 Q: So this \$715,000 that you got between January and  
14 May of 2011 all went to pay bills that were  
15 incurred prior to October of 2010?

16 A: Yes, sir.

17 Q: To the best of your knowledge?

18 A: Yes, sir.

19 Q: Back to Plaintiff's -- excuse me, what's been  
20 marked as Plaintiff's Number Seven. The  
21 supplement responses. Do you see that?

22 A: Yes, sir.

23 Q: Look in Number 15 for me on page two. It's at  
24 the bottom. Do you see that?

25 A: Yes, sir.



1 Q: It says, "Set forth the following information  
2 regarding the Defendant's monthly payments to the  
3 Plaintiff." Read paragraph A for me, please.

4 A: "For the October, 2010 payment, the payment  
5 amount, the date of payment, manner payment,  
6 i.e., check, cash, money order and method of  
7 delivery of same."

8 Q: Read B for me, please.

9 A: "For the November, 2010 payment, the payment  
10 amount, the date of payment, the manner of  
11 payment, i.e., check, cash, money order and  
12 method of delivery of same."

13 Q: And C.

14 A: "For the December, 2010 payment, the payment  
15 amount and the date of payment, the manner of  
16 payment, i.e. check, cash, money order, and  
17 method of delivery of same."

18 Q: And D.

19 A: "For the January, 2011 payment, the payment  
20 about, the date of payment, manner of payment,  
21 i.e. check, cash, money order, and method of  
22 delivery of same."

23 Q: And please read your response to D.

24 A: "Defendant's made no payments to the Plaintiff  
25 during the time period of October, 2010 through

1 January, 2011."

2 Q: Okay. So as we sit here today, there is no  
3 dispute that you did not make those monthly  
4 payments for those four months; is that correct?

5 A: For the seventh time, I have made no payments to  
6 the Plaintiff for October, November, December and  
7 January, 2011.

8 Q: Okay. Take a look at Number 18 for me and read  
9 that.

10 A: "If you denied Plaintiff's request for admissions  
11 number three, set forth the grounds and/or  
12 factual basis for such denial and identify any  
13 documentation and support of such denial."

14 Q: And read your response there.

15 A: "At the time the request for admissions were  
16 responded to, it was not known to be true."

17 Q: What does that response mean?

18 A: "At the time the request for admissions were  
19 reported to, it was not known to be true."

20 Q: Does that mean with this response number 18 you  
21 were correcting the denial you previously made?

22 A: And what previous denial would that be?

23 Q: Take a look at what's been marked Exhibit Number  
24 Four and Five. You were asked to admit or deny  
25 the following at number three, "That the

1 Defendant's made no rental payments to the  
2 Plaintiff for the following months; October,  
3 November, December of 2010 and January of 2011,"  
4 correct?

5 A: You've just read Exhibit Four, sentence three?

6 Q: Yeah.

7 A: Okay. That states "Defendant's made no rental  
8 payments to the Plaintiff for the following  
9 months; October, November, December and January."  
10 Yes. I agreed that that is correct.

11 Q: Okay. But on Exhibit Number Five, you denied  
12 that.

13 A: No. I -- it says, "Defendant's made no payments  
14 to Plaintiff during the time period October, 2010  
15 through January, 2011."

16 Q: Right. That's a factual statement. "The  
17 Defendant's made no rental payments to the  
18 Plaintiff for the following months; October,  
19 November, December and January," right?

20 A: Correct.

21 Q: And then you denied that factual statement.

22 A: Where?

23 Q: Look at what's been marked as Plaintiff's Number  
24 Five. Plaintiff's Exhibit Number Five. It's in  
25 front of you.

1 A: Okay.

2 Q: Read number three.

3 A: That must be an error.

4 Q: Okay. So my question to you again, Mr. Dennis,  
5 is with your response number 18 of the  
6 supplemental responses, are you now correcting  
7 that previous error with this document?

8 A: I'm not correcting anything. I'm just telling  
9 you that it appears that the answer on Exhibit  
10 Five for number five, denied, is incorrect.

11 Q: And the answer that you have for supplemental  
12 interrogatory number 15 on page three is correct?  
13 It's right in front of you. It says,  
14 "Defendant's made no payments to the Plaintiff  
15 during the time period October, 2010 through  
16 January, 2011."

17 A: That is correct.

18 Q: And both of these were submitted by -- I mean,  
19 these are -- everything we just looked at are  
20 your responses in this case, correct?

21 A: Yes, sir.

22 Q: And they are different responses, correct?  
23 Because the first one is erroneous.

24 A: Number five is incorrect. So an error was made.

25 Q: You mean Exhibit Five?

1 A: Exhibit Five, paragraph Five is incorrect.

2 Q: I think you mean paragraph three.

3 A: Yes, sir. You're correct. Sorry about that.

4 Q: I'm going to show you some photographs and ask if  
5 you recognize them.

6 MR. BOLCHOZ: I don't have copies of these, Counselor.  
7 I'll hold them together.

8 Q: Do you recognize what that's a photo of that I  
9 just gave you?

10 A: This was the main hallway in the bottom floor of  
11 the lease space.

12 Q: At 6 Buckingham Plantation?

13 A: Yes, sir.

14 Q: Do you know when that photo was taken?

15 A: No, sir.

16 Q: Do you know who took that photo?

17 A: No, sir.

18 Q: Did the hallway look like that when you moved out  
19 or vacated the premises?

20 A: Well, do you know what date this photo was taken,  
21 so I can answer your question?

22 Q: Well, if I told you it was taken around the end  
23 of January, beginning of February, 2011, would  
24 you have any reason to dispute that?

25 A: No.

1 Q: So again, does it look like -- does it look to be  
2 the same condition it was in when you vacated the  
3 premises?

4 A: Assuming that this was taken after we vacated the  
5 premises, I would have no reason to doubt that  
6 this picture is not an accurate representation of  
7 what it looked like after we vacated the remises.

8 Q: Okay. I'm showing you another picture there. Do  
9 you know what that's a picture of? There's a  
10 note on the floor. I think it's marked. Do you  
11 see that?

12 A: Yes, sir. I see the note. I can't make it out.  
13 But I believe this is another hallway.

14 Q: The hallway of the premises in question?

15 A: Yes, sir.

16 Q: And again, I understand you -- I mean, you didn't  
17 take these photos, correct?

18 A: No, sir.

19 Q: And you don't know when they were taken, right?

20 A: No, sir.

21 Q: But does that look like a photo of what the  
22 premises looked like when you left? When you  
23 vacated?

24 A: I can only assume that this was taken after we  
25 vacated it. It's a photo taken after we vacated.

1 Q: Okay. Take a look at this one.

2 A: Okay.

3 Q: And there's a note on the floor there. Can you  
4 see what that says?

5 A: I believe it says OFF number one.

6 Q: Do you know whether that represents office number  
7 one?

8 A: I would assume so.

9 Q: Does that look familiar to you as office number  
10 one?

11 A: No. I have no idea what office number one looked  
12 like. I don't remember our offices being  
13 numbered, but --

14 Q: Well, how many offices did you have in the  
15 premises?

16 A: No idea.

17 Q: You have no idea?

18 A: Not right now. I can get you a floor plan, if  
19 you want one. But I don't have it ingrained. I  
20 don't have it memorized in my head, no.

21 Q: Do you remember how big the space was?

22 A: No.

23 Q: Do you remember whether it was upstairs or  
24 downstairs?

25 A: We had rented upstairs and downstairs. But at

1           some time, I think we stopped renting the  
2           upstairs, I think. Maybe not.

3       Q:       Well, I would submit to you that that is one of  
4           the offices on the leased premises. Do you have  
5           any reason to dispute that?

6       A:       No, sir. I would not dispute that.

7       Q:       And is that the way that office looked when you  
8           vacated the premises?

9       A:       I would not dispute that.

10      Q:       Take a look at this photograph. Do you recognize  
11           that?

12      A:       It appears to be office two in our leased office.

13      Q:       Does that look like how that office looked when  
14           you vacated the premises?

15      A:       It would appear so. Yes, sir.

16      Q:       Take a look at this photo here and tell me if you  
17           recognize that.

18      A:       Yes, sir.

19      Q:       What is that a picture of that I've just handed  
20           you?

21      A:       This is our main conference room.

22      Q:       Okay. And was that still up on the wall when you  
23           vacated the premises? What is that -- let me  
24           clarify that. What is that in the picture that  
25           you're looking at in the conference room?



1 A: Those are, what we call, color road plots of  
2 various roadways. And I believe those are now in  
3 our office in Columbia.

4 Q: Were they still hung up when you vacated the  
5 premises?

6 A: I don't know.

7 Q: I'll show you that picture. Do you recognize  
8 that?

9 A: Yes.

10 Q: What is that a picture of?

11 A: Additional color road plots for various roadway  
12 projects we were managing for Beaufort County.

13 Q: Is that still hanging up in the -- or, excuse me,  
14 was that the conference room where that hung?

15 A: Yes, sir.

16 Q: And was that still hanging up when you left?

17 A: I don't know.

18 Q: How about that photo right there. Do you  
19 recognize that?

20 A: It appears to be another office in the leased  
21 space.

22 Q: Does that look like the condition the office was  
23 left in when you vacated the premises?

24 A: I don't know.

25 Q: Can you tell what's on the floor?

- 1 A: Some plastic and some paper debris, a box,  
2 plastic cylinder. It looks like a piece of a  
3 brick and maybe a toner cartridge box. Toner  
4 cartridge box.
- 5 Q: Is that stuff you left behind when you vacated?  
6 A: I don't know.
- 7 Q: Let me show you that photo and tell me if you  
8 recognize that.
- 9 A: It appears to be another office in the leased  
10 space.
- 11 Q: Okay. What's on the floor in there, if you can  
12 tell?
- 13 A: It looks like a phone charger and a couple coat  
14 hangers, an office calendar, styrofoam cup and a  
15 piece of rebar.
- 16 Q: Okay. Does that look like the condition the  
17 premises was in when you vacated?
- 18 A: I don't know.
- 19 Q: Take a look at that picture and tell me if you  
20 recognize that.
- 21 A: I don't recognize that.
- 22 Q: Is there a note in that photo?  
23 A: Yes, sir.
- 24 Q: And what does that say?  
25 A: East hall.

1 Q: Do you have any reason to dispute that that's a  
2 hallway in the leased premises?

3 A: No.

4 Q: Do you have any reason to dispute that that's  
5 what the hallway looked like when you vacated?

6 A: That the old hallway looked like or --

7 Q: Well, that portion represented by that photograph  
8 look like that.

9 A: What portion?

10 Q: The portion in the --

11 A: Are you asking me if the whole hallway had --

12 Q: I'm asking you other than this note on the wall,  
13 does that look like what the wall looked like  
14 when you left?

15 A: I don't think the wall would have had -- you  
16 know, if you're asking me if it would have these  
17 pinholes in it all the way across the wall, I  
18 would say no.

19 Q: And why would you say that?

20 A: Well, if something is hung, it's usually hung in  
21 the corners. So the pinholes would typically  
22 just be in the corner of whatever was hung.

23 Q: Well, couldn't that be a picture of the corner of  
24 the wall?

25 A: That's what I'm assuming it is.

1 Q: But, I mean, you did use pins in the walls?

2 A: No, doubt. Yes, sir.

3 Q: Take a look at that picture. Can you tell me  
4 what that is?

5 A: It looks like peeling paint.

6 Q: Do you see a note in that photo?

7 A: Yes, sir.

8 Q: What does that say?

9 A: Number six, stairwell.

10 Q: Do you see holes in the walls?

11 A: No. I see peeling paint.

12 Q: You see peeling paint on the walls?

13 A: Yes, sir.

14 Q: Do you have any reason to dispute that that's the  
15 stairwell on these premises?

16 A: No.

17 Q: Any reason to dispute that that was the condition  
18 the stairwell was in when you left?

19 A: Again, are you asking me that there was only four  
20 locations of peeling paint on the stairwell?

21 Q: I'm asking you that what's represented in that  
22 picture right there that you're holding, did that  
23 wall look like that when you left the premises?

24 A: I would say that there was only four areas where  
25 paint was peeling in the stairwell. That's what

1           this picture represents. Unless you have other  
2           pictures of peeling paint in the stairwell.

3    Q:       So that's an accurate representation of -- I  
4           mean, that picture is accurate, is what I'm  
5           asking you.

6    A:       It's accurate for the vicinity it was taken in,  
7           which was about six feet.

8    Q:       Let me show you that picture and ask you if you  
9           recognize that.

10   A:       It says foyer.

11   Q:       Does that look familiar to you?

12   A:       That might have been where we had our company  
13           logo.

14   Q:       So the foyer in the leased premises?

15   A:       Yes, sir.

16   Q:       Now, do you see holes in the wall there?

17   A:       I see screws. Not holes. Screws.

18   Q:       Well, in the far right-hand side of the picture  
19           at the top and the bottom, those don't look like  
20           holes to you?

21   A:       Well, it looks like the six areas marked with  
22           blue tape, there's three screws and three areas  
23           where the screws were removed.

24   Q:       So holes?

25   A:       Yes.

1 Q: Do you wear glasses, Mr. Dennis?

2 A: No. I probably should.

3 Q: Any reason to dispute that that's an accurate  
4 photograph of the foyer when you vacated the  
5 premises?

6 A: Just in the vicinity of where the sign was.

7 Q: Okay. Your answer is unclear to me. This is an  
8 accurate photograph?

9 A: No. It's not an accurate photograph of the  
10 entire foyer. It's an accurate depiction of  
11 where we had a two foot by four foot sign.

12 Q: Okay. Take a look at that picture for me. Can  
13 you tell me what that is?

14 A: It looks like a space between two cabinets.

15 Q: Is there a note on the wall in that picture?

16 A: Yes, sir.

17 Q: What does it say?

18 A: Foyer.

19 Q: Does that look like the foyer in the leased  
20 premises?

21 A: I can't remember. I'm trying to figure out what  
22 would have been in there.

23 Q: Well, do you have any reason to dispute that it's  
24 a photograph of the foyer in the leased premises?

25 A: No.

1 Q: Any reason to dispute that that is an accurate  
2 photo of the condition of that portion, at least,  
3 of the wall when you left?

4 A: No.

5 Q: Look at that photo for me. Do you know what that  
6 is?

7 A: It says break room.

8 Q: It says that. Does that look familiar to you?  
9 That photo?

10 A: I can only assume it's in the break room. I  
11 don't recall -- you know, I don't remember this  
12 specific location.

13 Q: Any reason to dispute that that's an accurate  
14 photo from when you vacated the premises?

15 A: I would say it's an accurate depiction of about a  
16 10 inch by 10 inch area of that break room.

17 Q: Take a look at that one for me. Can you tell me  
18 what that is a picture of?

19 A: That is a picture of office number five and a  
20 screw and a washer.

21 Q: Do you recognize that?

22 A: No.

23 Q: Any reason to dispute that it's another  
24 photograph of the wall after you vacated the  
25 premises?

1 A: No.

2 Q: I mean, you don't deny as you sit here today that  
3 you obviously left screws in the wall when you  
4 vacated the premises, do you?

5 A: Well, there was a few, I'm sure.

6 Q: And any reason to deny that these are photographs  
7 of those screws?

8 A: No reason to deny it.

9 Q: And take a look at that picture there for me. Do  
10 you recognize that?

11 A: Yes, sir.

12 Q: What's that a picture of?

13 A: Of office five.

14 Q: Okay. Does that look like -- is that the  
15 condition -- well, does that look like an  
16 accurate photo of office five when you vacated  
17 the premises?

18 A: I would not dispute that.

19 Q: And I'll hand you that one right there. Do you  
20 recognize that?

21 A: Yes, sir.

22 Q: What is that a picture of?

23 A: The conference room.

24 Q: Any reason to dispute that's what the conference  
25 room looked like when you vacated?



1 A: No reason to dispute the vicinity of the  
2 conference room taken -- you know, as shown in  
3 this photo, would look -- you know, looks like it  
4 is.

5 Q: Do you see this four -- I don't know if they're  
6 holes or screws on the wall above the plaque.

7 A: Yes, sir.

8 Q: What was up there?

9 A: I don't remember. But it looks like there's two  
10 screws on the top and two holes on the bottom.  
11 We might have had another Dennis Corporation logo  
12 in there, or a Beaufort County logo.

13 MR. CLOSE: Is this a good time for a quick break?

14 MR. BOLCHOZ: Sure. I was just going to say, why don't  
15 we take a break here.

16 (Off the record from 11:44 a.m. to 12:01 p.m.)

17 Q: Mr. Dennis, do you know what summary judgement  
18 is?

19 A: I'm familiar with the term, but I'm not familiar  
20 with the actual legal definition.

21 Q: I understand. You don't have any legal training,  
22 do you?

23 A: I'm a certified expert witness in South Carolina.  
24 That's about it.

25 Q: An expert witness in what?

1 A: Roadway transportation, hydrology, traffic  
2 accidents. I've testified on, I don't know,  
3 about 200 cases. Maybe 250 cases.

4 Q: Is that testimony deposition testimony or at  
5 trial?

6 A: Both.

7 Q: About 200 cases?

8 A: Uh-huh (affirmative response.) More are most  
9 attorneys.

10 Q: Are you aware that my client filed a motion for  
11 summary judgement last year which was denied by  
12 the court?

13 A: I wasn't aware of that. No.

14 Q: Let me show you a document and ask if you  
15 recognize it. Take a minute and look at that.

16 MR. BOLCHOZ: Let's go off the record here real quick.  
17 Housekeeping measure.

18 (Plaintiff's Exhibit Number 10 was marked for  
19 identification purposes.)

20 Q: Mr. Dennis, do you recognize this document?

21 A: No.

22 Q: I would submit to you that this Amended Order  
23 Denying Motion for Summary Judgement is an order  
24 of the 14th Judicial Circuit Judge Perry Buckner.  
25 Do you see his signature on the bottom of page

1                   three?

2       A:           Yes, sir.

3       Q:           And what's the date on this?

4       A:           May the 20th, 2015.

5       Q:           Do you have any reason to dispute this is an  
6                   order of Judge Buckner in this case?

7       A:           No.

8       Q:           In the first paragraph on page one it states,  
9                   "This matter is before the court pursuant to the  
10                  Plaintiff's Motion for Summary Judgement filed on  
11                  September 8th, 2014 and agreed to be decided by  
12                  affidavits and briefs by telephone conference on  
13                  February 5, 2015. Do you know who the plaintiff  
14                  is in this case?

15      A:           Yes, sir.

16      Q:           Who is that?

17      A:           JRC Properties, LLC.

18      Q:           Okay. "Present by telephone and submitting  
19                   affidavits and briefs was Sean Bolchoz for the  
20                   Plaintiff and Jahue Moore for the Defendants. An  
21                   order was signed denying summary judgement and  
22                   sent to Mr. Moore to file on February 25th, 2015.  
23                   Mr. Moore, however, never received the signed  
24                   order, so now the court issues this amended  
25                   order. The previous order issued on the

1 Plaintiff's Motion for Summary Judgement filed on  
2 September 8th, 2014 is vacated." Okay? Any --  
3 well, I mean, again, you're not a lawyer. But do  
4 you have any reason to dispute that that's the  
5 background of this order?

6 A: No. And could you tell me what it means?

7 Q: Well, I'm going to point you to a paragraph at  
8 the top of page three and ask you to read that  
9 for me. That may clear it up.

10 A: "However, in viewing the Plaintiff's first  
11 request for admissions and the Defendant's  
12 responses, in the light most favorable to the  
13 Defendant's, attached to the Motion for Summary  
14 Judgement as Plaintiff's Exhibits D and E  
15 respectively there is a genuine issue of material  
16 fact as to whether the Plaintiff is owed four  
17 months of rent."

18 Q: Next line.

19 A: "Specifically number three of the request for  
20 admissions asks the Defendant's to admit or deny  
21 making no rental payments for October, November  
22 and December of 2010 and January of 2011."

23 Q: The next sentence.

24 A: "The Defendant's deny making no rental payments  
25 for those four months and their responses.

1           Therefore, there still remains at least a genuine  
2           issue of the material fact to be determined by a  
3           jury."

4   Q:       Okay. Thank you. So it looks like with this  
5           order the judge denied the Plaintiff's Motion for  
6           Summary Judgement based upon your request -- your  
7           response, excuse me, to the request for  
8           admissions number three.

9   A:       Yes.

10   Q:       And that's the request for admissions number  
11           three that you have now said is erroneous; is  
12           that correct?

13   A:       Yes.

14   Q:       Just set that aside. I'm going to show you  
15           another document and ask you if you recognize  
16           that.

17   A:       I recognize this.

18   Q:       What is that?

19   A:       It's a letter I wrote -- or signed, excuse me,  
20           dated February the 10th, 2015.

21   Q:       It's actually called an Affidavit of Dan Dennis,  
22           correct?

23   A:       Yes, sir.

24   MR. BOLCHOZ: Let's get this marked.

25   (Plaintiff's Exhibit Number 11 was marked for

1 identification purposes.)

2 Q: Is that your signature there on the bottom of  
3 page two?

4 A: Yes, sir.

5 Q: Halfway down page one you state, "I do not owe  
6 the late charges which are being billed." Do you  
7 see that?

8 A: Yes, sir.

9 Q: What are you basing that assertion on?

10 A: Because I've never received a correct invoice.  
11 If I received a correct invoice, I would have  
12 paid it. I don't pay incorrect invoices.

13 Q: So you don't contend that the landlord was not  
14 entitled to assess late charges, right?

15 A: Oh, I do contend that.

16 Q: And why wasn't he entitled to assess late charges  
17 under the lease?

18 A: Because I never received a correct invoice.

19 Q: Right. But listen to my question. He is  
20 entitled under the lease -- and we've gone  
21 through this, I believe, and correct me if I'm  
22 wrong, he is entitled -- the landlord is entitled  
23 to assess late charges to the tenant, correct?  
24 He's entitled to do that?

25 A: As long as it's allowed under South Carolina law.

1 Q: And we'll assume for the sake, at least, in this  
2 line of questioning that this contract complies  
3 with South Carolina law.

4 A: With an incorrect invoice?

5 Q: Okay. I didn't ask about correct or incorrect  
6 invoices. I'm asking, first of all, just the  
7 first basic question, that under the clear terms  
8 of the lease that you executed, that the  
9 Plaintiff executed, that the landlord is entitled  
10 to assess late charges for late rental payments.  
11 He's entitled to do it. And the circumstances  
12 surrounding it we can talk about, but he is  
13 entitled to do it under the lease. Do you  
14 dispute that?

15 A: With all those caveats you added, no, I don't  
16 dispute it.

17 Q: Well, I'm simply reading direct -- do you want to  
18 look at the lease again?

19 A: No, sir.

20 Q: I'm reading directly from the lease. I mean,  
21 that's the lease language, is it not?

22 A: I wouldn't say it's the exact lease language.

23 Q: Well, let's look at the exact language. Why  
24 don't you pull that out again. That is  
25 Plaintiff's Number One, section 8.3. That's

1           titled Late Payments. So read that first  
2           sentence for me.

3       A:        "Tenant shall pay as a late charge in the event  
4                any installment of rent, additional rent or other  
5                charge to be paid by tenant hereunder is not paid  
6                within 15 days of when due, the greater of \$100  
7                or an amount equal to five percent of the amount  
8                due, but in no event shall the amount of such  
9                late charge exceed an amount based upon the  
10              highest legally permissible rate chargeable at  
11              any time by landlord under the circumstances."

12      Q:        So, Mr. Dennis, under the terms of the lease, the  
13                landlord is entitled to assess late charges for  
14                late payments, correct?

15      A:        If his invoice is correct. It just doesn't give  
16                him a blank check, charge whatever penalties he  
17                wants. It has to be reasonable.

18      Q:        Well, it has to be the amount that's referenced  
19                here in the contract, doesn't it?

20      A:        Not if it's not correct.

21      Q:        Are you now saying, Mr. Dennis, that there's  
22                something about 8.3 that is incorrect?

23      A:        No. I'm talking about the invoice.

24      Q:        So it's your testimony here that absent an  
25                incorrect invoice the landlord is entitled to



1            assess late charges for late payments under this  
2            lease?

3    A:        As long as it's allowed under South Carolina  
4            state law.

5    Q:        Do you have any reason, as you sit here today, to  
6            testify to this court that 8.3 is somehow illegal  
7            under South Carolina law?

8    A:        Not at this time.

9    Q:        But you think it might be illegal?

10   A:        I'd have to have my attorney look into it.

11   Q:        And I think you've already testified you execute,  
12            what, five to 600 contracts a year?

13   A:        Yes, sir.

14   Q:        And you've been an expert witness in 200 cases?

15   A:        Yes, sir.

16   Q:        You're a licensed PE in, what, five or six  
17            states?

18   A:        Yes, sir.

19   Q:        You're not sure whether this term and this lease  
20            that you signed is illegal or not?

21   A:        I'm not.

22   Q:        What specific late charges that were assessed to  
23            you do you contest?

24   A:        All of them.

25   Q:        And why is that?

1 A: I'd have to see the invoices. Do you have --

2 Q: Well, I'm just asking you, based on your  
3 testimony here, after given what we've just read  
4 in the lease, he's not allowed to assess you any  
5 -- you object to all the late charges that were  
6 assessed by your landlord in this case?

7 A: At this time, yes, because the invoices were  
8 incorrect.

9 Q: But you don't recall as you sit here what was  
10 incorrect about the invoices?

11 A: No. Unless you can give me an invoice and I'll  
12 look at it.

13 Q: Right. I mean, we've got other documents to look  
14 at. But I'm just asking from your recollection  
15 as we sit here today.

16 A: Not currently, no. I don't recall specifically  
17 what's incorrect.

18 Q: Well, certainly, based on the language of the  
19 lease right here, given that you didn't pay rent  
20 for October, November and December of 2010,  
21 correct?

22 A: Yes, that's correct.

23 Q: And given that you didn't pay rent for January of  
24 2011, correct?

25 A: Yes, sir.

1 Q: So wouldn't the landlord be entitled to assess  
2 you late charges for those four months worth of  
3 rent beginning all the way -- actually, all the  
4 way back to November, but at least by February,  
5 2011?

6 A: I disagree with that.

7 Q: Based on?

8 A: Based upon an incorrect invoice.

9 Q: What incorrect invoice did you get?

10 A: The invoices for October, November, December and  
11 January.

12 Q: So it's your testimony here today that -- well,  
13 let me ask you this. Did you get any incorrect  
14 invoices prior to October of 2010?

15 A: I don't recall any. I can't say we did or did  
16 not though.

17 Q: So you started getting incorrect invoices from  
18 your landlord in October of 2010?

19 A: Yes.

20 Q: But you don't remember how they were incorrect?

21 A: Again, I need to look at the invoice in order to  
22 give you an accurate answer.

23 Q: Okay. Did you talk to the landlord about his  
24 incorrect invoices?

25 A: I would not have been doing that. That would

1 have been our accounting department.

2 Q: Did you not talk to the landlord on any kind of  
3 regular basis?

4 A: Not regular, no.

5 Q: How often did you talk to Mr. McKim?

6 A: I probably talked to Rollin 10 times over the  
7 last five, six years.

8 Q: And when was your contract with the county  
9 terminated?

10 A: I don't know specifically. I was trying to find  
11 that document this morning. I didn't find it.

12 Q: Was it terminated in the year 2010?

13 A: Well, the -- can you define terminated?

14 Q: Well, why don't you define that? I mean, did  
15 your -- do you still have the contract with the  
16 county?

17 A: No, sir.

18 Q: What happened to it?

19 A: Well, they terminated it verbally, as in not --  
20 stopped paying me.

21 Q: When did they do that?

22 A: I don't remember. I'm thinking maybe it was  
23 around February of 2010, possibly, where they  
24 were withholding funds.

25 Q: So you think the contract was terminated in

1 February of 2010?

2 A: Well, whenever they stopped paying me. I think,  
3 you know, it was a breach of contract. Call it  
4 what you want. But I wasn't getting paid for the  
5 work I was doing.

6 Q: Did you ever get a written termination from the  
7 county?

8 A: Yes, much later.

9 Q: And when did you get the written termination?

10 A: Probably right before I wrote Rollin the letter  
11 to terminate the lease.

12 Q: And you wrote that in January?

13 A: Yes, sir.

14 Q: So you got a written termination from the county  
15 probably sometime in January, 2011?

16 A: Again, I don't have that letter, so I couldn't  
17 say.

18 Q: So it sounds like you got terminated -- the  
19 contract was terminated by the county around the  
20 same time you started getting incorrect invoices  
21 from your landlord? Do I have that right?

22 A: No, sir.

23 Q: So, I mean, you started getting incorrect  
24 invoices. We know when that was, right? That  
25 was in October of 2010?

1 A: Yes, sir.

2 Q: And at least by January of 2011, you had had a  
3 written termination of your contract with the  
4 county, correct?

5 A: I would believe so, right. Yes, sir.

6 Q: But it could have been sooner than that?

7 A: It would have been soon than the date of the  
8 letter I wrote Rollin.

9 Q: But you think you got a verbal termination a year  
10 prior to that?

11 A: Not a verbal, but just a defacto termination by  
12 not getting paid. When somebody stops paying  
13 you, breach of contract.

14 Q: But did you not communicate with all these  
15 witnesses from --

16 A: Every day. Every day.

17 Q: Well, so nobody told you for a year, or almost a  
18 year that your contract was terminated?

19 A: No. They kept me in purgatory.

20 Q: So within -- if you got terminated in January of  
21 2011, within three months -- that was within  
22 three months, more or less, of when you started  
23 getting the incorrect invoices from the landlord.  
24 Is that accurate?

25 A: Yes, sir.

1 Q: I would submit to you that seems kind of  
2 coincidental. Would you agree with that?

3 A: No.

4 Q: I mean, the landlord didn't have anything to do  
5 with this county contract, did he?

6 A: No.

7 Q: Have you paid any late charges since you vacated  
8 the premises?

9 A: No.

10 Q: Now, I believe it's been your position, at least  
11 in this case, that you left -- or at least  
12 partially left the premises in November of 2010.  
13 Do I have that right?

14 A: You have to define left. And I'm not trying to  
15 be hard to work with here. But do you mean left  
16 as in employees left, or left as in furniture  
17 still there, or --

18 Q: Hang on one second. I'm sorry. I had Exhibit 11  
19 right in front of you. Your sworn affidavit.  
20 Let's see. The bottom of page one there's a  
21 sentence beginning, "There was no damage." Can  
22 you read that out loud?

23 A: Yes, sir. "There was no damage to the property  
24 other than reasonable wear and tear. We vacated  
25 the premises in November of 2010. The Plaintiff

1           had a security deposit which should have covered  
2           the last month's rent."

3       Q:       So again, you've testified already that you  
4               vacated the premises in November of 2010,  
5               correct?

6       A:       Yes. Can I preface that?

7       Q:       Sure.

8       A:       Again, I don't have my calendar here, nor the  
9               folks who were actually down there. So I'm  
10              assuming that when I made this affidavit, that I  
11              had checked with those folks and that's when we  
12              moved the furniture out. That's where it's a  
13              little foggy. I'm not sure if that's when we had  
14              a let some people go. I was thinking the  
15              furniture was still in there past November. But  
16              I can't --

17      Q:       I'm just going by your sworn testimony here.

18      A:       I understand. I understand. I'm just trying to  
19              determine --

20      Q:       So something happened in November of 2010.

21      A:       Yes, sir. Yeah. It was either we completely  
22              removed the furniture, or I recalled all my  
23              employees and we weren't working for the county.

24      Q:       All right. Well, if you -- whatever happened  
25              November of 2010, why did you not send your



1 notice of early termination letter until January  
2 of 2011?

3 A: Well, that's what I'm getting at. I'm thinking  
4 maybe we still had the furniture in there.

5 Q: So you were still occupying the premises until at  
6 least January of 2011.

7 A: If the furniture was still there. You know, that  
8 we -- yeah, obviously it was occupied if the  
9 furniture was still there.

10 Q: You say here -- looking at your affidavit again  
11 you say, "Plaintiff has security deposit which  
12 should have covered the last month's rent." Do  
13 you see that?

14 A: Yes, sir.

15 Q: How much was your security deposit?

16 A: One month's rent.

17 Q: What was the dollar figure?

18 A: I don't recall.

19 Q: Well, looking at the lease, section 3.2(b), it  
20 states a security deposit of \$4,678.75 will be  
21 paid by tenant prior to occupancy. Does that  
22 refresh your recollection?

23 A: Yes, sir.

24 Q: Was that your security deposit?

25 A: Unless South Carolina state law allows for

1 interest on that. I'm not sure about that.

2 Q: Well, I'm not sure I understand your answer. My  
3 question is, is that the dollar figure of the  
4 security deposit that you made at the  
5 commencement of the lease term?

6 A: That was the payment I made to JRC Properties,  
7 LLC. Yes, sir.

8 Q: For the security deposit?

9 A: Yes, sir.

10 Q: And are you testifying here in this affidavit  
11 that you do not know what happened to your  
12 security deposit?

13 A: I didn't say that. No, sir.

14 Q: Well, let's look at that. Your affidavit says,  
15 "Plaintiff had a security deposit which should  
16 have covered the last month's rent." What did  
17 you mean by that when you testified to that in  
18 this affidavit?

19 A: Well, I've never requested the security deposit.  
20 So I would think by not requesting it, it would  
21 be applied to one month's rent.

22 Q: And again, that leads to my question I already  
23 asked you. Is it your testimony here today that  
24 you do not know what happened to your security  
25 deposit?

1 A: I don't know what happened to it. I don't know  
2 if it went in the bank. I don't know if it went  
3 into somebody's wallet. I don't know. I don't  
4 know if it went in the stock market. I don't  
5 know if it -- I don't know where it went.

6 Q: Is it your testimony here today that you were not  
7 given a statement by the landlord reflecting the  
8 disposition of your security deposit?

9 A: I don't remember getting a letter from my  
10 landlord stating the disposition of my security  
11 deposit. No.

12 Q: And is it your testimony to this court that you  
13 were not given a statement showing that your  
14 security deposit was used to repair property  
15 damage?

16 A: I don't recall that.

17 Q: Take a look at page two. The top of page two of  
18 your affidavit. Read that first sentence for me.

19 A: "I do not owe any rent. If any rent is due, it  
20 would be only for one month. My company has  
21 never had the return of its security deposit."

22 Q: Thank you. For the first sentence, "I do not owe  
23 any rent." How do you reconcile that with your  
24 supplemental response to interrogatory number 15?

25 A: Well, if I get a correct invoice, as I've stated

1 before, I would gladly pay October, November,  
2 December and January's rent. So I don't have a  
3 correct invoice though for those months. So  
4 maybe that was a bad selection of words there. A  
5 poor selection of words.

6 Q: So if I understand your testimony correctly,  
7 setting aside for the moment any charges other  
8 than simply the monthly rental, there's no  
9 question but that you owe the monthly rental for  
10 October, November, December, 2010 and January of  
11 2011 as we sit here today. Do I have that right?

12 A: No.

13 Q: How is that incorrect?

14 A: Well, what about the security deposit?

15 Q: What about the security deposit?

16 A: I don't know. I never got it back.

17 Q: Well, I believe you said that you don't remember  
18 getting a statement or getting anything from the  
19 landlord indicating what happened to your  
20 security deposit. Do you want to change that  
21 testimony?

22 A: No, sir. I don't recall it. If you can produce  
23 it, I'll be glad to look at it.

24 Q: So the answer is you may have gotten something  
25 reflecting the disposition of your security

1 deposit. You just don't remember; is that right?

2 A: Yeah, that's correct.

3 Q: Well, setting aside the security deposit for the  
4 moment. The security deposit, I believe you  
5 testified already, was one month's rent, correct?

6 A: Yes.

7 Q: So then even if that were to satisfy one month's  
8 rent, would that not leave three months rent due  
9 and owing as we sit here today?

10 A: Absolutely.

11 Q: So there's no question but that you owe that as  
12 we sit here today; is that correct?

13 A: As long as I get a correct invoice.

14 Q: Well, I mean, again, setting aside any charges,  
15 late charges, late fees, interest, anything. I'm  
16 talking about the base rental amount that we've  
17 gone through numerous times in the lease. I'm  
18 not talking about any additional charges other  
19 than that. I'm simply talking about the monthly  
20 rental amount, and assuming that you were to be  
21 given credit for the security deposit for one of  
22 those months, would that not leave you owing, as  
23 we sit here today, those other three month's  
24 rent?

25 A: If I understand your question, if I received a

1 correct invoice for the four months in question,  
2 which would be the base rent, and only the base  
3 rent, I would not dispute that I owe that amount.  
4 That's the security deposit.

5 Q: What was your rent in October of 2010?

6 A: I don't know.

7 Q: Well, we talked earlier and I referenced the  
8 amount \$4,990.67 as the rental amount when you  
9 left, and I asked if you had any reason to  
10 dispute that figure and you testified that you  
11 did not. Do you recall that?

12 A: I do.

13 Q: So that would have been your rent for the month  
14 of October, correct?

15 A: Yes, sir.

16 Q: And that would have been your rent for the month  
17 of November of 2010, correct?

18 A: Yes, sir.

19 Q: And that would have been your rent for the month  
20 of December of 2010, correct?

21 A: Yes, sir. Let's just call it 5,000, if you want.  
22 Three times -- four times five.

23 Q: Rounding off. So there's no question but that  
24 you owe my client \$15,000?

25 A: That sounds about right.

1 Q: And that's exclusive, of course, of any other  
2 charges or any interest or anything else that my  
3 client's entitled to under the lease, correct?

4 A: That is just the base rent.

5 Q: And that is also assuming that you are entitled  
6 to a credit from the security deposit, the  
7 disposition of which you don't recall as we sit  
8 here today; is that correct?

9 A: Yes, sir.

10 Q: So you have owed that approximately \$15,000 for  
11 over four years now, correct?

12 A: No.

13 Q: How is that incorrect?

14 A: I never got a correct invoice. If I got a  
15 correct invoice, I would have paid it.

16 Q: But just based on what you said previously, the  
17 correct invoice would show -- I mean, as you put  
18 it, it would show the additional charges other  
19 than rent, correct?

20 A: No, sir. I think you're putting words in my  
21 mouth. You let me speak for myself. As I stated  
22 time and time again, if I had gotten a correct  
23 invoice for those four months, I would have paid  
24 it. And I would appreciate it if you would stop  
25 putting words in my mouth.

1 Q: Understood. So let me see if I understand your  
2 testimony. You correct me if I'm wrong. You  
3 just testified as we sit here today that there's  
4 no question but that you owe at least \$15,000 in  
5 past rent. Do I have that wrong?

6 A: No. You have it correct.

7 Q: I don't want to put words in your mouth.

8 A: Thank you for that.

9 Q: When did that come due?

10 A: It'll come due when I receive a correct invoice.

11 Q: So it's not due as we sit here today?

12 A: In my opinion.

13 Q: And it's not due because you've never gotten what  
14 you consider to be a correct invoice?

15 A: Correct.

16 Q: How often did you get invoices from the landlord?

17 A: Periodically. It was kind of sporadic.

18 Q: Have you gotten any invoices from him since you  
19 vacated the premises in January of 2011?

20 A: Yes.

21 Q: How many?

22 A: I don't know.

23 Q: How often?

24 A: I don't know.

25 Q: A lot?



1 A: No.

2 Q: More than one a year?

3 A: Yes.

4 Q: I mean, have you had any conversations with Mr.  
5 McKim about this past due rent since you vacated  
6 in January of 2011?

7 A: I'm not allowed to. I have an attorney. I'm not  
8 allowed to talk to him.

9 Q: So it's your testimony here today, Mr. Dennis,  
10 that you have not had any conversations with him  
11 since you vacated the premises and --

12 A: Oh, I had conversations with him.

13 Q: Hang on. Please, please don't talk over me. Let  
14 me finish my question. So it's your testimony  
15 here today that you have not had any  
16 conversations with Mr. McKim about the past due  
17 rent since you vacated in January of 2011?

18 A: Not to my knowledge. Only through my attorney.

19 Q: And you haven't received any letters from Mr.  
20 McKim regarding this topic since January, 2011?

21 A: I received invoices. I don't know if those are  
22 letters. They're invoices. I've gotten also  
23 calls from Rollin's -- I believe it's Rollin's  
24 real estate attorney trying, you know, to settle  
25 the matter. Not attorney. Excuse me. Real

1 estate broker.

2 Q: Who was that?

3 A: Ernest Marchetti.

4 Q: Let me show you a document and ask if you

5 recognize that.

6 A: I do.

7 Q: What is that that I've just handed you?

8 A: This is a -- maybe you should call it a trail of

9 emails.

10 Q: Who are the parties of the emails?

11 A: The first email is an email from S Breza to me.

12 Q: Do you know who that is?

13 A: I think his name is Sun Breza and he works -- or

14 works for a company called ECS Limited.

15 Q: Who is the -- so it's an email, you called it a -

16 - what did you call it? An email what?

17 A: Trail.

18 Q: Trail.

19 A: Yes.

20 Q: Or email chain. I think I've used that term.

21 A: Yes, sir.

22 Q: But trail sounds --

23 A: Chain is a better word.

24 Q: Okay. So at the top there it says From and To.

25 Who is that from and who is it to?

1 A: From S Breza to Dan Dennis.

2 Q: Are you looking at the very top?

3 A: Oh, I'm sorry.

4 Q: No. The top.

5 A: The top?

6 Q: Yeah. The top of the chain.

7 A: Okay. From Dan Dennis to remartantiques@aol.com.

8 Q: Do you know who's address that is?

9 A: No.

10 Q: And what's the date of this email?

11 A: Monday, May the 2nd, 2011.

12 Q: Do you recognize this email?

13 A: Yeah. I mean, I don't dispute it.

14 MR. BOLCHOZ: Well, let's get it marked.

15 (Plaintiff's Exhibit Number 12 was marked for  
16 identification purposes.)

17 Q: I'm handing you back Exhibit 12. This looks to  
18 be, at least at the top, the part -- the first  
19 part of the chain looks to be an email from Mr.  
20 McKim to you. Would you agree with that?

21 A: Yes, sir.

22 Q: And Mr. McKim's email says, "Dan, did you make  
23 any progress with Beaufort County? They would be  
24 good to get this paid. Our current balance with  
25 last month's interest added is \$25,350.57, copy

1           mailed you today. Thanks." Do you see that?

2   A:       Yes, sir.

3   Q:       Do you see a response from you up there at the  
4           top?

5   A:       Yes, sir.

6   Q:       And what does that say?

7   A:       "Rollin, we are waiting on a final check. Dan."

8   Q:       So in this email, he represented to you what the  
9           current balance was at least as of May 2nd, 2011,  
10          correct?

11   A:       Yes.

12   Q:       And you didn't dispute that in your email  
13          response to him, did you?

14   A:       Nor did I agree.

15   Q:       Well, I mean, did you dispute that when you wrote  
16          this email? Did you dispute that figure?

17   A:       I did not.

18   Q:       But you dispute it now?

19   A:       Yes.

20   Q:       Based on?

21   A:       I haven't received a correct invoice.

22   Q:       So you had a correct invoice back then and it's  
23          not correct now?

24   A:       No. It wasn't correct back then.

25   Q:       But I just asked you, Mr. Dennis, you didn't

1           dispute it back then. Why didn't you dispute  
2           that figure back in May of 2011?

3   A:       Because that wasn't the context of this email.  
4           He was asking if I made any progress with  
5           Beaufort County. He wasn't asking me if I  
6           disputed the invoice.

7   Q:       Well, I mean, is there some reason you didn't  
8           write back and say, Rollin, I don't owe you that  
9           money?

10  A:       Can you repeat the question?

11  Q:       Sure. He just gave you a figure of \$25,350.57  
12           and he says, "It would be good to get this paid."  
13           And he sent that to you, and you wrote back,  
14           "Rollin, we are waiting on a final check." If  
15           you didn't have a correct invoice in May of 2011,  
16           why didn't you tell him, Rollin, you'll get no  
17           money from me until I get a proper invoice?

18  A:       Well, I was waiting on a final check from  
19           Beaufort.

20  Q:       What difference does it make? Even if you got a  
21           final check, you already stated you don't owe  
22           anything until you get a proper invoice. Why  
23           didn't you tell him that at that point?

24  A:       Because again, I don't think that was the context  
25           of this email.

1 Q: Do you think that was important for him to get  
2 his \$25,000?

3 A: It wasn't a correct number.

4 Q: Well, why didn't you tell him that?

5 A: Is there some law that says I have to? I'm not  
6 aware of any. If you can point out a law then,  
7 you know, let me know.

8 Q: So your testimony is you didn't dispute that  
9 dollar figure because there's no law that  
10 requires you to; is that right?

11 A: That would be part of it. And I never received -  
12 - yeah, I didn't receive a correct monthly  
13 invoice.

14 Q: No, I know that. You've already said that. I'm  
15 asking why you didn't tell him this in your  
16 response to the email.

17 MR. CLOSE: Objection. He's answered it.

18 THE WITNESS: I think you're badgering me, and I'm  
19 getting a little testy.

20 MR. BOLCHOZ: That's fine.

21 THE WITNESS: Have I been subpoenaed to this  
22 deposition?

23 MR. BOLCHOZ: That's a conversation for you and your  
24 attorney, sir.

25 THE WITNESS: Have I been subpoenaed to this

1 deposition? You keep it up I'm going to be walking  
2 out of here in a minute.

3 MR. BOLCHOZ: You do what you feel you need to do, Mr.  
4 Dennis.

5 THE WITNESS: Well, that's how I feel.

6 MR. BOLCHOZ: Okay. I mean, if you do that, that's  
7 fine. You do what you got to do. But I'm entitled  
8 to ask you these questions, sir, and I'm going to  
9 continue to ask them until I get answers. Do you  
10 understand that?

11 THE WITNESS: Understood.

12 Q: So the reason that you did not object to the  
13 \$25,000 figure he gave you in this email is  
14 because there's no law that requires you to. Is  
15 that your testimony to this court?

16 A: Partial testimony.

17 Q: Okay. What is the other reason, or what are the  
18 other reasons?

19 A: I don't know at this time.

20 Q: Now, he also says in this email, "Our current  
21 balance with last month's interest added is  
22 \$25,350.57, copy mailed you today." Did you  
23 receive that copy?

24 A: I would assume.

25 Q: So you don't dispute what he's saying there in

1                   that email, with regard to the copy being mailed  
2                   to you that day. Correct?

3       A:           No. Correct.

4       Q:           I'll show you another document and ask if you  
5                   recognize that.

6       A:           I do.

7       Q:           What is that?

8       A:           It's a statement of rents and fees payable dated  
9                   May the 7th, 2011.

10      Q:           Did you receive this?

11      A:           I would assume.

12      Q:           Do you know whether this is the statement of  
13                   rents and fees payable referenced in the email we  
14                   just looked at?

15      A:           I would agree with that.

16      BY MR. BOLCHOZ: Let's get that marked.

17      (Plaintiff's Exhibit Number 13 was marked for  
18                   identification purposes.)

19      Q:           I'm handing you back Plaintiff's Number 13. This  
20                   looks like -- just like what it says, Statement  
21                   of Rents and Fees Payable, but it looks like a  
22                   pretty detailed breakdown of what you owe JRC  
23                   Properties as of May 2nd, 2011. Would you  
24                   disagree with that?

25      A:           Yes.



1 Q: And what's the basis of your disagreement?

2 A: It's not a correct invoice.

3 Q: Is it an invoice?

4 A: It's a statement of rents and fees payable.

5 Q: Is this the kind of invoice that you've been  
6 testifying about all morning here today?

7 A: Yes.

8 Q: But it's your contention that it's incorrect?

9 A: Yes.

10 Q: But you don't dispute that you got this in May of  
11 2011?

12 A: I don't.

13 Q: I want to show you another document and ask if  
14 you recognize that.

15 A: Yeah, I believe I -- yeah, I recognize this.

16 Q: What is that?

17 A: It's a letter dated July the 5th, 2011 from  
18 Rollin to myself and where Rollin states that  
19 he's getting ready -- he wants to get settled up  
20 and getting ready to proceed with legal action.  
21 And he says he presumes we'd settled with the  
22 county recently and is wondering what holds up  
23 taking care of the balance. "Enclosed please find  
24 a current statement of rents and fees due." I  
25 apologize. That's my phone. I'll shut it off.

1 MR. BOLCHOZ: Let's get this marked, please.

2 (Plaintiff's Exhibit Number 14 marked for

3 identification purposes.)

4 Q: Did you receive a current statement of rents and  
5 fees like he indicates in Exhibit Number 14?

6 A: I would assume it came with it.

7 Q: And you responded to this letter, correct?

8 A: I don't know.

9 Q: I'll show you another document and ask if you  
10 recognize that.

11 A: I recognize it.

12 Q: Do you know what it is?

13 A: It's a statement of rents and fees payable dated  
14 July the 1st, 2011.

15 Q: From JRC Properties?

16 A: Yes, sir.

17 Q: To you?

18 A: Yes.

19 MR. BOLCHOZ: Let's get that marked.

20 (Plaintiff's Exhibit Number 15 was marked for

21 identification purposes.)

22 Q: Now, is this the statement that was sent to you  
23 with Mr. McKim's July 5th, 2011 letter we just  
24 looked at?

25 A: I would assume it is, yes.

1 Q: And this looks like it has a bottom line figure  
2 that's slightly different from the May 2nd  
3 statement. Do you see that? Or I guess I should  
4 ask, would you agree with me in that regard?

5 A: It's higher, yes.

6 Q: So the July one is \$25,949.45 and the May one is  
7 \$25,350.57, correct?

8 A: Yes.

9 Q: So as with the May one that we looked at, tell me  
10 specifically what you dispute in this July 1st  
11 statement of rents and fees payable?

12 A: In the July one?

13 Q: Yes. What's been marked as -- I believe it's 15.  
14 Plaintiff's 15.

15 A: Right. I dispute the late charges. I dispute  
16 the --

17 Q: Well, hang on. Let me stop you there. So you're  
18 disputing late charges based on what? I mean,  
19 aren't these late charges that are laid out  
20 pursuant to the terms of the lease? You know,  
21 you've got October, 2010 rent. First of all, let  
22 me ask you this. October, 2010 rent figure, what  
23 is that figure?

24 A: It's \$4,990.67.

25 Q: And I think we've already been through that. So

1           you don't dispute that figure, correct?

2    A:       I don't.

3    Q:       Then it says five percent late charge. Do you  
4           see that?

5    A:       Yes, sir.

6    Q:       It looks like \$249.53? Do you dispute that?

7    A:       Yes.

8    Q:       Based on what?

9    A:       You're bating me. You're not giving me the  
10           invoice from October. If you showed me the  
11           invoice from October, the original invoice, which  
12           was incorrect -- you know, you're trying to  
13           entrap me here. So again, I have a problem with  
14           the original invoice in October, and therefore  
15           any subsequent invoice after that is going to be  
16           incorrect.

17   Q:       But do you have any reason to believe -- well,  
18           let's look at October. Let's look at that item.  
19           Because this is broken out pretty --

20   A:       I don't have October's invoice. I've asked you  
21           for it but you won't give it to me.

22   Q:       Look at Exhibit Number 15. Okay?

23   A:       Yes, sir.

24   Q:       Do you see that first set of -- first collection  
25           of figures in descriptions?

1 A: Yes, sir.

2 Q: And they all fall under October, 2010 rent?

3 A: Yes, sir.

4 Q: Do you have any reason to believe that that  
5 rental figure is any different from the invoice  
6 that you got in October of 2010?

7 A: I don't know. I don't have the October, 2010  
8 invoice.

9 Q: Right. That's not what I asked you though. What  
10 I asked you was, do you have any reason as we sit  
11 here today, especially given your testimony that  
12 that is the proper rental amount, any reason to  
13 believe that that \$4,990.67 reflected on Exhibit  
14 15 is a figure different from the invoice that  
15 you received in October of 2010?

16 A: The base rent is correct.

17 Q: So you don't have any reason as you sit here  
18 today to believe that that figure differs from  
19 what was sent to you in October of 2010? The  
20 base rent amount?

21 A: I would only agree with the base amount.

22 Q: Now, the next line is he's charging you five  
23 percent late charge dated October 16th, 2010  
24 because apparently you did not pay the rent by  
25 October 16th. Would you agree with that?

1 A: Yes.

2 Q: So what is your dispute with that number, the  
3 \$249.53, which looks like it's five percent of  
4 the rental amount that you already agreed was the  
5 proper rental amount?

6 A: I never received the proper October, 2010  
7 invoice. Therefore, every invoice after that  
8 would have been incorrect.

9 Q: Is it your testimony that you didn't receive an  
10 invoice at all for October of 2010?

11 A: No. I received an incorrect invoice for 2010.

12 Q: And so, your testimony is it was incorrect, but  
13 you don't know what was incorrect about it?

14 A: I don't have the invoice in front of me. So  
15 until I can get that invoice --

16 Q: You just remember that it was incorrect somehow?

17 A: I believe it was. And that's why a payment was  
18 not made.

19 Q: Well, why didn't you just pay the rent and not  
20 pay any additional charges? Why didn't you just  
21 pay the October rent?

22 A: The first rule of business is you do not pay an  
23 incorrect invoice.

24 Q: Well, but you knew what your monthly rental  
25 amount was, correct?

1 A: Yes, sir.

2 Q: I mean, why would it have changed from month to  
3 month if you were paying on a timely basis?

4 A: It didn't.

5 Q: Then why didn't you just pay it for October of  
6 2010?

7 A: As I stated again, I didn't have a correct  
8 invoice.

9 Q: And did you receive an invoice for your rental  
10 payments every month from the commencement of the  
11 lease? Is that how you knew to pay rent? You  
12 got an invoice from Mr. McKim?

13 A: I would assume, yeah. Again, our accounting  
14 department handles all -- receipt of all  
15 invoices, so -- but I would assume Mr. McKim  
16 would send us an invoice every month. Some  
17 clients do -- or some vendors do and some don't.

18 Q: Well, I want to be clear about your testimony,  
19 Mr. Dennis. The reason you stated that you did  
20 not pay the past due rent for four years is  
21 because you got an incorrect invoice beginning in  
22 October of 2010, correct?

23 A: I received invoices that were incorrect, and I  
24 dispute them.

25 Q: But did you receive any invoices prior to October

1 of 2010 that were incorrect?

2 A: No, sir. Not to my knowledge. Every invoice  
3 prior to 2010 was paid.

4 Q: And it's your testimony here that you don't know  
5 whether you got invoices prior to October of 2010  
6 anyway?

7 A: No.

8 Q: Can you explain your testimony in that regard,  
9 because I'm --

10 A: I mean, we would have -- obviously, had we not  
11 paid the rent prior to October, 2010, we'd be  
12 discussing those prior months. So I think it can  
13 safely be assumed that either Rollin either sent  
14 an invoice or we send them a check or both.

15 Q: Prior to October, 2010?

16 A: Prior to October the 1st, 2010, or else we'd be  
17 arguing over that right now. But since we're  
18 not, I would assume that all the payments going  
19 back to the beginning of the lease were made  
20 prior to October the 1st, 2010.

21 Q: My question to you, Mr. Dennis, is, do you know,  
22 as you sit here today, whether you received  
23 monthly invoices for rental payments from JRC  
24 Properties up until October of 2010? /

25 A: I don't recall.



1 Q: But you do recall that beginning in October of  
2 2010, you started getting invoices and those were  
3 incorrect. Is that your testimony?

4 A: Yes.

5 Q: So you can't tell me what's wrong with any of the  
6 numbers on this statement marked Plaintiff's  
7 Number 15?

8 A: I didn't say that.

9 Q: Well, I will ask you again then. Tell me what  
10 amounts on Plaintiff's Number 15 specifically you  
11 object to or dispute.

12 A: I object to all the late charges and I object to  
13 the damages.

14 Q: And the basis of the late charge objection is  
15 what?

16 A: And I object to the use of his -- debited my  
17 security deposit.

18 Q: Well, let's start with the late charges. So the  
19 basis of your objection to the late charges is  
20 what?

21 A: As I've stated several times previously, I don't  
22 have a correct invoice for October.

23 Q: Isn't the math on this -- I mean, you're an  
24 engineer, Mr. Dennis. Isn't the math on this,  
25 just starting with October, isn't it pretty basic

1           pursuant to the terms of the lease? I mean,  
2           you've got the rental figure that you don't deny  
3           is the proper figure. So we have that to start  
4           with. You've got a five percent late charge  
5           beginning -- he even puts the date in there,  
6           October 16th, which you didn't pay by the 16th.  
7           That's 15 days under the terms of the lease. And  
8           then a 1.5 percent late charge, and it gives a  
9           date when that was assessed pursuant to the terms  
10          of the lease. I mean, what difference does it  
11          make what you received prior to the date of this  
12          document given that mathematical information  
13          right there?

14   MR. CLOSE: Objection. Compound questions, plural.

15   MR. BOLCHOZ: Well, you can object to the form, but  
16          it's noted.

17   Q:           Please answer my question.

18   A:           As I stated before, the October invoice, in my  
19                  opinion, was incorrect, and therefore all  
20                  subsequent invoices, including this one in front  
21                  of me, Exhibit 15, is also incorrect.

22   Q:           Well, let me ask it to you this way then. Is  
23                  five percent of \$4,990.67, does that equal  
24                  \$249.53?

25   A:           I don't know.

- 1 Q: I have a calculator here. Let's see. Well, I  
2 just multiplied in my calculator five percent of  
3 \$4,990.67 and I got 249.5335.
- 4 A: I wouldn't disagree with that.
- 5 Q: You wouldn't disagree with it?
- 6 A: No.
- 7 Q: And the next charge is 1.5 percent at \$74.86. Do  
8 you have any reason to dispute that 1.5 percent  
9 of \$4,990.67 equals \$74.86?
- 10 A: I would have no reason to dispute that math is  
11 correct.
- 12 Q: So the math on this document that's been marked  
13 as Plaintiff's Number 15 at least -- that just --  
14 going down to the second page, rents payable,  
15 because I know you've got problems with the  
16 damages issue. I'm still looking at Plaintiff's  
17 Number 15.
- 18 A: Uh-huh (affirmative response.)
- 19 Q: Do you have that in front of you?
- 20 A: Yes, sir.
- 21 Q: The math going down to the figure of \$23,206.60  
22 on page two is correct?
- 23 A: It appears to be correct. I haven't added it up.
- 24 Q: But you don't have any reason to dispute that  
25 that's what the math comes out to? Or do you

1           want to take a moment with my calculator and add  
2           it up?

3     A:       Not really, no.

4     Q:       So you don't have any reason to dispute that  
5           figure?

6     A:       I would assume it's right.

7     Q:       Okay. Now, this also says under rents payable,  
8           "Damages to walls and carpet beyond normal wear  
9           and tear." Do you see that?

10    A:       Yes, sir.

11    Q:       I'm on page two.

12    A:       Yes, sir.

13    Q:       And what's that dollar figure there?

14    A:       \$7,421.60.

15    Q:       Do you have any reason to dispute that figure?

16    A:       I do.

17    Q:       And what's the basis of that?

18    A:       I don't have an itemized list of any repairs.

19    Q:       Did you ask for one?

20    A:       No.

21    Q:       Why not?

22    A:       I don't know. Is it a law that I have to ask for  
23           one?

24    Q:       Well, I mean, he was going to use your security -  
25           - I mean, as you see here clearly in this

1 document he was using your security deposit to  
2 pay those damages. You didn't ask what did --

3 A: What damages.

4 Q: -- you use my money for?

5 A: What damages.

6 Q: Mr. Dennis, you just read the figure of \$7,421.60  
7 on this document that's been marked Plaintiff's  
8 15. Those damages.

9 A: I did. But I'm disputing the damages. What  
10 damages are you talking about? Pinholes in  
11 walls?

12 Q: I'm referring to the line item that's listed here  
13 on the document that's in front of you, sir.  
14 Damages to walls and carpet beyond normal wear  
15 and tear. Do you see that?

16 A: Yes. And I dispute that.

17 Q: Yes. And so, my question to you is, did you tell  
18 him that you wanted a breakdown of the damages  
19 listed here when you got this invoice?

20 A: I did not tell Rollin that.

21 Q: Right. And my question to you is, why did you  
22 not ask him for one?

23 A: I don't know.

24 Q: You were not concerned that he was going to apply  
25 you're security deposit to the damage to walls

1                   and carpet beyond normal wear and tear?

2       A:           I would have been concerned about it.   Yes.

3       Q:           But not concerned enough to ask for a breakdown  
4                   of the damages?

5       A:           I don't think there were any damages.

6       Q:           Right.   But he says here in this -- you don't --  
7                   again, you don't dispute that you got this  
8                   statement of July 1st, 2011, correct?

9       A:           You are correct.

10      Q:           And you don't dispute that you probably got it in  
11                   conjunction with the July 5th letter marked as  
12                   Number 14, correct?

13      A:           You are correct.

14      Q:           So in early July of 2011, you had what's been  
15                   marked as Plaintiff's Number 15.   And at the  
16                   bottom, the statement to me looks like he's  
17                   putting a dollar figure of \$7,400 and change to  
18                   the damages to walls and carpet beyond normal  
19                   wear and tear.   Would you agree with that?   Would  
20                   you agree that's what this document indicates?

21      A:           Yes.

22      Q:           So given that you dispute that the damages to the  
23                   walls and carpet amounted to the dollar figure of  
24                   \$7,421.60, why did you not then ask him when you  
25                   got this for a breakdown of the damages?

- 1 A: I don't think that's my responsibility.
- 2 Q: And then underneath that it says, "Less security
- 3 deposit." Do you see that?
- 4 A: I do.
- 5 Q: And what's that figure there?
- 6 A: \$4,678.75.
- 7 Q: So does that mean that he applied your security
- 8 deposit to the figure above of \$7,421.60?
- 9 A: He applied it to all the numbers above. It's a
- 10 debit.
- 11 Q: It looks like it's broken out. Does it not look
- 12 like it's a debit as to the damages to walls and
- 13 carpet?
- 14 A: I can't speak for Rollin.
- 15 Q: Is that the way you read it?
- 16 A: No. I read it as it was a deduction on
- 17 everything above.
- 18 Q: But you didn't ask him for a breakdown of the
- 19 damages to the walls and carpet, correct?
- 20 A: I think for the sixth time that you -- you're
- 21 right. I didn't.
- 22 Q: And you didn't object to him applying your
- 23 security deposit to this figure, correct?
- 24 A: You are correct.
- 25 Q: And why didn't you object to it?

1 A: It's not my responsibility.

2 Q: Well, you've testified here that you thought the  
3 \$4,678.75 was being applied to the past due rent  
4 that you haven't paid, correct?

5 A: Correct.

6 Q: And is that what this looks like to you on this  
7 statement? That that's what it's being applied  
8 to?

9 A: In my opinion, it's being applied to everything  
10 above it.

11 Q: What's the total show there on the bottom of  
12 Plaintiff's Number 15?

13 A: \$25,949.45.

14 Q: Did you object to that figure in any  
15 communication to Mr. McKim?

16 A: No.

17 Q: Why not?

18 A: It's not my responsibility.

19 Q: But you knew he was asking you to pay that  
20 amount?

21 A: It was an invoice that he sent me, whether -- you  
22 know, it was an invoice I received.

23 Q: And he was expecting you to pay it, correct?

24 A: You'd have to ask him that.

25 Q: Well, I mean, Mr. Dennis, I mean, you're not --



1 is it your testimony you don't know why my client  
2 sent you this statement of rents and fees  
3 payable?

4 A: You should probably ask him why he sent me a  
5 incorrect invoice.

6 Q: Well, I'm asking you, sir.

7 A: Maybe even a fraudulent invoice.

8 Q: But my question to you is, do you not know why my  
9 client sent you this statement of rents and fees  
10 payable dated July 1, 2011?

11 A: No. You'd have to ask him.

12 Q: You don't know why this was sent to you?

13 A: Well, he was sending these monthly, or however  
14 often he was, so...

15 Q: But why was he sending this to you?

16 A: In hopes of getting paid.

17 Q: Right, exactly. He expected this to be paid.

18 That's why he sent it to you, correct?

19 A: Yes.

20 Q: I'll show you another document and ask if you  
21 recognize that. I think we're going to be here a  
22 little longer than I thought. Do you recognize  
23 that document, Mr. Dennis?

24 A: Yes.

25 Q: What is that that I handed you?

1 A: It is a letter dated July the 12th, 2011 from my  
2 attorney to Rollin.

3 MR. BOLCHOZ: Let me get that marked.  
4 (Plaintiff's Exhibit Number 16 was marked for  
5 identification purposes.)

6 Q: What is the date of that letter?

7 A: July 12th, 2011.

8 Q: So this is a letter, what's been marked as  
9 Plaintiff's 16 from your attorney in this case,  
10 Mr. Moore?

11 A: That is correct.

12 Q: And he was obviously your attorney at the time  
13 you wrote the letter?

14 A: Yes, sir.

15 Q: Okay. Now, have you had a chance to review this  
16 letter to refresh your recollection of it?

17 A: If you could give me a moment, I will.

18 Q: Sure. Take your time.

19 A: Thank you. Okay.

20 Q: So your lawyer indicates in this letter that he's  
21 got the July 5th letter from Mr. McKim, right?

22 A: Yes, sir.

23 Q: And presumably, based on what you've testified  
24 to, has the July 1st, 2011 statement that we went  
25 through?

1 A: Yeah.

2 Q: Would you agree with that?

3 A: I do.

4 Q: Now, your attorney in his letter, he doesn't  
5 object to the figure that's in that July 1st,  
6 2011 statement, does he?

7 A: He doesn't state it in writing, no.

8 Q: And he doesn't object to the use of your security  
9 deposit in this letter, does he?

10 A: He doesn't -- he hasn't written it.

11 Q: Well, that's what I'm asking you. What's in this  
12 letter. I'm just asking about this letter.

13 A: What's in this letter is what Mr. Moore wrote. I  
14 cannot tell you what Mr. Moore is thinking when  
15 he wrote he letter.

16 Q: Well, I'm not --

17 A: He's --

18 Q: Hang on. I'm not asking you what he's thinking.  
19 I'm just asking you straightforward questions  
20 about the contents of this letter. Okay?

21 A: Yes, sir.

22 Q: I'm not trying to trick you. I'm just asking  
23 what's in the letter. And there's nothing in the  
24 letter that objects to the figure in the July  
25 1st, 2011 statement, correct?

1 A: That is correct.

2 Q: And there's nothing in the letter objecting to  
3 the use of your security deposit, correct?

4 A: Yes.

5 Q: Is your attorney in this letter acknowledging  
6 that you owe the unpaid rent to the Plaintiff in  
7 this case?

8 A: I don't think so.

9 Q: Take a look at the -- it's the second to the last  
10 paragraph from the bottom, and read that first  
11 sentence for me.

12 A: "I have been authorized to extend on offer of 50  
13 percent of amount of your bill which would be  
14 payable within 90 days. If this proposal is  
15 acceptable to you, and I hope it is, I would  
16 appreciate your signing the enclosed copy of this  
17 letter and returning it to me so that I can  
18 forward it on to Dan."

19 Q: So if your lawyer isn't acknowledging that you  
20 owe the Plaintiff in this case, why are you  
21 extending an offer to pay 50 percent of the  
22 amount of the bill?

23 A: Because it's a settlement offer. It's to settle  
24 it in hopes of nothing having to pay exorbitant  
25 attorney's fees more than likely.

1 Q: Well, you say more than likely. I mean, this was  
2 sent on your behalf, wasn't it?

3 A: Sure was.

4 Q: You actually met with Mr. McKim in May of 2013,  
5 did you not?

6 A: I don't recall.

7 Q: You had some kind of barbeque or something like  
8 that?

9 A: Oh, yeah. Company barbeque. Yes, sir.

10 Q: And he showed up to that?

11 A: He was invited to that. Yes, sir.

12 Q: But he was there and you saw him?

13 A: I did.

14 Q: And you, in fact, discussed this situation,  
15 didn't you?

16 A: Now that you bring up this -- that meeting now,  
17 what I had said previously was inaccurate. So I  
18 did discuss -- I think I asked Rollin if he  
19 wanted to settle the case. Which I don't know if  
20 that was before or after this Exhibit 16 letter  
21 was written.

22 Q: Well, what's the date of the Exhibit 16?

23 A: July the 12th, 2011.

24 Q: And when was your barbeque?

25 A: I don't recall.

1 Q: If I told you it was in May of 2013, would you  
2 have any reason to dispute that?

3 A: No.

4 Q: Who else was with Mr. McKim at that meeting?

5 A: At the barbeque?

6 Q: Yeah.

7 A: I believe his wife.

8 Q: Anyone else?

9 A: Not to my knowledge.

10 Q: Did you tell -- and his wife's name is Jan. Does  
11 that refresh your recollection?

12 A: Yes.

13 Q: Did you tell Rollin and Jan in that meeting that  
14 you just paid off some debts and were preparing  
15 to take care of the debt to him?

16 A: I wouldn't dispute that.

17 Q: And what did you do to take care of it in 2013?

18 A: Tried to continue to try and settle the case. I  
19 instructed my attorney, Mr. Moore --

20 Q: Hang on.

21 A: -- to settle the case.

22 Q: You don't need to tell -- I don't want to know  
23 any communications that you had with your  
24 attorney. That's privileged. Did you meet with  
25 Mr. McKim at the leased premises on February 7th,

1                   2011?

2       A:           I met with Rollin at some point after the  
3                   furniture was moved out. I would not -- if the  
4                   furniture was moved out by that date, I wouldn't  
5                   dispute that was the date we met.

6       Q:           At that meeting, didn't you tell him that you  
7                   were just waiting to get paid by the county to  
8                   pay him off?

9       A:           I don't recall.

10      Q:           Did you tell him at that meeting that you were  
11                   concerned about the incorrect invoices you  
12                   started receiving three months prior?

13      A:           No.

14      Q:           Why didn't you tell him that?

15      A:           I don't know.

16      Q:           I mean, you were still on the premises, correct,  
17                   or you were on your process of moving out, right?

18      A:           Again, I'm not sure of the date we moved out. I  
19                   think we discussed earlier it was prior to  
20                   January. The end of January.

21      Q:           Of 2011?

22      A:           Yeah. Yes, sir.

23      Q:           But you didn't mention anything about the  
24                   incorrect invoices at that meeting?

25      A:           No.

1 Q: How did you move the furniture?  
2 A: I don't know.  
3 Q: Did you pay somebody to do it?  
4 A: No. We had our employees move it.  
5 Q: Okay. That's what I was asking. Did you do a  
6 walkthrough of the leased premises on that  
7 meeting with Mr. McKim?  
8 A: We walked through. Yes, sir.  
9 Q: Did you tell Mr. McKim during that meeting that  
10 your guys should not have damaged the carpet?  
11 A: I don't think those were my exact words.  
12 Q: What were your exact words?  
13 A: I don't recall.  
14 Q: Were they something like that?  
15 A: I know we discussed some lines on the carpet, and  
16 I think they're in some of those photos.  
17 Q: But you don't remember it like this photo here of  
18 the two photos of the hallway? Is that what you  
19 --  
20 A: Yeah, we looked at --  
21 Q: -- were discussing?  
22 A: We looked at some of these lines in the carpet.  
23 And, you know, Rollin's opinion was they were  
24 scrape marks on the carpet. And --  
25 Q: But you don't remember what you said about the



1 carpet burns, or whatever you want to call those?

2 A: Well, I do know this. I went back to the folks  
3 who did the moving and asked them, you know, what  
4 those were, and they said those were where the --  
5 I don't know what you want to call it. The weave  
6 of the carpet or whatever was changed. And they  
7 told me that I would be able to get it removed  
8 just by vacuuming. That's what I was told. And  
9 when we walked around, you know, I didn't take  
10 any samples or anything like that. I don't even  
11 think I took any pictures.

12 Q: Who else did you owe money to when you were  
13 terminated by the county? I think you referenced  
14 ECS and, I guess, Sun Breza.

15 A: Yes.

16 Q: Do I have that right?

17 A: That's correct.

18 Q: Who else?

19 A: I think it was four. It was Rollin, ECS, SNME  
20 and --

21 Q: Is that Aaron Goldberg?

22 A: At the time, he worked for SNME. And it was a  
23 fourth company out of Georgia. I forget what  
24 their name was.

25 Q: Does the name Sean McCormick ring a bell?

1 A: Yeah, Sean. His wife's the owner.

2 Q: Did any of those parties sue you for payment?

3 A: They all did.

4 Q: What was the outcome of the suits? There are  
5 three separate lawsuits?

6 A: Yes, sir.

7 Q: What was the outcome of the suits?

8 A: We settled them all.

9 Q: Did you sign any kind of settlement agreement  
10 with the county?

11 A: I believe I signed -- yes. In order to get that  
12 last check.

13 Q: Do you know where that settlement agreement is?

14 A: The original?

15 Q: Any version of it? A copy?

16 A: I was looking for one earlier. I couldn't find  
17 one.

18 Q: Do you know whether you have a copy of it?

19 A: My attorney probably does.

20 Q: Do you have any objection to producing a copy of  
21 that to me?

22 A: As long as you make a request to my attorney and  
23 as long as he doesn't object.

24 Q: How much did you end up receiving total from the  
25 county for after October of 2010?

1 A: I think it's just these two checks here.

2 Q: So you didn't get any more than those two checks?

3 A: As far as I know.

4 Q: Did you ever represent to the county, or anyone  
5 with the county, that you were going to pay off  
6 vendors and creditors you owed with the monies  
7 you received from them after October of 2010?

8 A: Not to my knowledge.

9 MR. BOLCHOZ: Let's take a quick break here. I think  
10 we are almost done with Mr. Dennis.

11 (Off the record from 1:17 p.m. to 1:44 p.m.)

12 Q: Mr. Dennis, would you agree with me that Mr.  
13 McKim was helpful to you in recovering the monies  
14 that were owed to you by the county?

15 A: No. Unless he can get me the 800,000 they still  
16 owe me.

17 Q: Well, did he assist you in getting what was  
18 actually paid to you at all?

19 A: Not to my knowledge. But if he did, I'd like to  
20 know so I can thank him.

21 Q: Let me show you this document here, and I don't  
22 have a copy of it. You can look at it with your  
23 attorney, if you like. I ask if you recognize  
24 that.

25 A: I don't recognize it. I would not dispute though

1           that we have this.

2     Q:       And what is this?

3     A:       It says Statement of Repairs Required.

4     Q:       And what's the date of that?

5     A:       February 11, 2011.

6     Q:       And who's that from?

7     A:       JRC Properties, LLC.

8     Q:       And who is it to?

9     A:       Dennis Corporation.

10    Q:       So does that appear to be a breakdown of the  
11           property damage --

12    A:       It does.

13    Q:       -- at the premises?

14    A:       Yes, sir.

15    Q:       And you don't dispute that you received that?

16    A:       I don't dispute my office received it.

17    Q:       And do you have any reason to deny that it was  
18           received around the time it's dated?

19    A:       No, sir.

20    Q:       And did you ever object to that breakdown to the  
21           Plaintiff?

22    A:       No.

23    MR. BOLCHOZ: Let me go ahead and get this marked.

24    (Plaintiff's Exhibit Number 17 was marked for  
25           identification purposes.)

1 MR. BOLCHOZ: Greg, is that your copy right there or is  
2 that my copy?

3 MR. CLOSE: I don't believe it's mine.

4 MR. BOLCHOZ: We did mark this, didn't we?

5 COURT REPORTER: No, sir.

6 MR. BOLCHOZ: Oh, we didn't mark this, probably because  
7 it's an order. Okay. Here we go. Give me one  
8 second here. Mr. Dennis, I don't have any more  
9 questions for you personally. So if you would  
10 answer any questions your attorney has for you, it  
11 would be appreciated.

12 MR. CLOSE: No questions.

13 Further deponent sayeth not.

14 (There being no further questions,  
15 the deposition concluded at 1:47 p.m.)  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

## 1 CERTIFICATE OF REPORTER

2 I, JAIME D. NEWTON, COURT REPORTER AND NOTARY PUBLIC IN  
3 AND FOR THE STATE OF SOUTH CAROLINA AT LARGE, HEREBY  
4 CERTIFY THAT I REPORTED THE CONTINUED DEPOSITION OF DANIEL  
5 R. DENNIS, III ON THURSDAY, THE 25TH DAY OF JUNE, 2015,  
6 AND THAT THE FOREGOING 136 PAGES CONSTITUTE A TRUE AND  
7 CORRECT TRANSCRIPTION OF SAID DEPOSITION.

8 I FURTHER CERTIFY THAT I AM NEITHER ATTORNEY NOR  
9 COUNSEL FOR, NOR RELATED TO OR EMPLOYED BY ANY OF THE  
10 PARTIES CONNECTED WITH THIS ACTION, NOR AM I FINANCIALLY  
11 INTERESTED IN SAID CAUSE.

12 I FURTHER CERTIFY THAT THE ORIGINAL OF SAID TRANSCRIPT  
13 WAS THEREAFTER SEALED AND DELIVERED TO SEAN MICHAEL  
14 BOLCHOZ, ESQUIRE, BOLCHOZ LAW FIRM, P.A., 6 BUCKINGHAM  
15 PLANTATION DRIVE, SUITE B, BLUFFTON, SOUTH CAROLINA, WHO  
16 WILL RETAIN THIS SEALED ORIGINAL TRANSCRIPT AND SHALL BE  
17 RESPONSIBLE FOR FILING SAME WITH THE COURT PRIOR TO TRIAL  
18 OR ANY HEARING WHICH MIGHT RESULT IN A FINAL ORDER ON ANY  
19 ISSUE.

20 IN WITNESS WHEREOF, I HAVE SET MY HAND AND SEAL THIS  
21 9TH DAY OF JULY, 2015.

*Jaime Newton*

22  
23 JAIME D. NEWTON, COURT REPORTER

24 MY COMMISSION EXPIRES MAY 14, 2017  
25

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

OFFICE LEASE

THIS LEASE AGREEMENT, dated this \_\_\_\_ day of January, 2008, made by JRC PROPERTIES, LLC, 20 Towne Square, PMB 390, Bluffton, SC 29910 ("Landlord") and DENNIS CORPORATION, whose address is 5000 Thurmond Mall, Suite 114, Columbia, South Carolina 29201 ("Tenant").

WITNESSETH: THAT,

Landlord, for and in consideration of the rents, covenants, agreements, and stipulations herein contained, to be paid, kept, and performed by Tenant, has leased and rented, and by these presents leases and rents unto Tenant, and Tenant hereby leases upon the terms and conditions herein contained, the Premises described in Paragraph 1.1 (b) below. So long as Tenant shall observe and perform the covenants and agreements binding on it hereunder and subject to the terms and provisions hereof, Tenant shall at all times during the Lease Term peacefully and quietly have and enjoy possession of the Premises.

I

PREMISES AND OTHER DEFINITIONS

Unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified:

1.1 Premises. Terms used in defining Premises are:

(a) The term "Building" shall mean the office building known as Building #6 Buckingham Plantation Drive, Bluffton, South Carolina ("Building").

(b) The term "Premises" shall mean (i) the exclusive use of the Building which contains 3743 square feet; and (ii) the non-exclusive use of the existing parking areas located on the Land.

(c) Land. The term "Land" shall mean Building #6 Buckingham Plantation Drive, Bluffton, South Carolina together with its associated parking.

II

TERM, ASSIGNMENT, AND SUBLETTING

2.1 Term. On the Commencement Date, Tenant shall take and accept the Premises from Landlord in their then condition and as suited for the use intended by Tenant, to have and to hold the same for a period of five (5) years (the "Initial Lease Term"). The Initial Lease Term shall

N:\directory\joanne\real-estate\leases\mckim



commence on March 1, 2008 (the "Commencement Date") and shall end at 6:00 P.M. E.S.T. on February 28, 2013 (the "Expiration Date").

2.2 Tenant's Right of Early Termination. In the event that Tenant's contract with Beaufort County is terminated at any time and for any reason by the county, Tenant shall upon verification of the termination have the option to immediately terminate this Lease upon provision of written notice to Landlord of its election to do so.

2.3 Removal of Tenant's Personal Property. Before the termination of this Lease, Tenant shall remove from the Premises all its personal property which this Lease allows Tenant to remove and peaceably surrender such Premises and the keys thereto to Landlord in the same condition as at the beginning of this Lease, only natural wear and tear excepted. Such property of Tenant as it fails to remove either from the Premises or the Building after the termination of this Lease shall be considered as abandoned by Tenant and may be disposed of by Landlord at Tenant's expense in any manner whatsoever without accounting to Tenant for same or being liable in any way to Tenant for such disposition.

2.4 Holding Over. In no event shall there be any renewal of this Lease by operation of law, and if Tenant remains in possession of the Premises after the termination of this Lease and without a new lease executed by Landlord and Tenant, Tenant shall be deemed to be occupying the Premises as a tenant at sufferance at a Base Rental equal to one hundred percent (100%) of the then existing market rental rate and additional rental as provided for under this Lease, and otherwise subject to all the covenants and provisions of this Lease insofar as the same are applicable to a month-to-month tenancy.

2.5 Assignment and Subletting: The Tenant shall not, without the Landlord's prior written consent: (i) mortgage, pledge, encumber, or otherwise transfer (whether voluntarily, by operation of law, or otherwise) this Lease or any interest hereunder; (ii) allow any lien to attach to Tenant's interest in the Premises or this Lease; (iii) permit the use or occupancy of the Premises or any part thereof by any one other than Tenant; (iv) assign or convey this Lease or any interest herein; or (v) sublet the Premises or any part thereof; and any attempt to consummate any of the foregoing without Landlord's consent shall be void. Landlord may deny or withhold its consent to any of the foregoing in Landlord's sole discretion, for any reason or for no reason.

2.6 Extension Options. Tenant shall have three (3) options to extend the Term of this Lease for an additional one (1) year period (each such 1-year period hereafter referred to as a "Renewal Term"). In order to exercise such option, Tenant must provide written notice to Landlord not less than ninety (90) days prior to the end of the Initial Lease Term or Extension Term, as applicable, of its election to extend the term of this Lease.



## RENT, RENT ADJUSTMENT, AND DEPOSITS

3.1 Payment of Base Rental. Tenant shall pay to Landlord as annual rent during the Initial Lease Term and any Renewal Term the Base Rental (as defined in Paragraph 3.2 hereof). The Base Rental shall be paid in equal monthly installments, in advance, on the first day of every calendar month during the Lease Term. If the Commencement Date occurs on other than the first day of a calendar month, Tenant shall pay, in addition to Base Rental, a prorated portion of the Base Rental for the first Lease month based upon the number of days remaining in said first partial calendar month.

### 3.2 Amount of Base Rental.

a. During the first year of the term of the Lease, the Base Rental will be \$15.00 per square foot (3743 sq. ft.) of the Premises per month. For the first year of the term of the Lease, such monthly rental shall be \$4,678.75.

b. A security deposit of \$4,678.75 will be paid by Tenant prior to occupancy. The security deposit will be refundable 30 days from the expiration of this lease unless any charges as outlined in 4.1 have accrued.

c. The Base Rental will increase by \$0.50 per square foot for each year of the Initial Lease Term or any Renewal Term, with the first rental increase occurring on the first day of the first month following the one-year anniversary of the Commencement Date.

d. All monthly rent payments will be made in advance on the first day of the month for which it is payable.

3.3 Payments. Tenant shall pay to Landlord all Base Rental, any additional rent, and all other charges due and owing by Tenant under this Lease without deduction or set off, in legal tender, and at Landlord's address or as otherwise directed from time to time by Landlord's notice. Tenant's obligation to pay the Base Rental, any additional rent, and all other charges due and owing by Tenant under this Lease shall survive the expiration or earlier termination of this Lease unless termination is through the faults or acts of the Landlord.

## IV

## PREPARATION, MAINTENANCE, AND REPAIR OF PREMISES

4.1 Maintenance and Repairs by Tenant. Tenant shall at its own expense keep the interior of the Premises in good repair and tenantable condition, including all interior repairs and maintenance, and indemnify Landlord against any loss, damage, or expense arising by reason of any failure of Tenant so to keep the Premises in good repair and tenantable condition or due to any act or neglect of Tenant, its agents, employees, contractors, invitees, licensees, tenants, or assignees. If Tenant fails, after written notice from Landlord and 15 days to cure, to perform, or cause to be performed, any such necessary maintenance and repairs, then at the option of

N:\directory\joanne\real-estate\leases\mckin

Landlord, in its sole discretion, any such maintenance or repair may be performed or caused to be performed by Landlord and the cost and expense thereof charged to Tenant, and Tenant shall pay the amount thereof to Landlord on demand as additional rent. Occupancy by Tenant shall be deemed acceptance of the Premises. For purposes of this paragraph 4.1, maintenance and repair of the windows and doors shall also be the responsibility of the Tenant.

**4.2 Maintenance and Repairs by Landlord.** Landlord, at its cost and expense and without right of reimbursement from Tenant, shall be responsible for all necessary maintenance and repairs to (i) all portions of the Building other than the interior of the Premises, including without limitation the roof, foundation, exterior walls, structure, and building exterior, and (ii) all systems within the Building, including without limitation, plumbing, electrical, heating, ventilating, and air conditioning. Landlord shall also provide pest control for the Building and Land.

**4.3 Alterations by Tenant.** Tenant shall make no alterations or additions of any kind in or to the Premises without first obtaining Landlord's written consent. Tenant shall discharge of record by bond or otherwise, within ten (10) days following the filing thereof, any mechanic's or similar lien or encumbrance filed against the Premises or the Building for work or materials claimed to have been furnished to or for the benefit of Tenant and/or the Premises.

**4.4 Hazardous Materials.** Tenant will not cause any hazardous material to be placed on the Land.

**4.5 Damage and Destruction.** If the Premises are rendered partially or wholly unfit for occupancy by fire, the elements, act of God or other casualty (fire, the elements, acts of God or other casualties hereinafter referred to as the "Casualty"), and if such damage cannot, in Landlord's reasonable opinion, be materially restored within sixty (60) days of the date of such Casualty, then Landlord may, at its sole option, terminate this Lease as of such date. For purposes hereof, the Premises shall be deemed "materially restored" if they are in such condition as would not prevent or materially interfere with Tenant's use of the Premises for the purpose for which it was then being used. If this Lease is not terminated pursuant to the above provisions of this Paragraph 4.5, then Landlord shall proceed with all due diligence, upon receipt of all insurance proceeds due to Landlord, to repair and restore the Premises. In any case the Landlord must have the Premises restored to its original condition within 120 days of said damage or destruction or Tenant will have the right to terminate this lease at its sole option without liability. In no event shall Landlord be required to rebuild, repair, or replace any part of the partitions, fixtures, additions, or other property and improvements which may have been placed in or about the Premises by Tenant. If this Lease shall not be terminated by Landlord pursuant to this Paragraph 4.5 and if the Premises are unfit for occupancy in whole or in part following such Casualty, the rent payable during the period in which the Premises are unfit for occupancy shall abate in proportion to the percentage of the rentable area of the Premises rendered unusable by such Casualty as agreed upon between Tenant and Landlord; provided, however, that no such abatement shall be made in the event such Casualty shall have been caused through the gross negligence or willful misconduct of Tenant, its agents, employees, contractors, invitees, licensees, tenants, or assignees. If any such Casualty occurs, Landlord shall not be liable to Tenant for inconvenience, annoyance, loss of profits, expenses, or any other type of injury or

N:\directory\lcom\real-estate\leases\wilsons

damage resulting from the repair of any such Casualty, or from any repair, modification, arranging, or rearranging of any portion of the Premises or any part or all of the Building or for termination of this Lease as provided in this Paragraph 4.5. Notwithstanding any language contained in this Lease to the contrary, Landlord's obligations to repair and restore such damage shall be limited to the amount of insurance proceeds made available to Landlord for such repair and restoration (after any right of any mortgagee to said proceeds); provided, that if, in Landlord's reasonable judgement, the amount of such insurance proceeds is not sufficient to materially restore the Premises and the Building (except for any improvements, fixtures, finishes, or personalty that may have been placed in or about the Premises by Tenant), Landlord shall have the right to terminate this Lease as of the date of such Casualty and the Lease Term shall end as of such date. In the event of any Casualty during the final year of the Lease Term of this Lease, Landlord, at Landlord's sole option, shall have the right to terminate this Lease as of the date of such Casualty and the Lease Term shall end as of such date. Landlord is required to maintain adequate insurance to restore damaged Premises to its condition at the time of the casualty. In the event the Premises are not returned to its condition at the time of the Casualty, then Tenant has the option to terminate this Lease without liability.

**4.5 Eminent Domain.** If all of the Premises should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is then being used, this Lease shall, at either Landlord's or Tenant's option, terminate effective as of the date of such actual physical taking. Tenant would share in any condemnation award to the extent that said award included Tenant Improvement in addition to the Base Building and other items of value provided or installed by Tenant. If part of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, then Landlord or Tenant shall have the right to terminate this Lease effective as of the date of such actual physical taking. In the event that this Lease is not terminated as provided above in this Paragraph 4.6, the rent payable hereunder during the unexpired portion of this Lease shall be reduced in proportion to the percentage of the rentable area of the Premises rendered unusable by such taking and Landlord shall undertake materially to restore the Premises. Said rent shall be adjusted, however, to reflect a decrease in the usability and the quality of the Premises, including but not limited to such things as less desirable access, parking, visibility, signage, etc. Landlord or Tenant, as the case may be, shall exercise its right to terminate this Lease provided above in this Paragraph 4.6 by written notice to the other party within thirty (30) days of the date of such actual physical taking. Notwithstanding any language contained in this Lease to the contrary, Landlord's obligation to materially restore the Premises shall be limited to the amount of condemnation proceeds made available to the Landlord for such restoration and repair (after any right of any mortgagee to said proceeds); if such proceeds is not sufficient to materially restore the Premises and the Building (except for any improvements, fixtures, finishes, or personalty that may have been placed in or about the Premises by Tenant), Landlord or Tenant shall have the right to terminate this Lease effective as of the date of such actual physical taking. Tenant shall not share in any condemnation award or payment in lieu thereof or in any award for damages resulting from any grade change of adjacent streets, the same being hereby assigned to Landlord by Tenant; however, Tenant may separately claim and receive from the condemning authority (but not from Landlord), if legally payable, compensation

N:\Directory\Joanne\real-estate\leases\wilsonst

for Tenant's removal and relocation costs and for Tenant's loss of business and/or business interruption, provided that such claim and recovery shall in no way diminish Landlord's recovery. Notwithstanding anything to the contrary contained in this Paragraph 4.6, if during the Lease Term the use or occupancy of any part of the Building or Premises shall be taken or appropriated temporarily for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private agreement in lieu thereof, this Lease shall be and remain unaffected by such taking or appropriation and Tenant shall continue to pay in full all rent payable hereunder by Tenant during the term of this Lease or private agreement in lieu thereof; in the event of any such temporary appropriation or taking, Tenant shall be entitled to receive that portion of any award which represents compensation for the loss of use or occupancy of the Premises during the term of this Lease, and Landlord shall be entitled to receive that portion of any award which represents the cost of restoration and compensation for the loss of use or occupancy of the Premises after the end of the term of this Lease and of the Building.

**4.7 Landlord's Right to Enter Premises.** Tenant shall report to Landlord immediately in writing any damage to or defective condition in or about the Building or Premises known to Tenant. Tenant shall not change the locks on any entrance to the Premises. Upon provision of prior notice to Tenant, Landlord and its agents, employees, and contractors shall have the right to enter the Premises at such times as Landlord deems reasonably necessary to make inspections, to exhibit the Premises to prospective purchasers and tenants and to make necessary repairs, additions, alterations, and improvements to the Building, including, without limitation, the erection, use, and maintenance of pipes and conduits. Landlord shall also be allowed to take into and through the Premises any and all needed materials that may be required to make such repairs, additions, alterations, and improvements, all without being liable to Tenant in any manner whatsoever, during such time as work is carried out in a manner so as to not interfere unreasonably with the conduct of Tenant's business therein, the rent provided herein shall in no wise abate, and Tenant waives any claim and cause of action against Landlord for damages by reason of loss or interruption to Tenant's business and profits therefrom because of the prosecution of any such work or any part thereof. In the event of emergency, or if otherwise necessary to prevent injury to persons or damage to property, such entry to the Premises may be made without notice to Tenant and by force without any liability whatsoever on the part of Landlord for damage resulting from such forcible entry.

## V USE AND SERVICES

**5.1 Use.** Tenant shall use the Premises for general office purposes and no other purpose. Tenant shall not use the Premises for any illegal purpose, nor violate any statute, regulation, rule, or order of any governmental body in its use thereof, nor create or allow to exist any nuisances or trespasses, nor do any act in or about the Premises or bring anything onto or into the Premises which will in any way increase the premium for insurance on the Premises or the Building, nor deface or injure the Premises or overload the floor of the Premises.

**5.2 Utility and Other Charges.** Tenant shall promptly pay and discharge, directly to the

N:\directory\joanne\real-estate\leases\wilsonst

providing utility if possible, as and when the same become due, all charges incurred in connection with water and electricity to the Premises. In the event there is a single meter to the Building, Tenant shall pay a pro rata share of the utilities as determined by Landlord as additional rent.

5.3 Real Estate Taxes. Tenant shall promptly pay all personal property taxes with regard to Tenant's personal property on or before the date that the same become due and payable. Landlord shall pay the real estate taxes, with no right of proportionate reimbursement from Tenant.

5.4 Tenant's Failure to Pay. In the event that Tenant shall fail, after written notice from Landlord and 15 days to cure, to pay any of the foregoing items required by this Article to be paid by Tenant, Landlord may (but shall be under no obligation to) pay the same; and any amounts so advanced therefor by Landlord shall become an additional obligation of Tenant hereunder, which amounts shall constitute additional rental hereunder, payable by Tenant upon receipt of demand therefor.

## VI COMPLIANCE WITH LAWS

6.1 Compliance With Laws. Tenant shall comply, at its own expense, with all statutes, regulations, rules, ordinances, and orders of any governmental body, department, or agency thereof which apply to or result from Tenant's use or occupancy of the Building and the Premises.

## VII INSURANCE, LIABILITY, AND INDEMNIFICATION

### 7.1 Insurance.

(a) Tenant shall carry fire and extended coverage insurance insuring all partitions, fixtures, additions and other property placed in or about the Premises, and any and all furniture, equipment, supplies, and other property contained therein, such insurance coverage to be in the full replacement value thereof less reasonable deductible.

(b) Tenant also agrees to carry a policy or policies of worker's compensation and comprehensive general liability insurance, including personal injury and property damage, with contractual liability endorsement, in the amount of One Million Dollars (\$1,000,000) for property damage and One Million Dollars (\$1,000,000) for occurrence for personal injuries or deaths of persons occurring in or about the Premises.

(c) Said insurance policies as described in the foregoing Paragraphs (a) and (b) shall: (i) name Landlord as an insured and insure Landlord's contingent liability under this Lease (except for the worker's compensation policy, which shall instead include a waiver of subrogation endorsement in favor of Landlord), (ii) be issued by an insurance company which is reasonably acceptable to Landlord and licensed to do business in the State of South Carolina, and (iii)

N:\directory\joanne\real-estate\leases\wilsonst

provide that said insurance shall not be canceled unless thirty (30) days prior written notice shall have been given to Landlord. Said policy or policies, or certificates thereof, shall be delivered to Landlord by Tenant upon commencement of the term of the Lease and upon each renewal of said insurance.

(d) In addition to insurance for the Premises, Landlord shall carry and pay for fire, casualty, wind and hail insurance on the Building in an amount equal to the full replacement cost of the Building, with no right of proportionate reimbursement from Tenant.

7.2 Waiver of Subrogation. Landlord and Tenant each hereby releases the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss of damage to property caused by fire or any other perils insured in policies of insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, including without limitation any other tenants or occupants of the remainder of the Building; provided, however, that this release shall be applicable and in force and effect only to the extent that such release shall be lawful at that time and in any event only with respect to loss or damage occurring during such time as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder and then only to the extent of the insurance proceeds paid under such policies.

7.3 Indemnify. Either party (the "Indemnifying Party") shall indemnify and shall hold the other harmless from and defend the other party against any and all claims, demands, liability, costs, losses or expenses (including attorney's fees and costs) for any injury or death to any person or damage to any property whatsoever arising out of or in any way relating to any act or omission of the Indemnifying Party or Indemnifying Party's agents, employees, contractors, invitees, licensees, tenants or assignees. In case any action or proceeding be brought against the other party by reason of any claims or liability, the Indemnifying Party agrees to cause such action or proceeding to be defended at Indemnifying Party's sole expense by counsel reasonably satisfactory to the other party. The provisions of this Lease with respect to any claims or liability occurring or caused prior to any expiration or termination of this Lease shall survive such expiration or termination.

7.4 Liability of Landlord. Except as otherwise expressly provided herein, Landlord shall not be liable to Tenant or to any person, firm, corporation, or other business association claiming by, through or under Tenant for failure to furnish or for delay in furnishing any service provided for in this Lease, and no such failure or delay by Landlord shall be an actual or constructive eviction of Tenant nor shall any such failure or delay operate to relieve Tenant from the prompt and punctual performance of each and all the covenants to be performed herein by Tenant; nor for any latent defects in the Premises or Building; nor for defects in the cooling, heating, electric, water, elevator, or other apparatus or systems or for water discharged from sprinkler systems, if any, in the Building; nor for the theft, mysterious disappearance, or loss of any property of Tenant whether from Premises or any part of the Building. Landlord shall not be liable for any interference, disturbance, or act whether caused by another tenant or tenants of Landlord or other person, nor shall Tenant be relieved from any obligation herein because of such interference,

N:\Directory\joanne\real-estate\leases\wilsonst

disturbance, or act. No officer, director, shareholder, or partner of Landlord, or of any partner of Landlord, shall have any personal liability whatsoever with respect to this Lease. Further, Landlord's obligations and liabilities under this Lease shall be limited solely to Landlord's interest in the Building, as such interest is constituted from time to time.

## VIII DEFAULT AND RELATED REQUIREMENTS

### 8.1 Default and Remedies.

(a) The occurrence of any of the following shall constitute an event of default:

(i) The rent (including any additional rent) and any other sum of money payable under this Lease, whether to Landlord or other wise, is not paid within fifteen (15) days of the due date thereof;

(ii) Tenant's interest in the Lease or the Premises shall be subjected to any attachment, levy, or sale pursuant to any order or decree entered against Tenant in any legal proceeding and such order or decree shall not be vacated within thirty (30) days of entry thereof; or

(iii) Tenant breaches or fails to comply with any term, provision, condition, or covenant of this Lease, other than the payment of rent, or with any of the Rules and Regulations now or hereafter established from time to time by Landlord to govern the operation of the Building and such breach or failure is not cured within fifteen (15) days, or such longer period as is necessary if such default is incapable of being cured within fifteen (15) days provided that Tenant has commenced and is diligently pursuing cure, after written notice of such breach or failure is given to Tenant.

(b) Upon the occurrence of an event of default, and following application of any notice and cure period, Landlord shall have to option to do and perform any one or more of the following in addition to, and not in limitation of, any other remedy or right permitted it by law or in equity or by this Lease:

(i) Landlord, with or without terminating this Lease, may immediately or at any time thereafter re-enter the Premises and correct or repair any condition which shall constitute a failure on Tenant's part to keep, observe, perform, satisfy, or abide by any term, condition, covenant, agreement, or obligation of this Lease or of the Rules and Regulations now in effect or hereafter adopted or of any notice given Tenant by Landlord pursuant to the terms of this Lease, and Tenant shall fully reimburse and compensate Landlord on demand for all reasonable expenses.

(ii) Landlord, with or without terminating this Lease, may immediately or at any time thereafter demand in writing that Tenant vacate the Premises and thereupon

N:\Directory\joanne\real-estate\Leases\wilsonst

Tenant shall vacate the Premises and remove therefrom all property thereon belonging to or placed on the Premises by, at the direction of, or with consent of Tenant within sixty (60) days of receipt by Tenant of such notice from Landlord, whereupon Landlord shall have the right to re-enter and take possession of the Premises. Any such demand, re-entry and taking possession of the Premises by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

iii) Landlord, with or without terminating this Lease, may immediately or at any time thereafter re-enter the Premises and remove therefrom Tenant and all property belonging to or placed on the Premises by, at the direction of, or with consent of Tenant. Any such re-entry and removal by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

(iv) Landlord, with or without terminating this Lease, may immediately or at any time thereafter relet the Premises or any part thereof for such time or times, at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, and Landlord may make any alterations or repairs to the Premises which it may deem necessary or proper to facilitate such reletting; and if this Lease shall not have been terminated, Tenant shall continue to pay all rent and all other charges due under this Lease up to and including the date of beginning of payment of rent by any subsequent tenant of part or all of the Premises, and thereafter Tenant shall pay monthly during the remainder of the term of this lease the difference, if any, between the rent and other charges collected from any such subsequent tenant or tenants and the rent and other charges reserved in this Lease, but Tenant shall not be entitled to receive any excess of any such rents collected over the rents reserved herein.

(v) Landlord may immediately or at any time thereafter terminate this Lease, and this Lease shall be deemed to have been terminated upon receipt by Tenant of written notice of such termination; upon such termination Landlord shall recover from Tenant all damages Landlord may suffer by reason of such termination including, without limitation, unamortized sums expended by Landlord for construction of Tenant Improvements, all arrearage in rentals, costs, charges, additional rentals, and reimbursements, the cost (including court costs and attorneys' fees) of recovering possession of the Premises, and, in addition thereto, Landlord at its election shall have and recover from Tenant either (1) an amount equal to the excess, if any, of the total amount of all rents and other charges to be paid by Tenant for the remainder of the term of this Lease over the then reasonable rental value of the Premises for the remainder of the term of this Lease, or (2) the rents and other charges which Landlord would be entitled to receive from Tenant pursuant to the provisions of subparagraph 8.1 (b) (iv) if the Lease were not terminated. Such election shall be made by Landlord by serving

N:\directory\joanne\real-estate\leases\wilsonst



written notice upon tenant of its choice of one of the two said alternatives within thirty (30) days of the notice of termination.

(c) No course of dealing between Landlord and Tenant or any failure or delay on the part of Landlord in exercising any rights of Landlord under this Paragraph 8.1 or under any other provisions of this Lease shall operate as a waiver of any rights of Landlord hereunder or under any other provisions of this Lease, nor shall any waiver of a default on one occasion operate as a waiver of any subsequent default or any other default. No express waiver shall affect any condition, covenant, rule, or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

(d) The exercise by Landlord of any one or more of the rights and remedies provided in this Lease shall not prevent the subsequent exercise by Landlord of any one or more of the other rights and remedies herein provided. All remedies provided for in this Lease are cumulative and may, at the election of Landlord, be exercised alternatively, successively, or in any other manner, and all remedies provided for in this Lease are in addition to any other rights provided for or allowed by law or in equity.

**8.2 Insolvency or Bankruptcy.** The appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment of Tenant for the benefit of creditors, or any action taken or suffered by Tenant or any action against Tenant under any insolvency, bankruptcy, or reorganization act, shall at Landlord's option constitute an event of default under this Lease. Upon the happening of any such event of default or at any time thereafter, this Lease shall terminate five (5) days after written notice of termination from Landlord to Tenant. In no event shall this Lease be assigned or assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency, or reorganization proceedings.

**8.3 Late Payments.** Tenant shall pay, as a late charge in the event any installment of rent, additional rent, or other charge to be paid by Tenant hereunder is not paid within fifteen (15) days of when due, the greater of \$100.00 or an amount equal to five percent (5%) of the amount due (but in no event shall the amount of such late charge exceed an amount based upon the highest legally permissible rate chargeable at any time by Landlord under the circumstances). Tenant shall also pay, as a late charge, an amount equal to one and one-half percent (1.5%) of the amount due to Landlord hereunder, for each thirty (30) day period that such amount remains unpaid, commencing upon the end of the first (1st) thirty (30) day period after the due date of such amount. Should Tenant make a partial payment of past due amounts, the amount of such partial payment of past due amounts, the amount of such partial payment shall be applied first to reduce all accrued and unpaid late charges, in inverse order of their maturity, and then to reduce all other past due amounts, in inverse order of their maturity. If any rent, additional rent, or other debt owing by one party to the other hereunder is collected by or through an attorney at law, the prevailing party shall be entitled to collect its reasonable actual attorneys' fees and costs incurred in the collection of such rent or other debt.

**8.4 Waiver of Homestead.** Tenant hereby waives and renounces all homestead or

N:\Directory\jocanne\real-estate\cases\wilsonst

exemption rights which Tenant may have under or by virtue of the Constitutions and Laws of the United States, the State of South Carolina, and any other State, as against any debt or sum Tenant may owe Landlord under this Lease and hereby transfers, conveys, and assigns to Landlord all homestead or exemption rights which may be allowed or set apart to Tenant, including such as may be set apart in any bankruptcy proceeding, to pay any debt or sum owing by Tenant to Landlord hereunder.

8.5 No Waiver of Rights. No failure or delay of Landlord to exercise any right or power given it herein or to insist upon strict compliance by Tenant of any obligation imposed on it herein and no custom or practice of either party hereto at variance with any term hereof shall constitute a waiver or a modification of the terms hereof by Landlord or any right it has herein to demand strict compliance with the terms hereof by Tenant. No person has or shall have any authority to waive any provision of this Lease unless such waiver is expressly made in writing and signed by an authorized officer of Landlord.

## IX MISCELLANEOUS PROVISIONS

9.1 Broker. Each party represents and warrants to the other that, no broker, agent, commission salesman, or other person has represented Tenant in the negotiations for and procurement of this Lease and of the Premises and that no commissions, fees, or compensation of any kind are due and payable in connection herewith to any broker, agent, commission salesman, or other person. Tenant agrees to indemnify and hold Landlord harmless from any and all claims, suits, demands, costs, liability, or judgments (including, without limitation, reasonable attorney's fees and court costs incurred in connection with any such claims, suits, or judgments or in the enforcement of this indemnity) for any fees, commissions connected with any claimed agency relationship with Tenant. Tenant further agrees that, in the event (i) this Lease shall terminate prior to the Expiration Date as a result of any default hereunder by Tenant, or (ii) Landlord shall exercise any of Landlord's rights and remedies pursuant to Paragraph 8.1 (b) as a result of Tenant's default, whether or not this Lease is terminated, then in either of such events Tenant shall reimburse Landlord for the amount of any commission owing or paid to any such broker or brokers with respect to this Lease, or any portion of the term hereof, after such default.

9.2 Addresses and Notices. All notices or other communications required or desired to be given with respect to this Lease shall be in writing and shall be delivered by hand or by courier service to the Premises (if to Tenant) or the address hereinafter provided, or sent by registered or certified mail, return receipt requested, bearing adequate postage and properly addressed as hereinafter provided. Each notice given by mail shall be deemed given and received on the date such notice shall have been postmarked by the U.S. Postal Service; each notice delivered by hand or by courier service shall be deemed to have been given and received when actually received by the party intended to receive such notice. In the event of a change of address by either party, such party shall give written notice thereof in accordance with the foregoing, except that such notice of change of address shall be deemed to have been given only when actually received.

a. Landlord: Rollin McKim and Janice McKim

N:\directory\joanne\real-estate\leases\wilsonst

20 Towne Square, PMB 390  
Bluffton, SC 29910

b. Tenant: Dennis Corporation  
5000 Thurmond Mall, Suite 114  
Columbia, South Carolina 29201  
Attention: Daniel R. Dennis, III

Rejection or other refusal to accept or inability to deliver because of changed address or status of which no notice was given shall be deemed to be receipt of the notice sent.

9.3 Entire Agreement and Exhibits. This Lease constitutes and contains the sole and entire agreement of Landlord and Tenant and no prior or contemporaneous oral or written representation or agreement between the parties and affecting the Premises shall have legal effect. The content of each and every exhibit which is referenced in this Lease as being attached hereto is incorporated into this Lease as fully as if set forth in the body of this Lease.

9.4 Subordination and Attornment. This Lease and all rights of Tenant hereunder are and shall be subject and subordinate to the lien of any mortgage, deed to secure debt, deed of trust, or other instrument in the nature thereof which may now or hereafter affect Landlord's fee title to the Premises and to any other instrument encumbering the fee title of the Premises and to any modifications, renewals, consolidations, extensions, or replacements thereof, including, without limitation, any declaration of covenants, conditions, and restrictions, and amendments thereto, that may not or hereafter affect Landlord's fee title to the Premises. The above subordination shall be self-operative, and no further instrument of subordination shall be necessary to evidence such subordination. In confirmation of such subordination, Tenant shall, upon demand, at any time or times, execute, acknowledge, and deliver to Landlord or the holder of any such mortgage, deed to secure debt, deed of trust, or other instrument, without expense, any and all instruments that may be requested by Landlord or such holder to evidence the subordination of this Lease and all rights hereunder to the lien of any such mortgage, deed to secure debt, deed of trust, or other instrument, and each such renewal, modification, consolidation, replacement, and extension thereof, and if Tenant shall fail at any time, within ten (10) days following the giving of a written request therefor, to execute, acknowledge, and deliver any such instrument, Landlord or such holder, in addition to any other remedies available to it in consequence thereof, may execute, acknowledge, and deliver the same as the attorney-in-fact of Tenant and in Tenant's name, place, and stead, and Tenant hereby irrevocably makes, constitutes, and appoints Landlord or such holder, and their respective successors and assigns, such attorney-in-fact for that purpose. Tenant shall, upon demand, at any time or times, execute, acknowledge, and deliver to Landlord or to the holder of any mortgage, deed to secure debt, deed of trust, or other instrument affecting or encumbering the fee title of the Premises, without expense, any and all instruments that may be necessary to make this Lease superior to the lien of any such mortgage, deed to secure debt, deed of trust or other instrument, and each renewal, modification, consolidation, replacement, and extension thereof, and, if Tenant shall fail at any time, within ten (10) days following the giving of a written request therefor, to execute, acknowledge, and deliver any such instrument, Landlord or such holder, in addition to any other remedies available to it in consequence thereof, may execute, acknowledge, and deliver the same as the attorney-in-fact of

N:\Directory\Joanne\real-estate\leases\wilsonst

Tenant and in Tenant's name, place, and stead, and Tenant hereby irrevocably makes, constitutes, and appoints Landlord or such holder, and their respective successors and assigns, such attorney-in-fact for that purpose. If the holder of any mortgage, deed to secure debt, deed of trust or other instrument affecting or encumbering the fee title of the Premises shall hereafter succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease, Tenant shall, at the option of such holder, attorn to and recognize such successor as Tenant's landlord under this Lease and shall promptly execute and deliver any instrument that may be necessary to evidence such Attornment, and Tenant hereby irrevocably appoints Landlord or such holder the attorney-in-fact of Tenant to execute and deliver such instrument on behalf of Tenant should Tenant refuse and fail to do so within ten (10) days after Landlord or such holder shall have given notice to Tenant requesting the execution and delivery of such instrument. Upon such Attornment, this Lease shall continue in full force and effect as a direct lease between such successor landlord and Tenant, subject to all of the terms, covenants, and conditions of this Lease.

**9.5 Estoppel Certificate.** At any time and from time to time, Tenant, on or before the date specified in a request therefor made by Landlord, which date shall not be earlier than ten (10) days from the making of such request, shall execute, acknowledge, and deliver to Landlord a certificate evidencing whether or not (i) this Lease is in full force and effect, (ii) this Lease has been amended in any way, (iii) there are any existing defaults on the part of Landlord hereunder to the knowledge of Tenant and specifying the nature of such default, if any, (iv) the date to which rent, and other amounts due hereunder, if any, have been paid, and (v) any other reasonable information pertaining to the Lease or to the Premises that Landlord may request. Each certificate delivered pursuant to this Paragraph may be relied on by any prospective purchaser or transferee of Landlord's interest hereunder or of any part of Landlord's property or by any mortgagee of Landlord's interest hereunder or of any part of Landlord's property or by an assignee of any such mortgagee.

**9.6 Severability.** If any clause or provision of this Lease is or becomes illegal, invalid, or unenforceable because of present or future laws or any rule or regulation of any governmental body or entity, effective during its term, the intention of the parties hereto is that the remaining parts of this Lease shall not be affected thereby, unless such invalidity is, in the sole determination of Landlord, essential to the rights of both parties in which event Landlord has the right to terminate this Lease on written notice to Tenant.

**9.7 Captions.** The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof.

**9.8 Successors and Assigns.** The provisions of this Lease shall inure to the benefit of and be binding upon Landlord and Tenant, and their respective successors, heirs, legal representatives, and assigns. It is understood and agreed that the term "Landlord", as used in this Lease, means only the owner(s) from time to time of the Building and/or the land underlying the Building.

**9.9 Applicable Law.** The laws of the State of South Carolina shall govern the interpretation, validity, performance, and enforcement of this Lease.

N:\directory\joanne\real-estate\cases\wilsonst

9.10 Time is of the Essence. Time is of the essence of this Lease.

9.11 Execution. This lease may be executed in any number of counterparts, each of which shall be deemed an original and any of which shall be deemed to be complete in itself and may be introduced into evidence or used for any purpose without the production of the other counterparts. No modification or amendment of this Lease shall be binding upon the parties unless such modification or amendment is in writing and signed by Landlord and Tenant.

9.12 Force Majeure. Landlord shall be excused for the period of any reasonable delay and shall not be deemed in default with respect to the performance of any of the terms, covenants, and conditions of this Lease when prevented from so doing by a cause or causes beyond the Landlord's control, which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, inability to obtain any material services, acts of God, inclement weather or any other cause not within the reasonable control of the Landlord ("Force Majeure").

9.13 Multiple Tenants. If more than one individual or entity comprises and constitutes Tenant, then all individuals and entities comprising Tenant are and shall each be jointly and severally liable for the due and proper performance of Tenant's duties and obligations arising under or in connection with this Lease.

9.14 No Recordation of Lease. This Lease is not in recordable form, and Tenant agrees not to record or permit the recording of this Lease. Landlord agrees, at Tenant's request, to record a Memorandum of Lease memorializing the Lease and setting forth the Tenant's right of first refusal provided for below.

9.15 Right of First Refusal. As additional consideration for the rents paid hereunder, Landlord hereby grants to Tenant a right of first refusal to purchase the Building on the same terms and conditions as any offer presented to Landlord. Prior to any conveyance of the Building by Landlord, Landlord shall submit to Tenant in writing the terms on which Landlord has agreed to sell the Building (the "Offer"). Tenant shall have thirty (30) days (the "Offer Period") from receipt of such written notice to notify Landlord of its election to purchase the Building on the same terms as the Offer. If Tenant notifies Landlord in writing of its election to purchase the Building on the terms set forth in the Offer, Landlord shall sell the Building to Tenant on such terms. Closing shall occur within thirty (30) days of such notice from Tenant to Landlord. Landlord shall be responsible for such closing costs as are customary in Beaufort County, South Carolina for sellers and Tenant shall be responsible for buyer's customary closing costs. In the event that Tenant does not notify Landlord of its intention to purchase the Building within the Offer Period, Tenant shall be deemed to have waived its right of first refusal and Landlord may proceed to sell the Building at the terms set forth in the Offer; provided however, Landlord may not sell the Building on any terms different from those set forth in the Offer.

N:\Directory\Joanne\real-estate\leases\wilsonst

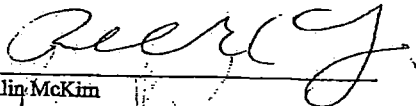
9.16. Publicity/Confidentiality: All notices to third parties (including employees) and other publicity concerning the transaction contemplated by this Lease shall be jointly planned and coordinated by and among the parties hereto. Each party recognizes the need for confidentiality of certain information pertaining both to this transaction. Therefore, each party and their agents and representatives will hold in strict confidence all data and information obtained from the other or any of their officers, agents or representatives pertaining to this Lease; provided however, that nothing contained in this paragraph 9.16 shall prohibit either party from disclosing the terms of this Lease to its respective lender, accountant, attorney, or to any governmental agency which may require a copy.

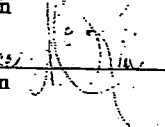
*Signature page to follow.*

N:\directory\jeanne\real-estate\leases\wilsonst

IN WITNESS WHEREOF, the parties hereto have duly executed this instrument in duplicate, individually or through their respective authorized officers, agents, or attorneys-in-fact, as the case may be, causing their respective seals to be affixed hereto, the day and year set forth to the left of their respective executions, the latest of which is and shall be deemed to be the date of this Lease.

Landlord:

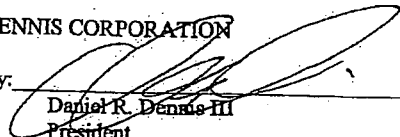
  
Rollin McKim

  
Janice McKim

Tenant:

DENNIS CORPORATION

By:

  
Daniel R. Dennis III  
President

N:\directory\joanne\real-estate\leases\wilsonst

# DENNIS CORPORATION

www.denniscorporation.com

January 21, 2011

JRC Properties, LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910

Dear Rollin:

Effective January 31, 2011, Dennis Corporation will terminate our lease agreement per paragraph 2.2 of the lease.

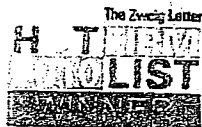
If you have any questions, please feel free to contact me at 803.600.3667.

Sincerely,

Daniel R. Dennis, III  
President



1800 Huger Street • Columbia • South Carolina • 29201 • Ph 803-252-0991 • Fax 803-733-6787



2010 Project  
Achievement Award  
Recipient



DC000183



STATE OF SOUTH CAROLINA )

COUNTY OF BEAUFORT )

JRC Properties, LLC, )

Plaintiff, )

vs. )

Dennis Corporation, a South Carolina )  
Corporation, and Daniel R. Dennis, III, )

Defendants. )

IN THE COURT OF COMMON PLEAS

C/A NO.: 2013-CP-07-02131

**ANSWER OF DEFENDANTS**

The Defendants, Dennis Corporation and Daniel R. Dennis, III, answer the Plaintiff's Complaint as follows, subject to their motion to dismiss previously made:

**FOR A FIRST DEFENSE**

1. They deny each and every allegation not specifically admitted.
2. Regarding paragraph 1, they admit only that Dennis Corp. is a South Carolina corporation and that it performed work in Beaufort County; however, its principal place of business is in Richland County and venue is proper in Richland County.
3. Regarding paragraph 2, they admit only that Daniel R. Dennis, III is a resident of Richland County and is the principal owner of Dennis Corporation.
4. They deny paragraph 3.
5. Regarding paragraphs 4, 5, 6, and 7 they crave reference to the agreement and deny any allegations inconsistent with the agreement.
6. Regarding paragraph 8, they crave reference to the January 21, 2011 letter and deny any allegations inconsistent with the letter.



7. They deny paragraphs 9 and 10.
8. Regarding paragraphs 11, 12, and 13, the Defendants acknowledge that they have received payments from Beaufort County for work performed but deny the remaining allegations.
9. They deny paragraphs 14 and 15.
10. Regarding paragraph 16, they crave reference to the lease and deny any allegations inconsistent with the lease.
11. Regarding paragraph 17, they reallege the above paragraphs as if repeated verbatim.
12. Regarding paragraph 18, Defendants crave reference to the agreement and deny any allegations inconsistent with the agreement.
13. They deny paragraphs 19, 20, and 21.
14. Regarding paragraph 22, they reallege the above paragraphs as if repeated verbatim.
15. Regarding paragraph 23, Defendants admit they received payments from Beaufort County for work performed on a separate contract and deny the remaining allegations.
16. The Defendants deny paragraphs 24 through 29.
17. Regarding paragraph 30, they reallege the above paragraphs as if repeated verbatim.
18. They deny paragraphs 31 through 34.

**FOR A SECOND DEFENSE**

19. The Complaint fails to state facts sufficient to constitute a cause of action against the Defendant, Daniel R. Dennis, III.

**FOR A THIRD DEFENSE**

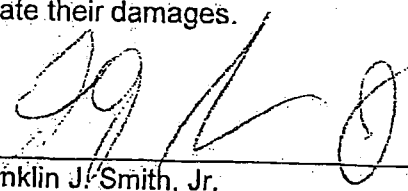
20. The Defendants' actions do not impact the public interest; and therefore, Plaintiff fails to state facts sufficient to constitute a cause of action under the Unfair Trade Practices Act.

**FOR A FOURTH DEFENSE**

21. The Plaintiff fails to state facts sufficient to constitute an action in conversion in that the Plaintiff had no right to any specific funds paid by Beaufort County to the Defendants.

**FOR A FIFTH DEFENSE**

22. The Plaintiff has failed to mitigate their damages.



Franklin J. Smith, Jr.  
Richardson Plowden & Robinson, P.A.  
1900 Barnwell Street (29201)  
P.O. Drawer 7788  
Columbia, SC 29202  
Phone: (803) 771-4400  
E-mail: [fsmith@richardsonplowden.com](mailto:fsmith@richardsonplowden.com)  
**Attorneys for Defendants**

December 2, 2013  
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

IN THE COURT OF COMMON PLEAS  
CASE NO. 2012-CP-07-3120

**PLAINTIFF'S FIRST REQUEST  
FOR ADMISSIONS**

TO: THE ABOVE-NAMED DEFENDANTS, AND ATTORNEY:

Please take notice that the Plaintiff, by and through its undersigned attorney, hereby serves the following request for admissions upon you pursuant to Rule 36 of the South Carolina Rules of Civil Procedure:

**ADMIT OR DENY THE FOLLOWING:**

1. That the letter signed by Defendant Daniel R. Dennis, III and dated January 21, 2011, a copy of which is attached hereto as Exhibit "A", is genuine and authentic.
2. That the Defendants informed Beaufort County on February 8, 2011 that the parties' lease was terminated on January 31, 2013.
3. That the Defendants made no rental payments to the Plaintiff for the following months: October, November and December of 2010, and January of 2011.
4. That the letter from Plaintiff to Defendant Dennis Corporation and dated February 11, 2011, a copy of which is attached hereto as Exhibit "B", is genuine and authentic.
5. That Defendant Daniel R. Dennis, III accompanied Plaintiff's representative on an inspection of the leased premises and reviewed physical damage to the leased premises during such inspection.



**BOLCHOZ LAW FIRM, PA**

By: \_\_\_\_\_

  
Sean Michael Bolchoz

Attorney for Plaintiff

6 Buckingham Plantation Drive, Suite B

P.O. Box 828

Bluffton, SC 29910

(843) 836-3033

Bluffton, South Carolina

January 3<sup>rd</sup>, 2014

\\Seanbolchoz-pc\H to M Clients\McKin, Rollin - BL006\request - to admit.wpd

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC,

Plaintiff,

vs.

Dennis Corporation, as South Carolina  
Corporation, and Daniel R. Dennis, III,

Defendants.

C.A. No.: 2012-CP-07-3120

RESPONSE TO REQUEST TO ADMIT

1. Admit.
2. Denied.
3. Denied.
4. It is admitted that this letter was sent from the Plaintiff to Defendant.
5. Denied.

MOORE TAYLOR LAW FIRM, P.A.

BY:

S. Jahie Moore  
1700 Sunset Boulevard  
P. O. Box 5709  
West Columbia, SC 29171  
(803) 796-9160

ATTORNEY FOR THE DEFENDANTS

West Columbia, South Carolina  
January 14, 2014



STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC,

Plaintiff,

vs.

Dennis Corporation, as South Carolina  
Corporation, and Daniel R. Dennis, III,

Defendants.

C.A. No.: 2012-CP-07-3120

**DEFENDANTS' RESPONSES  
TO PLAINTIFF'S FIRST  
INTERROGATORIES**

TO: SEAN MICHAEL BOLCHOZ, ESQUIRE, COUNSEL FOR THE PLAINTIFF:

The Plaintiff, by and through its undersigned attorney, hereby requires the Defendant above-named to answer under oath the Interrogatories hereinafter set forth, and to serve a copy of said answers thereto upon the undersigned at the office of Bolchoz Law Firm, PA, P.O. Box 828, Bluffton, S.C., 29910 within thirty (30) days after service thereof, in accordance with Rule 33 of the South Carolina Rules of Civil Procedure.

1. Identify the person answering these Interrogatories on your behalf and all persons assisting in answer the Interrogatories.

**RESPONSE:**

S. Jahue Moore  
P.O. Box 5709  
West Columbia, SC 29171

2. Give the names and address of persons known to the parties or counsel to be witnesses concerning the facts of the case and indicate whether or not written or recorded statements have been taken from the witness and indicate who has possession of such statements.

**RESPONSE:**

a. Dan Dennis  
c/o Dennis Corporation



1800 Huger Street  
Columbia, SC 29201

b. Amber Hunting  
c/o Dennis Corporation  
1800 Huger Street  
Columbia, SC 29201

c. Various witnesses from Beaufort County and from Dennis Corporation whose names presently are unknown

3. Set forth a list of photographs, plats, sketches or other prepared documents in possession of the party that relate to the claim or defense in the case.

**RESPONSE:**

Dennis Corporation is in possession of a lease between the parties and various photographs of the premises and the condition they were left.

4. Identify every person known to you who may have any knowledge of, information or for possession of any of the documents or tangible objects referred to in response to the preceding Interrogatory.

**RESPONSE:**

Dennis Corporation will testify as to the way the lease was canceled and as to the condition of the premises when they were vacated as well as the condition when they were occupied.

5. set forth the names and addresses of all insurance companies which have liability insurance coverage relating to the claim and set forth the number or number of the policies involved and the amount or amounts of liability coverage provided in each policy.

**RESPONSE:**

None.

6. List the names and addresses of any expert witnesses whom the party proposes to use as a witness at the trial of the case.

**RESPONSE:**

None at this time.



7. State the subject matter on which each expert is expected to testify and state the substance of the facts and opinions to which each expert is expected to testify and a summary of the grounds for each opinion.

**RESPONSE:**

**Does not apply.**

8. As to each expert listed in response to the above Interrogatories, provide a resume of his training, qualifications and experience, including a list of schools of higher learning which he has attended, the degrees which he received, the professional societies of which he is a member and the identity and location of all publications which he has authored or contributed to.

**RESPONSE:**

**Does not apply.**

9. For each person known to the parties or counsel to be a witness concerning the facts of the case, set forth either a summary sufficient to inform the other party of the important facts known to or observed by such witness, or provide a copy of any written or recorded statements taken from such witness.

**RESPONSE:**

**See answers above.**

10. Do you contend that you could not have, by the exercise of reasonable care, prevented the events described in the Complaint? If so, please state each and every fact and circumstance and any documents upon which you rely to support this alleged contention.

**RESPONSE:**

**This Interrogatory is believed not to apply.**

11. Do you contend any person or entity other than you is, or may be, liable in whole or in part for the claims asserted against you in this lawsuit? If so, state the full name and address of each such person or entity, the legal basis for your contention, the facts or evidence

upon which your contention is based, and whether or not you have notified each such person or entity of your contention.

**RESPONSE:**

None.

12. Set forth any and all exhibits the Defendants intend to introduce at trial.

**RESPONSE:**

Photographs; lease; possibly other business records at this time unknown.

13. Identify any and all payments made by Beaufort County to the Defendants between January 21, 2011 and July 12, 2011, setting forth the following information for each such payment: the payment amount, the date of payment and the purpose for such payment.

**RESPONSE:**

The answer to this question is unknown but will be supplemented.

14. Identify any and all payments made the Defendants to any and all sub consultants, firms and/or any persons or entities who provided services or materials to the Defendants, during their tenancy of the leased premises, between January 21, 2011 and July 12, 2011, setting forth the following information for each such payment: the payment amount, the date of payment and the purpose of such payment.

**RESPONSE:**

The answer to this question is unknown but will be supplemented.

15. Set forth the following information regarding the Defendants' monthly payments to the Plaintiff:

- a. For the October 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;

- b. For the November 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;
- c. For the December 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;
- d. For the January 2011 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same.

**RESPONSE:**

The answer to this question is unknown but will be supplemented.

- 16. If you denied Plaintiff's Request for Admissions Number 1, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

**RESPONSE:**

The Requests to Admit which were denied were denied because the Defendant does not know them to be true.

- 17. If you denied Plaintiff's Request for Admissions Number 2, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

**RESPONSE:**

The Requests to Admit which were denied were denied because the Defendant does not know them to be true.

- 18. If you denied Plaintiff's Request for Admissions Number 3, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

**RESPONSE:**

The Requests to Admit which were denied were denied because the Defendant does not know them to be true.

- 19. If you denied Plaintiff's Request for Admissions Number 4, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

**RESPONSE:**

The Requests to Admit which were denied were denied because the Defendant does not know them to be true.

20. If you denied Plaintiff's Request for Admissions Number 5, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

**RESPONSE:**

The Requests to Admit which were denied were denied because the Defendant does not know them to be true.

MOORE TAYLOR LAW FIRM, P.A.

BY:

S. Jahue Moore  
1700 Sunset Boulevard  
P. O. Box 5709  
West Columbia, SC 29171  
(803) 796-9160

ATTORNEY FOR THE DEFENDANTS

West Columbia, South Carolina  
January 14, 2014

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC,

Plaintiff,

vs.

Dennis Corporation, a South Carolina  
Corporation, and Daniel R. Dennis, III,

Defendants.

C.A. No.: 2012-CP-07-3120

**DEFENDANTS' SUPPLEMENTAL  
RESPONSES TO PLAINTIFF'S  
FIRST INTERROGATORIES**

2. Give the names and address of persons known to the parties or counsel to be witnesses concerning the facts of the case and indicate whether or not written or recorded statements have been taken from the witness and indicate who has possession of such statements.

Dan R. Dennis, III  
c/o Dennis Corporation  
1800 Huger Street  
Columbia, SC 29201  
No statement taken.

Frank Hribar  
7 Indigo Springs Court  
Columbia, SC 29229  
No statement taken.

Amber Hunting  
1401 Sunnyside Drive  
Cayce, SC 29033  
No statement taken.

4. Identify every person known to you who may have any knowledge of, information of or possession of any of the documents or tangible objects referred to in response to the preceding Interrogatory.

Dan R. Dennis, III  
c/o Dennis Corporation  
1800 Huger Street  
Columbia, SC 29201



9. For each person known to the parties or counsel to be a witness concerning the facts of the case, set forth either a summary sufficient to inform the other party of the important facts known to or observed by such witness, or provide a copy of any written or recorded statements taken from such witness.

Dan Dennis will testify with regard to the lease, the condition of the property, and payments made to the Plaintiff.

Frank Hribar will testify as to the files and equipment that he removed from the building and the condition of the building at that time.

Amber Hunting will testify that she supervised removal of furniture, boxes, appliances, miscellaneous office supplies and equipment from the building.

All will testify that the leased building was not damaged and left in reasonable condition for purposes as general office during January 2008 and January 2011.

13. Identify any and all payments made by Beaufort County to the Defendants between January 21, 2011 and July 12, 2011, setting forth the following information for each such payment: the payment amount, the date of payment and the purpose for such payment.

Attached are copies of all payments made by Beaufort County, dated January 21, 2011 through July 12, 2011, for professional services rendered.

14. Identify any and all payments made the Defendants to any and all sub consultants, firms and/or any persons or entities who provided services or materials to the Defendants, during their tenancy of the leased premises, between January 21, 2011 and July 12, 2011, setting forth the following information for each such payment: the payment amount, the date of payment and the purpose of such payment. The answer to this question is unknown but will be supplemented.

Attached are copies of any and all payments made to any and all sub consultants, firms and/or any persons or entities that provided services or materials to Defendants between January 21, 2011 and July 12, 2011.

15. Set forth the following information regarding the Defendants' monthly payments to the Plaintiff:

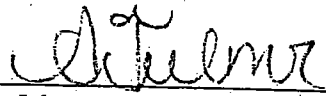
- a. For the October 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;
- b. For the November 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;
- c. For the December 2010 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same;
- d. For the January 2011 payment, the payment amount, the date of payment, manner of payment (i.e., check, cash, money order), and method of delivery of same.

Defendants made no payments to the Plaintiff during the time period October 2010 through January 2011.

18. If you denied Plaintiff's Request for Admissions Number 3, set forth the grounds and/or factual basis for such denial, and identify any documentation in support of such denial.

At the time the Request for Admissions were responded to, it was not known to be true.

MOORE TAYLOR LAW FIRM, P.A.

BY: 

S. Jahue Moore  
1700 Sunset Boulevard  
P. O. Box 5709  
West Columbia, SC 29171  
(803) 796-9160

ATTORNEYS FOR DEFENDANTS

West Columbia, South Carolina  
June 5, 2014

Beaufort County  
Post Office Drawer 1228  
Beaufort, South Carolina 29901-1228  
(843) 255-2280

1769

VOID AFTER 90 DAYS

First Citizens Bank  
67-148  
532

Check Number 6990

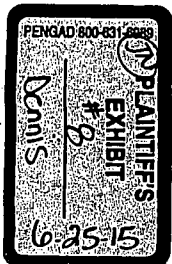
| Vendor No. | Check Date | Check Amount |
|------------|------------|--------------|
| 9722       | 01/19/2011 | \$503,327.00 |

\*\*\*\*\*503,327 DOLLARS AND 08 CENTS\*\*\*\*\*

Pay To The Order Of DENNIS CORPORATION  
1800 HUGER ST.  
COLUMBIA SC 29201

*Joy Logan*  
Treasurer

⑈699001⑈ ⑆053201487⑆290003894001⑈





Beaufort County  
Post Office Drawer 1228  
Beaufort, South Carolina 29901-1228  
(843) 255-2290

First Citizens Bank  
87-148  
532

Check Number **7032**

Vendor No. **9/22** Check Date **05/20/2011** Check Amount **\$212,000.00**

VOID AFTER 90 DAYS

\*\*\*\*\*212,000 DOLLARS AND NO CENTS\*\*\*\*\*

Pay To The Order Of **DENNIS CORPORATION**  
**1800 HUGER ST.**  
**COLUMBIA SC 29201**

*Joy Logan*  
Treasurer

THIS CHECK IS VOID UNLESS IT IS PAID TO THE ORDER OF THE BEAUFORT COUNTY CLERK'S OFFICE. IF IT IS NOT, IT IS VOID.

⑈703263⑈ ⑆053201487⑆290003894001⑈



DC000200

EXHIBIT 10

PHOTOS

RETAINED BY  
SEAN MICHAEL BOLCHOZ, ESQUIRE

---

*Garber Reporting Service*

*Certified Court Reporters*

*Post Office Box 12348*

*Columbia, South Carolina 29211*

*(803) 256-4500*

DC000201

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC,

Plaintiff,

vs.

Dennis Corporation, a South Carolina  
Corporation, and Daniel R. Dennis, III,

Defendants:

C.A. No.: 2012-CP-07-3120

**AFFIDAVIT OF DAN DENNIS**

PERSONALLY appeared before me Dan Dennis who, upon first being duly sworn, states as follows:

I am the president of Dennis Corporation. I signed a lease agreement with the Plaintiff. A copy of which is attached. The agreement was between the Plaintiff and Dennis Corporation.

Pursuant to Section 2.1 of the lease, it was for a term of five years. Pursuant to Section 2.2 of the lease, I had the right to early termination in the event my company's contract with Beaufort County was terminated.

My contract with Beaufort County was terminated. I exercised our right to terminate the lease pursuant to Section 2.2 of the lease. Attached hereto is a copy of the letter sent January 21, 2011.

I do not owe the late charges which are being billed.

There was no damage to the property other than reasonable wear and tear. We vacated the premises in November of 2010. The Plaintiff had a security deposit which should have covered the last month's rent.

We had posted a security deposit in the amount of one month's rent.



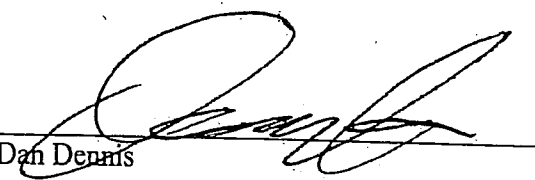
7

I do not owe any rent. If any rent is due it would only be for one month. My company has never had the return of its security deposit.

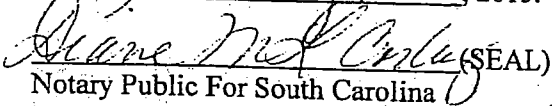
We did no damage to the building and we do not owe any late fee.

Attached hereto is an invoice showing what we are being billed. I do acknowledge we owe one month's rent. The late fees are not owed and the damages alleged to have taken place did not happen.

FURTHER, Affiant sayeth not.

  
Dan Dennis

SWORN to before me this 10<sup>th</sup>  
day of February, 2015.

  
(SEAL)  
Notary Public For South Carolina

My Commission Expires: 3-31-2018

From: Dennis, Dan <ddennis@denniscorporation.com>  
To: 'remartantiques@aol.com' <remartantiques@aol.com>  
Cc: Mackay, Susie <smackay@denniscorporation.com>  
Subject: Re: SC 802 Payments  
Date: Mon, May 2, 2011 4:42 pm

Rollin

We are waiting on a final check.

Dan

From: REMARTANTIQUES@aol.com [mailto:REMARTANTIQUES@aol.com]  
Sent: Monday, May 02, 2011 12:06 PM  
To: Dennis, Dan  
Subject: Re: SC 802 Payments

Dan ~

Did you make any progress with Beaufort County?

It would be good to get this paid. Our current balance with last month's interest added is \$25,350.57, copy mailed you today.

Thanks,

Rollin McKim  
JRC Properties LLC

In a message dated 4/25/2011 8:36:20 AM Mountain Daylight Time, [ddennis@denniscorporation.com](mailto:ddennis@denniscorporation.com) writes:

Sun,

I am meeting with the Beaufort County Attorney, Lad Howell, and the Deputy County Administrator on Wed April 27th.

Sincerely,

Dan

From: SBreza <[SBreza@ecslimited.com](mailto:SBreza@ecslimited.com)>  
To: Dennis, Dan  
Sent: Mon Apr 25 09:09:18 2011  
Subject: SC 803 Payments

Morning Dan,



Are you making any progress? Corporate is putting a lot of pressure on sending this to collections, but based on your word and your keeping me in the loop. I am trusting that we will get paid our small sum of

money with respect to your fees. I am holding them at bay for now.

Have a good day,

**SUN BREZA, PE, M.ASCE**

Vice President/Principal Engineer

ECS SOUTHEAST, LLC 1306 Heidt Avenue, Suite A, Savannah, GA 31408

T: 912-228-4635 D: C: 912-210-3094 F: 912-966-9931 [www.ecslimited.com](http://www.ecslimited.com)

*Confidential/proprietary message/attachments. Delete message/attachments if not intended recipient.*

JRC Properties LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910  
970-391-0640

*Marked*  
*5-2-11*

May 02, 2011

**STATEMENT OF RENTS AND FEES PAYABLE**

**Dennis Corporation**

| <u>ITEM</u>                                              | <u>DATE</u>       | <u>AMOUNT</u>      |
|----------------------------------------------------------|-------------------|--------------------|
| October 2010 Rent                                        | October 01, 2010  | \$4,990.67         |
| 5% Late Charge, October 2010 Rent                        | October 16, 2010  | 249.53             |
| 1.5% Late Charge, October rent, October                  | November 01, 2010 | 74.86              |
| 1.5% Late Charge, October rent, November                 | December 01, 2010 | 74.86              |
| 1.5% Late Charge, October rent, December                 | January 01, 2011  | 74.86              |
| November 2010 Rent                                       | November 01, 2010 | 4990.67            |
| 5% Late Charge, November 2010 Rent                       | November 16, 2010 | 249.53             |
| 1.5% Late Charge, November rent, November                | December 01, 2010 | 74.86              |
| 1.5% Late Charge, November rent, December                | January 02, 2011  | 74.86              |
| December 2010 Rent                                       | December 01, 2010 | 4990.67            |
| 5% Late Charge, December 2010 Rent                       | December 16, 2010 | 249.53             |
| 1.5% Late Charge, December Rent, December                | January 01, 2011  | 74.86              |
| January 2011 Rent                                        | January 01, 2011  | 4990.67            |
| 5% Late Charge, January 2011 Rent                        | January 16, 2011  | 249.53             |
| 1.5% Late Charge, October rent, January                  | February 01, 2011 | 74.86              |
| 1.5% Late Charge, November rent, January                 | February 01, 2011 | 74.86              |
| 1.5% Late Charge, December rent, January                 | February 01, 2011 | 74.86              |
| 1.5% Late Charge, January rent, January                  | February 01, 2011 | 74.86              |
| 1.5% Late Charge, October rent, February                 | March 01, 2011    | 74.86              |
| 1.5% Late Charge, November rent, February                | March 01, 2011    | 74.86              |
| 1.5% Late Charge, December rent, February                | March 01, 2011    | 74.86              |
| 1.5% Late Charge, January rent, February                 | March 01, 2011    | 74.86              |
| 1.5% Late Charge, October rent, March                    | April 01, 2011    | 74.86              |
| 1.5% Late Charge, November rent, March                   | April 01, 2011    | 74.86              |
| 1.5% Late Charge, December rent, March                   | April 01, 2011    | 74.86              |
| 1.5% Late Charge, January rent, March                    | April 01, 2011    | 74.86              |
| 1.5% Late Charge, October rent, April                    | May 01, 2011      | 74.86              |
| 1.5% Late Charge, November rent, April                   | May 01, 2011      | 74.86              |
| 1.5% Late Charge, December rent, April                   | May 01, 2011      | 74.86              |
| 1.5% Late Charge, January rent, April                    | May 01, 2011      | 74.86              |
| <u>Rents Payable:</u>                                    |                   | <u>\$22,607.72</u> |
| Damages to walls and carpet beyond normal wear and tear: |                   | \$7,421.60         |
| Less: Security Deposit:                                  |                   | (\$4,678.75)       |
| <u>Total Owning JRC Props</u>                            |                   | <u>\$25,350.57</u> |



JRC Properties LLC

July 5, 2011

Dennis Corporation

Re: Residual rents & late fees due

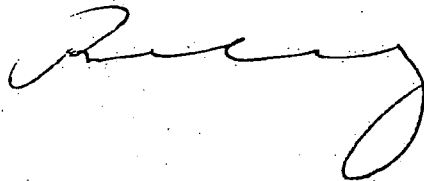
Dear Dan:

We would like to get this settled up, and will be proceeding soon to legal action.

We presume you have settled with the county recently, and wonder what holds up taking care of our balance?

Enclosed, find current statement of rents and fees due us.

Sincerely,



Rollin E. McKim, Jr.

JRC Properties LLC





JRC Properties LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910  
970-391-0640

July 1, 2011

STATEMENT OF RENTS AND FEES PAYABLE

**Dennis Corporation**

| <u>ITEM</u>                               | <u>DATE</u>       | <u>AMOUNT</u> |
|-------------------------------------------|-------------------|---------------|
| October 2010 Rent                         | October 1, 2010   | \$4,990.67    |
| 5% Late Charge, October 2010 Rent         | October 16, 2010  | 249.53        |
| 1.5% Late Charge, October rent, October   | November 1, 2010  | 74.86         |
| 1.5% Late Charge, October rent, November  | December 1, 2010  | 74.86         |
| 1.5% Late Charge, October rent, December  | January 1, 2011   | 74.86         |
| November 2010 Rent                        | November 1, 2010  | 4990.67       |
| 5% Late Charge, November 2010 Rent        | November 16, 2010 | 249.53        |
| 1.5% Late Charge, November rent, November | December 1, 2010  | 74.86         |
| 1.5% Late Charge, November rent, December | January 2, 2011   | 74.86         |
| December 2010 Rent                        | December 1, 2010  | 4990.67       |
| 5% Late Charge, December 2010 Rent        | December 16, 2010 | 249.53        |
| 1.5% Late Charge, December Rent, December | January 1, 2011   | 74.86         |
| January 2011 Rent                         | January 1, 2011   | 4990.67       |
| 5% Late Charge, January 2011 Rent         | January 16, 2011  | 249.53        |
| 1.5% Late Charge, October rent, January   | February 1, 2011  | 74.86         |
| 1.5% Late Charge, November rent, January  | February 1, 2011  | 74.86         |
| 1.5% Late Charge, December rent, January  | February 1, 2011  | 74.86         |
| 1.5% Late Charge, January rent, January   | February 1, 2011  | 74.86         |
| 1.5% Late Charge, October rent, February  | March 1, 2011     | 74.86         |
| 1.5% Late Charge, November rent, February | March 1, 2011     | 74.86         |
| 1.5% Late Charge, December rent, February | March 1, 2011     | 74.86         |
| 1.5% Late Charge, January rent, February  | March 1, 2011     | 74.86         |
| 1.5% Late Charge, October rent, March     | April 1, 2011     | 74.86         |
| 1.5% Late Charge, November rent, March    | April 1, 2011     | 74.86         |
| 1.5% Late Charge, December rent, March    | April 1, 2011     | 74.86         |
| 1.5% Late Charge, January rent, March     | April 1, 2011     | 74.86         |
| 1.5% Late Charge, October rent, April     | May 1, 2011       | 74.86         |
| 1.5% Late Charge, November rent, April    | May 1, 2011       | 74.86         |
| 1.5% Late Charge, December rent, April    | May 1, 2011       | 74.86         |
| 1.5% Late Charge, January rent, April     | May 1, 2011       | 74.86         |
| 1.5% Late Charge, October rent, May       | June 1, 2011      | 74.86         |



|                                       |              |       |
|---------------------------------------|--------------|-------|
| 1.5% Late Charge, November rent, May  | June 1, 2011 | 74.86 |
| 1.5% Late Charge, December rent, May  | June 1, 2011 | 74.86 |
| 1.5% Late Charge, January rent, May   | June 1, 2011 | 74.86 |
| 1.5% Late Charge, October rent, June  | July 1, 2011 | 74.86 |
| 1.5% Late Charge, November rent, June | July 1, 2011 | 74.86 |
| 1.5% Late Charge, December rent, June | July 1, 2011 | 74.86 |
| 1.5% Late Charge, January rent, June  | July 1, 2011 | 74.86 |

|                       |                    |
|-----------------------|--------------------|
| <u>Rents Payable:</u> | <u>\$23,206.60</u> |
|-----------------------|--------------------|

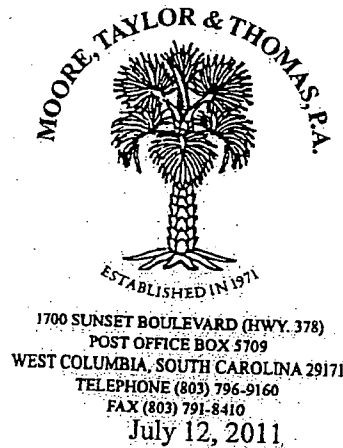
|                                                          |            |
|----------------------------------------------------------|------------|
| Damages to walls and carpet beyond normal wear and tear: | \$7,421.60 |
|----------------------------------------------------------|------------|

|                         |              |
|-------------------------|--------------|
| Less: Security Deposit: | (\$4,678.75) |
|-------------------------|--------------|

|                               |                    |
|-------------------------------|--------------------|
| <u>Total Owing JRC Props:</u> | <u>\$25,949.45</u> |
|-------------------------------|--------------------|

Proves Validity of DEBT

S. JAHUE MOORE  
J. MARK TAYLOR\*  
DAVID L. THOMAS†  
C. VANCE STRICKLIN, JR.  
JAMES EDWARD BRADLEY  
SHEILA McNAIR ROBINSON  
ROBERT D. HAZEL  
CHRISTIAN G. SPRADLEY††  
C. DAVID SAWYER, JR.††  
WILLIAM H. EDWARDS  
STANLEY L. MYERS  
JANE H. DOWNEY\*\*  
S. JAHUE MOORE, JR.



MELISSA K. MOORE  
WILLIAM B. FORTINO  
R. NICHOLS "NICK" RILEY, JR.  
JONATHAN M. GOODE  
M. BROOKS BIEDIGER

RETIRED:  
BILLY C. COLEMAN††

††SALUDA OFFICE:  
(864) 445-4544 OR (866) 604-4544  
†GREENVILLE OFFICE:  
(864) 271-6371

Rollin E. McKim, Jr.  
JRC Properties, LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910

Re: Dennis Corporation

Dear Mr. McKim:

This law firm represents Dennis Corporation. I have in my possession your letter to Mr. Dan Dennis of July 5, 2011.

The purpose of this letter is to try and resolve the matters raised in your letter to Dan.

As you are aware, you performed certain services on the Beaufort County job Dennis Engineering was involved with. Beaufort County did not pay Dan and took the position that some of the work was not up to par. Dennis Corporation was paid some of what was owed, but was not paid all of what was owed. In short, Dennis Corporation was only paid approximately 50% of what was due. Thus, your invoice was not paid.

My client would very much like to pay you. My client would also like to maintain a relationship with your company.

I have been authorized to extend an offer of 50% of the amount of your bill, which would be payable within 90 days. If this proposal is acceptable to you, and I hope it is, I would appreciate your signing the enclosed copy of this letter and returning it to me so that I can forward it on to Dan.

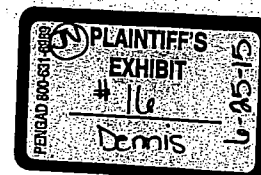
We thank you for your attention to this matter and hopefully we can bring a conclusion to what appears to have been a bad deal for everyone involved.

Yours very truly,

S. Jahue Moore

SJM/main  
cc: Dan Dennis

\*Fellow of the American Academy of Matrimonial Lawyers  
\*\*Certified Specialist in Bankruptcy & Debtor/Creditor Law



JRC Properties LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910  
970-391-0640

February 11, 2011

**STATEMENT OF REPAIRS REQUIRED**

**Dennis Corporation  
1800 Huger Street  
Columbia, SC 29201**

All repairs and quotes referred and attached are for Buckingham Plantation #6, Bluffton, SC.

Replace scarred carpet in west hall, rear hall, and southwesternmost two offices: \$1,271.60  
Note: only a single quote obtained from the vendor for the original carpet, which carpet is reported still available.

NOTE: Carpet was brand new and color specific to Dennis Corp/Citadel colors.

Repairs to walls: removal of drywall inserts, cork strips, mudding & sanding, and priming prior to touch-up or full coat painting. \$6,150.00

Total for repairs and carpet replacement: \$7,421.60

| <u>Location:</u>          | <u># of "mud repairs"</u> |                                    |
|---------------------------|---------------------------|------------------------------------|
| Entry and reception       | 14                        | ie: Bft Cty sign, etc              |
| Conference                | 39                        | ie: cork strips, Bft Cty sign, etc |
| Office #1                 | 3                         |                                    |
| Office #2                 | 2                         |                                    |
| Office #3                 | 1                         |                                    |
| Office #4                 | 1                         |                                    |
| Office #5                 | 9                         |                                    |
| Office #6                 | 6                         |                                    |
| West Hall                 | 4                         |                                    |
| East Hall                 | 3                         |                                    |
| Computer room rear        | 2                         | Also, beat up door trim            |
| IT Closet                 | NW&T                      |                                    |
| Printer Room              | 4                         |                                    |
| Stairwell                 | 10                        |                                    |
| South office, upstairs    | 5                         | corkstrip plus                     |
| North office, upstairs    | 8                         |                                    |
| Flat files area, upstairs | 3                         |                                    |
| Pool area, upstairs       | NW&T                      |                                    |

Note: There are several hundred small holes from pinning up maps and plans; this is far beyond "normal" but we are not itemizing these/locations.



1 State of South Carolina ) Court of Common Pleas  
 2 County of Beaufort ) 14th Judicial Circuit  
 3 No.: 2013-CP-07-2131

4 JRC Properties, LLC, )

5 Plaintiff, )

6 vs. )

7 Dennis Corporation, a )  
 8 South Carolina )  
 9 Corporation, and Daniel )  
 10 R. Dennis, III, )

11 Defendants. )

HEARING

January 25, 2016

**COPY**

12 Hearing reported by Deborah S. Thomas,  
 13 Certified Verbatim Reporter and Notary Public in and  
 14 for the State of South Carolina; said hearing held  
 15 before the Honorable Marvin H. Dukes, III, Beaufort  
 16 County Master in Equity and Special Circuit Court  
 17 Judge in accordance with the South Carolina Rules of  
 18 Civil Procedure, at the Beaufort County Courthouse,  
 19 102 Ribaut Road, Room 212, Beaufort, South Carolina,  
 20 on January 25, 2016, at the hour of 12:09 p.m.

21  
 22 THOMAS REPORTING SERVICES  
 23 156 Argent Way  
 24 Bluffton, South Carolina 29909  
 25 (803) 206-7390

Appearances

Representing the Plaintiff:

SEAN MICHAEL BOLCHOZ, ESQUIRE  
Bolchoz Law Firm, PA  
P.O. Box 828  
Bluffton, South Carolina 29910  
sbolchoz@bolchozlaw.com

Representing the Defendants:

S. JAHUE MOORE, ESQUIRE  
Moore Taylor Law Firm, P.A.  
P.O. Box 5709  
West Columbia, South Carolina 29171  
jake@mttlaw.com

## CONTENTS

## Hearing

|                                     | Page |
|-------------------------------------|------|
| Exhibit Index                       | 4    |
| ROLLIN E. MCKIM, JR.                |      |
| Direct Examination by Mr. Bolchoz   | 10   |
| Cross Examination by Mr. Moore      | 39   |
| ReDirect Examination by Mr. Bolchoz | 88   |
| ReCross Examination by Mr. Moore    | 93   |
| ReDirect Examination by Mr. Bolchoz | 95   |
| AMBER HUNTING                       |      |
| Direct Examination by Mr. Moore     | 118  |
| Cross Examination by Mr. Bolchoz    | 122  |
| DANIEL R. DENNIS, III               |      |
| Direct Examination by Mr. Moore     | 127  |
| Cross Examination by Mr. Bolchoz    | 139  |
| ReDirect Examination by Mr. Moore   | 165  |
| ReCross Examination by Mr. Bolchoz  | 168  |
| SEAN BOLCHOZ, ESQUIRE               |      |
| Direct Examination by Mr. Moore     | 171  |
| Certificate of Reporter             | 185  |
| Word Index                          |      |
| Compressed Transcript               |      |

\* \* \* \* \*

## EXHIBIT INDEX

Exhibits: Marked at Page

|                                                              |   |
|--------------------------------------------------------------|---|
| PLAINTIFF'S EXHIBIT NO. 1<br>(Lease)                         | 5 |
| PLAINTIFF'S EXHIBIT NO. 2<br>(1-21-11 Notice of Termination) | 5 |
| PLAINTIFF'S EXHIBIT NO. 3<br>(7-12-11 Letter)                | 5 |
| PLAINTIFF'S EXHIBIT NO. 4<br>(Attorney Fees Affidavit)       | 5 |
| PLAINTIFF'S EXHIBIT NO. 5<br>(5-20-11 and 1-19-11 Checks)    | 5 |
| PLAINTIFF'S EXHIBIT NO. 6<br>(2-8-11 Email)                  | 5 |
| PLAINTIFF'S EXHIBIT NO. 7<br>(2-10-11 Email)                 | 5 |
| PLAINTIFF'S EXHIBIT NO. 8<br>(5-27-11 Email)                 | 5 |
| PLAINTIFF'S EXHIBIT NO. 9<br>(11 Photos)                     | 5 |

\* \* \* \* \*



1 This hearing is taken in accordance  
2 with the South Carolina Rules of Civil Procedure.

3 (PLAINTIFF'S EXHIBITS 1 THROUGH 9  
4 MARKED FOR IDENTIFICATION.)

5 JUDGE DUKES: Good afternoon I guess  
6 at this point. We are here on 2013-CP-07-2131.  
7 This is JRC Properties versus Dennis Corporation and  
8 Daniel Dennis, III. This matter comes to me  
9 pursuant to order of reference executed by the clerk  
10 pursuant to the supreme court administrative order.

11 We are here today for the final hearing.  
12 I understand the matter was mediated without  
13 success; is that correct?

14 MR. BOLCHOZ: Yes, sir.

15 JUDGE DUKES: That has all been  
16 accomplished. Is there -- before we get into it, is  
17 there anything I can do to try to help the parties  
18 come together to some resolution or do the parties  
19 feel they've spent enough time trying to settle and  
20 it's just time to go ahead with it.

21 MR. BOLCHOZ: I think it's time to  
22 just go ahead.

23 JUDGE DUKES: Okay. Mr. Moore, do  
24 you share that?

25 MR. MOORE: I would tend to agree,

1 Your Honor.

2 JUDGE DUKES: Okay.

3 MR. MOORE: We've tried everything we  
4 know how.

5 JUDGE DUKES: All right. Well, have  
6 two very experienced attorneys in a matter like  
7 this. I'm not going to quibble with -- and you had  
8 a good mediator I think. Mr. Coltrain was the  
9 mediator as I recall.

10 MR. BOLCHOZ: That's right.

11 JUDGE DUKES: So I will go ahead and  
12 hear it. I'm happy to hear brief openings or we can  
13 just launch right into the witnesses. Mr. Bolchoz,  
14 any preferences?

15 MR. BOLCHOZ: I'm happy to just  
16 launch into the witnesses, Judge.

17 JUDGE DUKES: All right. Mr. Moore,  
18 any --

19 MR. MOORE: That suits me.

20 JUDGE DUKES: All right. Well, I've  
21 read the file and kind of know what it's about, so  
22 any pretrial motions we need to take up prior to  
23 starting the first witness in the Plaintiff's case?

24 MR. MOORE: None that I know of, Your  
25 Honor.

1 MR. BOLCHOZ: None from me, Judge.

2 JUDGE DUKES: All right. Easy  
3 enough. All right then. Could you call your first  
4 witness, please.

5 MR. BOLCHOZ: I would. Before that,  
6 Judge, I would just like to -- there is a gentleman  
7 here at the end of the table. I don't know who this  
8 is. Can we identify who else is here?

9 JUDGE DUKES: Sir, can you identify  
10 yourself?

11 MR. JOHNSTON: Mark Johnston.

12 JUDGE DUKES: Okay. All right.

13 MR. BOLCHOZ: And?

14 MS. HUNTING: Amber Hunting.

15 MR. MOORE: These are two of our  
16 witnesses, Your Honor.

17 MR. BOLCHOZ: Okay. Well,  
18 Ms. Hunting was identified in the discovery. I  
19 don't have any -- I mean, Mr. Johnston wasn't  
20 identified as a witness.

21 MR. MOORE: He's basically here in  
22 place of Frank Hribo. He's going to say exactly the  
23 same thing.

24 MR. BOLCHOZ: About the physical  
25 damage to the premises?

1 MR. MOORE: A lack of any physical  
2 damage to the premises, yes, sir.

3 MR. BOLCHOZ: Okay. Is it Herber?  
4 Is that the name?

5 MR. MOORE: Hribo, H-r-i-b-o.

6 MR. BOLCHOZ: How do we pronouncement  
7 it?

8 MS. HUNTING: Hribo.

9 MR. BOLCHOZ: Yeah. I thought it was  
10 Hribo.

11 MS. HUNTING: The H is silent.

12 MR. BOLCHOZ: Okay. I mean, you  
13 know, I would assume they need to be sequestered for  
14 their testimony. I don't want them to line up, you  
15 know, their testimony together.

16 JUDGE DUKES: All right. Mr. Moore,  
17 any objection to sequestration of the --

18 MR. MOORE: Your Honor, there is no  
19 motion to sequester, but I don't really have any  
20 objection to it. If counsel doesn't want them in  
21 the room it suits me fine.

22 JUDGE DUKES: Okay. You all would  
23 probably rather wonder around the hallway rather  
24 than sit right here. So if you all would -- and we  
25 are probably going to leave this door open. And so

1 if you would please don't hang out right there at  
2 the end of the hallway.

3 MS. HUNTING: Okay.

4 JUDGE DUKES: That would be great,  
5 but you all are free to wander about. And then try  
6 not to leave the hallway or the first or second  
7 floor. And we will try to get somebody to come get  
8 you as soon as it's time.

9 MR. JOHNSTON: Okay.

10 JUDGE DUKES: All right. Thank you  
11 so much. All right. Anything else, Mr. Bolchoz?

12 MR. BOLCHOZ: No, Your Honor.

13 JUDGE DUKES: All right. Call your  
14 first witness, please, sir.

15 MR. BOLCHOZ: Plaintiff calls Rollin  
16 McKim.

17 JUDGE DUKES: Mr. McKim, can you hold  
18 your right hand up for me, please. Do you swear or  
19 affirm to tell the truth, the whole truth, and  
20 nothing but the truth so help you God?

21 MR. MCKIM: Yes, sir.

22 JUDGE DUKES: All right. Please  
23 state your full name for the record.

24 MR. MCKIM: Rollin Emmitt McKim,  
25 Junior.

ROLLIN E. MCKIM, JR. DIRECT EXAMINATION BY MR. BOLCHOZ

1 JUDGE DUKES: Can you spell your last  
2 name, please, sir.

3 MR. MCKIM: M-c-K-i-m.

4 JUDGE DUKES: All right. Thank you.  
5 Please answer any questions your attorney may have.

6 MR. BOLCHOZ: Thanks, Judge.

7 WHEREUPON:

8 ROLLIN MCKIM, being duly sworn and  
9 cautioned to speak the truth, the whole truth and  
10 nothing but the truth, testifies as follows:

11 DIRECT EXAMINATION

12 BY MR. BOLCHOZ:

13 Q. Can you state your full name for the  
14 record.

15 A. Rollin Emmitt McKim, Junior.

16 Q. What is your connection to JRC Properties,  
17 the Plaintiff?

18 A. A member and secretary.

19 Q. Okay. JRC is an LLC?

20 A. Yes, sir.

21 Q. Okay. In such position are you able to  
22 testify on behalf of the Plaintiff in this case?

23 A. Yes.

24 Q. And how do you know Defendant Dan Dennis?

25 A. He's a former tenant of ours at Number 6

1 Buckingham Plantation Drive in Bluffton.

2 Q. All right. I'm going to show you what has  
3 already been marked as Plaintiff's Exhibit 1. Can  
4 you tell me what that is?

5 A. This is the office lease that he signed,  
6 that Dan Dennis signed.

7 Q. Okay. It doesn't appear to be dated on  
8 the front page?

9 A. Correct.

10 Q. Okay. Do you know why that is?

11 A. We will often -- my wife and I will often  
12 sign the leases first, leave them with our leasing  
13 agent, and then they will be signed by the tenant  
14 later. Evidently, Dan signed it and then didn't  
15 date it for some reason.

16 Q. Okay. When did the lease term commence?

17 A. In March of 2008.

18 Q. Okay. Why were the Defendants working in  
19 Bluffton?

20 A. They were engaged by the County of  
21 Beaufort on the Flyway Bridge going over to Hilton  
22 Head.

23 Q. Okay. When were lease payments due?

24 A. First of every month.

25 Q. How did the Defendants make their lease

1 payments?

2 A. By check and possibly by direct deposit.

3 I don't recall.

4 Q. Okay. Now, are you aware that Mr. Dennis  
5 testified last summer that he received monthly  
6 invoices from you during the lease term?

7 A. Yes, he said so.

8 Q. Okay. Is that true?

9 A. No.

10 Q. Okay. Did you -- did you give him monthly  
11 invoices for which to pay his rent?

12 A. Never. All of our tenants just paid when  
13 the rent was due.

14 Q. Okay. Did you ever send Mr. Dennis a  
15 statement regarding his rent?

16 A. Beginning I believe in October of 2010  
17 when the rent was not forthcoming.

18 Q. Okay. And that was the first time you  
19 ever sent him a monthly statement?

20 A. Yes, sir.

21 Q. Okay. And why did you send that to him?

22 A. To remind him he needed to pay his rent.

23 Q. Okay. And did he object to the amount  
24 shown on that statement?

25 A. No.



1 Q. And did he pay the amount that was due for  
2 October?

3 A. No.

4 Q. What happened to the Defendants in January  
5 of 2011?

6 A. He gave me his notice terminating the  
7 lease.

8 Q. Okay. Show you what has been marked as  
9 Plaintiff's Exhibit 2. What is that?

10 A. This is his notice terminating the lease  
11 effective January 31st of 2011.

12 Q. Okay. And under what section of the lease  
13 was that notice provided?

14 A. Paragraph 2.2.

15 Q. Okay. And as of the date of Exhibit 2,  
16 for which months did Mr. Dennis owe the rent?

17 A. October, November, December of 2010, and  
18 January of 2011.

19 Q. Did you also send Mr. Dennis statements  
20 for November, December, and January?

21 A. Yes, uh-huh. The initial statement did  
22 not include any late fees or anything, but after  
23 that the next statements began including the late  
24 charges.

25 Q. Did Mr. Dennis object to the amount shown

1 on those statements?

2 A. No.

3 Q. Did he pay the amounts due for those  
4 months?

5 A. No.

6 Q. What is the principal amount of rent due  
7 for each of those four months?

8 A. It's 4,990.67 or thereabouts.

9 Q. Okay. Do you know the amount of total  
10 principal due?

11 A. Just under \$20,000.

12 Q. And is that the principal amount of your  
13 claim in this lawsuit?

14 A. Yes, sir.

15 Q. Did Mr. Dennis have the right to  
16 voluntarily terminate the lease as he apparently did  
17 with Exhibit 2?

18 A. Yes, in the event of an early termination  
19 by the County of his contract he could terminate the  
20 lease early, which he did.

21 Q. Okay. And that is under Section 2.2?

22 A. Correct.

23 Q. So you are not claiming any rental due  
24 from Mr. Dennis after January of 2011 in this  
25 lawsuit?

1 A. Not at all.

2 Q. Okay. What all was due once the lease was  
3 terminated?

4 A. The late rent, late charges, and damages.

5 Q. What are you referring to as damages?

6 A. Damages to the property beyond normal wear  
7 and tear.

8 Q. Okay. Physical damage?

9 A. Yes, sir.

10 Q. Okay.

11 A. Sorry.

12 Q. So you are also seeking late charges under  
13 the lease?

14 A. Yes, sir.

15 Q. Okay. And do you know what section of the  
16 lease the late charges are calculated?

17 A. In Section 8, I believe in 8.3, but I'm  
18 not certain.

19 Q. Okay. And how are the late charges  
20 calculated?

21 A. Five percent per month for the initial  
22 late charge. And then if the lateness carries on,  
23 1.5 percent per month for each month still late.

24 Q. Okay. Are you entitled to prejudgment  
25 interest?

1 MR. MOORE: Objection, Your Honor.

2 THE WITNESS: I believe so.

3 MR. MOORE: That would be a question  
4 of law for the court.

5 JUDGE DUKES: Sustained.

6 BY MR. BOLCHOZ:

7 Q. Did you ever receive another rental  
8 payment from Mr. Dennis after the termination  
9 notice?

10 A. No.

11 Q. Did you ever receive any kind of payment  
12 from Mr. Dennis after the notice?

13 A. No.

14 Q. Did you make any further attempts to  
15 collect the monies owed from Mr. Dennis?

16 A. Yes. By e-mails, by frequent mailings of  
17 the statement, and by several visits to Mr. Dennis.  
18 And also by meeting with him in early February of  
19 2011.

20 Q. Okay. Did he ever deny that he owed you  
21 the monies due?

22 A. No.

23 Q. I'm handing you Plaintiff's Exhibit 3.  
24 Can you tell me what that is?

25 A. This is a letter from Mr. Dennis'

1 attorney. This one happens to be from Mr. Moore, I  
2 believe. He had several attorneys during the course  
3 of our back and forth.

4 Q. Okay.

5 A. This one is offering a settlement for  
6 50 percent.

7 Q. And what is the date of that letter?

8 A. It's dated on July 12th, 2011.

9 Q. So is his attorney acknowledging the debt  
10 owed to you in that letter?

11 A. Yes.

12 MR. MOORE: Object to the leading,  
13 please, Your Honor. The letter I think speaks for  
14 itself.

15 JUDGE DUKES: Okay. Yeah, sustained.

16 BY MR. BOLCHOZ:

17 Q. Did you respond to this letter?

18 A. Yes, I did. I rejected it. Rejected the  
19 offer.

20 Q. And why?

21 A. I did not feel it was sufficient. I'd  
22 assisted Mr. Dennis in collecting his debt from the  
23 County. And I did not want to settle for  
24 50 percent.

25 Q. What happened with Mr. Dennis in May of

1 2013?

2 A. My wife and I went up to visit an  
3 anniversary birthday he was having for his company.  
4 We had been told that he was having a barbecue on  
5 the business grounds by our leasing agent, so we  
6 thought it would be a good time to go up and visit  
7 ask see where we stood with our collection events.

8 When we got there we found Mr. Dennis. I  
9 delivered him a copy of the statement -- current  
10 statement at the time. And he said, let's go inside  
11 and talk about it. And I said, no, we are not here  
12 to rain on your parade. If you would just look at  
13 it later and then call us, let's get in touch or  
14 words to that effect.

15 Mr. Dennis at that time said, this is a  
16 good time for us to have visited him. He had just  
17 finished paying off several bank notes or other  
18 loans. And now he was in better position to address  
19 this debt. My wife and I were excited to hear that.

20 And then he generously invited us to go  
21 ahead and have some barbecue and dinner, which we  
22 did. And then we departed. We did not hear from  
23 him any time thereafter. A few weeks later, it  
24 might have been a couple months later, I was in a  
25 nearby town picking up a trailer for my son-in-law.

1 I decided to go visit Mr. Dennis, again.

2 At that time, I walked into his offices  
3 unannounced. Mr. Dennis walked out of his office,  
4 came up to me, and said, Mr. McKim, my attorney  
5 advised -- has decided after three years that if you  
6 want to try to collect this debt, you can take us to  
7 court, words to that effect.

8 I was dumbfounded. All I could think to  
9 say was something like, well, if that is the way it  
10 is. I turned around and walked. In the meantime,  
11 all I could think was it hasn't been three years,  
12 yet.

13 Q. Okay. Are you entitled to recover  
14 attorneys fees and costs of collection under the  
15 lease?

16 A. Yes.

17 MR. MOORE: Objection, please, Your  
18 Honor. That is a question of law for the court, I  
19 believe.

20 JUDGE DUKES: Well, if he can point  
21 to it in the contract I'll let him answer.

22 MR. MOORE: Thank you, sir.

23 THE WITNESS: It's in the contract.

24 BY MR. BOLCHOZ:

25 Q. Do you know where it is in the contract?

1 A. 8.3.

2 Q. Section 8.3?

3 A. Yes, sir.

4 Q. Okay. Have you incurred attorneys fees  
5 and collection costs in this case?

6 A. Oh, yes.

7 Q. Okay. Show you this document. It's been  
8 marked as Plaintiff's Number 4, and ask if you can  
9 tell me what that is?

10 A. Affidavit of attorneys fees.

11 Q. Okay. Does that reflect the attorneys  
12 fees and costs you've incurred in this matter?

13 A. Yes, sir.

14 MR. MOORE: I would object, please,  
15 Your Honor, as to the hearsay of this document. And  
16 I would certainly object to him testifying as to the  
17 hearsay. I have issues as to whether this is  
18 appropriately before the court, but that document  
19 contains hearsay apparently from the lawyer. I  
20 don't know -- if he prepared the document -- if this  
21 witness prepared the document and can identify it as  
22 something he prepared, that would be certainly fine.

23 If he had a check or an invoice or  
24 something of that nature I have no objection, but  
25 for him to identify an attorneys affidavit which



1 contains nothing -- obviously I can't cross examine  
2 the attorney in regard to the affidavit. So I'm  
3 kind of at a loss. I would have to object to the  
4 document coming in and to the witness' testimony  
5 regarding the document.

6 JUDGE DUKES: All right. Let's do  
7 this. Of course, we may get to the point where Mr.  
8 Bolchoz does testify and you will have an  
9 opportunity to cross examine him. We'll cross that  
10 bridge when we come to it. For now, Mr. Bolchoz, if  
11 you will have your client limit his testimony to  
12 what he has paid or -- and/or any documents,  
13 canceled checks, that sort of thing that he may have  
14 in his possession associated with payment of  
15 attorneys fees up until now.

16 MR. BOLCHOZ: Well, I was going to  
17 ask him how much he has incurred and then, you know,  
18 if that document -- I mean certainly if he's seen  
19 the document before he can testify and if it helps  
20 him refresh his recollection, I mean, you know, I  
21 don't know that he knows it down to the penny.

22 JUDGE DUKES: As far as what he's  
23 paid, that's fine. He can refresh his recollection  
24 with that document, but I imagine at some point we  
25 will have your testimony, but --

1 MR. BOLCHOZ: Sure.

2 JUDGE DUKES: -- if he remembers or  
3 can refresh his recollection as to what he's paid --

4 THE WITNESS: Here is my statement to  
5 Dennis.

6 MR. BOLCHOZ: Hang on.

7 JUDGE DUKES: If you have for  
8 instance, Mr. Bolchoz, statements that -- copies of  
9 statements that have been sent to him.

10 MR. BOLCHOZ: One second, Judge.

11 BY MR. BOLCHOZ:

12 Q. While I'm looking for this, Mr. McKim, do  
13 you know how much you've incurred in attorneys fees  
14 and costs in this case?

15 A. Right at present time in the neighborhood  
16 of \$28,000.

17 Q. Okay.

18 A. And I've got checks for all of those, yes.  
19 And that does not include 800-and-so dollars to the  
20 recorder that -- for our deposition of Mr. Dennis  
21 back last summer. And that does not include  
22 \$700-and-change to Mr. Coltrain, our mediator.

23 Q. Okay. Do you have reason to believe that  
24 Mr. Dennis was receiving payments from Beaufort  
25 County that were meant for you as the landlord?

1 A. Yes.

2 MR. MOORE: Object to leading,  
3 please, Your Honor.

4 JUDGE DUKES: See if you can lay more  
5 of a foundation or ask it in a less leading manner.  
6 BY MR. BOLCHOZ:

7 Q. Was Mr. -- during the course of his --  
8 Mr. Dennis', lease did he receive any payments that  
9 were meant to pay your -- the rental amount to you  
10 on a monthly basis?

11 MR. MOORE: I would have to object to  
12 that, Your Honor. The only way he would know that  
13 is if somebody may have told him that. I have no  
14 objection to him testifying that Beaufort County  
15 paid Mr. Dennis money, but I would have to object to  
16 anything else on the basis of hearsay unless he  
17 knows it of his own firsthand knowledge. If he was  
18 part of the transaction I have no objection.

19 MR. BOLCHOZ: I haven't been given an  
20 opportunity to -- we are going in that -- that is my  
21 very next question. I mean, I think a little more  
22 patience and, you know, we will get through this  
23 pretty quickly.

24 JUDGE DUKES: All right. Start into  
25 it a little bit and we will see. Subject to your

1 objection, Mr. Moore.

2 MR. MOORE: Thank you, Your Honor.

3 BY MR. BOLCHOZ:

4 Q. Mr. McKim, what is the basis of this  
5 belief?

6 A. Mr. Dennis told me so. And it was again  
7 stated in his testimony last summer in deposition.  
8 And I've got it in e-mails and I've seen as much  
9 stated in e-mails with four other parties that he  
10 had to -- that sued him on non-payment.

11 Q. Do you know whether Mr. Dennis received  
12 any additional payments from the County after the  
13 date of his termination notice?

14 A. I do now. I didn't at the time.

15 Q. Okay. Show you what has been marked as  
16 Plaintiff's Number 5. Can you tell me what those  
17 are?

18 A. This is a check from Beaufort County to  
19 Dennis Corporation dated 1/18/2011 for \$503,000 and  
20 change.

21 Q. Okay. What about on the next page?

22 A. This is a check from Beaufort County to  
23 Dennis Corporation dated 5/20/2011 for \$212,000.

24 Q. Okay. And --

25 A. Can I say had I been aware of these

1 payments at the time of either one I would have been  
2 driving my little fannie up to Mr. Dan Dennis'  
3 office and asking for my share at the time.

4 Q. And what was the date of his letter  
5 terminating the lease notice?

6 A. January 21st. January 21st, 2011.

7 Q. Okay. So apparently Mr. Dennis had half a  
8 million dollars in hand from the County when he sent  
9 the termination notice?

10 A. It sure looks like it.

11 Q. Okay. And then he got another \$200,000  
12 from the County four months after he vacated?

13 A. Yes, sir.

14 Q. Did Mr. Dennis pay you any of the amounts  
15 owed to the Plaintiff from either of those two  
16 checks?

17 A. No.

18 Q. Were you expecting to be paid from those  
19 checks?

20 A. Yes.

21 Q. Okay. Do you feel that Mr. Dennis  
22 deceived you in this case?

23 A. Yes.

24 MR. MOORE: Objection. Leading, Your  
25 Honor. What he feels I believe would not have any

1 relevance to the facts of the case. It needs to be  
2 facts.

3 JUDGE DUKES: I think so. Sustained.

4 BY MR. BOLCHOZ:

5 Q. Did Mr. Dennis deceive you in this case?

6 A. Yes.

7 Q. Okay. How?

8 A. He led me to believe I was going to be  
9 paid by proceeds coming to him from the County which  
10 were earmarked one way or another to pay me as one  
11 of the contractors -- subcontractors. And that  
12 payment to me was never made.

13 Q. Did you make any effort to help Mr. Dennis  
14 collect what he claimed was owed to him by the  
15 County?

16 A. Yes.

17 Q. And why did you do that?

18 A. He asked me to.

19 Q. Let me show you what has been marked as  
20 Plaintiff's Number 6. Can you tell me what that is?

21 A. It's e-mail correspondence back and forth  
22 between Dennis and I.

23 Q. Okay. And what is the date of it?

24 A. Dated February the 8th, 2011.

25 February 8th, 2011.

1 Q. Okay. So this is after the termination of  
2 the lease?

3 A. Yes, uh-huh.

4 Q. Okay.

5 A. And it's a day after the meeting that Dan  
6 and I had together at the premises that he had just  
7 vacated.

8 Q. Okay. And did you all discuss what is in  
9 this e-mail at your meeting?

10 A. Yes. This is a follow-up to that  
11 meeting --

12 Q. Okay. Tell me --

13 A. -- which he had asked me to help him or  
14 address some correspondence to the County addressing  
15 the debt they owed him. And that was also when we  
16 walked through the property and looked at the  
17 damages that had been caused to the property and  
18 which are shown in the photographs that we will be  
19 looking at.

20 Q. Okay. And does Mr. Dennis in Plaintiff's  
21 Number 6 give you the names of the people at the  
22 County to contact?

23 A. Yes, he did. Lad Howell and one of the  
24 secretaries for Lad.

25 Q. Okay. And did you contact Mr. Howell?

1 A. I did.

2 Q. I'm showing you Plaintiff's Number 7. Can  
3 you tell me what that is?

4 MR. MOORE: Could I see that, please,  
5 if you don't mind?

6 MR. BOLCHOZ: Oh, here. I've got a  
7 copy for him.

8 THE WITNESS: This is an e-mail from  
9 myself to Mr. Howell dated February the 10th, two  
10 days after my agreement with Dan to act on his  
11 behalf in which I discussed the balance that the  
12 County is owed and the balance that Dennis owes  
13 myself. And asking that he would go ahead -- that  
14 the County would go ahead and settle up with Dennis.

15 And also discussing some of the damages of  
16 the property in this e-mail.

17 BY MR. BOLCHOZ:

18 Q. And what is the date of that e-mail?

19 A. February the 10th --

20 Q. Okay.

21 A. -- 2011.

22 Q. And was Mr. Dennis copied on that e-mail?

23 A. Yes, he was.

24 Q. Now, did he object to the dollar figure  
25 you were claiming was owed to you in that e-mail?



1 A. No.

2 Q. Okay. And you also mentioned the physical  
3 damage to the premises?

4 A. Yes.

5 Q. Okay. And did Mr. Dennis object to your  
6 characterization of the physical damage in that  
7 e-mail?

8 A. No, nor the amount. No. No objections.

9 Q. And at the time you sent this e-mail were  
10 you aware that Mr. Dennis had received a half  
11 million dollar check from the County a couple of  
12 weeks before?

13 A. At that time, no.

14 Q. Okay. I'm handing you Plaintiff's  
15 Exhibit 8. Can you identify that for me?

16 A. Again, this is an e-mail between Lad  
17 Howell -- excuse me. From myself to Lad Howell and  
18 then a reply from Janet Hendrickson, his assistant,  
19 to the staff attorney dated May 27th, 2011.

20 Q. Okay. And as of the date of that e-mail  
21 were you aware that Mr. Dennis had received \$200,000  
22 from the County a week prior?

23 A. To the best of my recollection, no, I was  
24 unaware. I was still trying to help him and asking  
25 about asking her or asking Lad. And she answered

1 that they are still trying to put the finishing  
2 settlement together for Mr. Dennis.

3 Q. Okay. Did you have a hand in Mr. Dennis  
4 getting paid by the County?

5 A. Yes, I believe I did.

6 Q. Okay. Do you know whether --

7 MR. MOORE: Objection, Your Honor.  
8 The question is yes and I believe I did are two  
9 different answers.

10 THE WITNESS: Yes.

11 JUDGE DUKES: All right.

12 MR. MOORE: Thank you, sir.

13 JUDGE DUKES: Go ahead.

14 BY MR. BOLCHOZ:

15 Q. Do you know whether Mr. Dennis failed to  
16 pay any other vendors after his County contract was  
17 terminated?

18 A. Yes.

19 MR. MOORE: Object to the relevance,  
20 please, Your Honor.

21 JUDGE DUKES: What is the relevance?

22 MR. BOLCHOZ: The objection is  
23 relevance? I mean, I've sued for unfair trade  
24 practices. I'm attempting to show that the  
25 deceptive acts have occurred in the past with other

1 parties.

2 MR. MOORE: Your Honor, failure to  
3 pay a debt is not a deceptive act pursuant to the  
4 Noack case or the (inaudible) case. None of those  
5 would basically be -- simply avoiding a debt and not  
6 paying it are not deceptive acts.

7 MR. BOLCHOZ: Well, I mean -- I'm  
8 sorry. Go ahead.

9 JUDGE DUKES: What is the deceptive  
10 act?

11 MR. BOLCHOZ: Well, as he testified  
12 to, essentially Mr. Dennis converted monies that he  
13 received from the County that were suppose to pay  
14 the Plaintiff. And at the same time, again, as he's  
15 testified to, he was asking my client to assist him  
16 with getting these monies that he was supposed to be  
17 using, at least in part, to satisfy the debt to the  
18 Plaintiff.

19 JUDGE DUKES: Well, I'll let him go  
20 ahead a little bit with it subject to your  
21 objections. Go ahead.

22 BY MR. BOLCHOZ:

23 Q. So, Mr. McKim, I'll ask my question again.  
24 Do you know whether Mr. Dennis failed to pay any  
25 other vendors after his County contract was

1 terminated?

2 A. Yes.

3 Q. Do you know how many others?

4 A. Four that I'm aware of.

5 Q. Okay. And do you know if he was sued by  
6 these others?

7 A. Yes.

8 Q. And how do you know that?

9 A. I have e-mails from them discussing it.

10 MR. MOORE: I would object then to  
11 the hearsay, please, Your Honor. Apparently he's --

12 THE WITNESS: I can show you the  
13 e-mails.

14 JUDGE DUKES: Hold on one second.  
15 Counsel, go ahead.

16 THE WITNESS: Sorry.

17 MR. MOORE: Thank you, sir.

18 Apparently he's now testifying from what somebody  
19 else may have told him. I thought that he would  
20 have been a party to that, but apparently now what  
21 he's telling us is that he's been told by other  
22 people something. And obviously I think that would  
23 be hearsay.

24 JUDGE DUKES: I think so, too.  
25 Sustained.

1 BY MR. BOLCHOZ:

2 Q. Do you have any other source for that  
3 information?

4 A. I'm trying to remember if it was included  
5 in Dan's deposition last summer.

6 Q. Was there any property damage to the  
7 premises at the time Mr. Dennis vacated?

8 A. Yes.

9 Q. And I believe you wrote about that in the  
10 May -- or the prior e-mail that we looked at that  
11 was marked?

12 A. Yes, sir.

13 Q. Okay. Let me show you some photos that  
14 are collectively marked as Plaintiff's Number 9.  
15 Can you look at those photos and tell me what they  
16 show?

17 A. Yes. The first several photos will  
18 show --

19 JUDGE DUKES: Mr. Moore, you've got  
20 copies, right?

21 MR. MOORE: I have seen these, Your  
22 Honor. I have no problem with any of them.

23 JUDGE DUKES: I might just move  
24 around here.

25 BY MR. BOLCHOZ:

1 Q. The first several --

2 MR. MOORE: I apologize. I have seen  
3 them, Your Honor, yes, sir.

4 JUDGE DUKES: Okay. Go ahead. Thank  
5 you.

6 THE WITNESS: The first several  
7 photos will document the extent of graphics that  
8 were stapled, nailed, tacked to the walls throughout  
9 the entire unit, not as extensively upstairs, but  
10 very extensively downstairs. These all left a lot  
11 of holes.

12 Here was a Beaufort County plaque that  
13 left larger holes. These had to be mudded, sanded  
14 down, painted. Some of the holes quite small. They  
15 still have to be spackled in, repainted. This  
16 required due to the very extent, the number,  
17 everything had to be repainted. It was not a normal  
18 just throw a light coat on. Everything had to be  
19 reworked.

20 This is not broom clean which is the  
21 normal standard for leaving an office for the next  
22 tenant or for cleaning.

23 MR. MOORE: I would object, Your  
24 Honor, to him testifying as to the normal standard.  
25 I think that -- I think that he's testifying as to a

1 legal standard.

2 THE WITNESS: I'm testify to decency.

3 JUDGE DUKES: Hold on a second. I've  
4 sustained. Just strike the broom clean. Go ahead.

5 THE WITNESS: Another photograph of  
6 whatever you want to call it. You can call it what  
7 you like, sir.

8 MR. MOORE: Your Honor, might I ask  
9 that he testify instead of trying to lecture me?

10 JUDGE DUKES: Yes, sir.

11 THE WITNESS: Okay.

12 JUDGE DUKES: All right.

13 THE WITNESS: These are -- the last  
14 photographs of burn marks to the carpet where Dan's  
15 removal crew picked up and -- excuse me. Dragged  
16 the furniture out rather than picking it up.

17 We had put this carpet in new for Dan  
18 before he moved in. It was an Olefin carpet. And  
19 it burned. Cleaning the carpet, which we had done,  
20 did not remove the burn marks. They are permanent  
21 in the carpet. So we had to have this carpet mostly  
22 replaced for the next tenant.

23 And this is in one hallway, this is in one  
24 office, this is in another office. And you can see  
25 I have marks in there showing the locations of each

1 of the offices. These were taken immediately -- all  
2 the photographs were taken immediately after his  
3 vacation. No other people entered and messed up the  
4 offices. This was as Dennis Corporation, Dan  
5 Dennis, left the office.

6 BY MR. BOLCHOZ:

7 Q. What was the total on property damage?

8 A. I have about \$7,400 I believe in damages.

9 Q. I'm going to hand you back what has been  
10 marked --

11 COURT REPORTER: They are in order.

12 THE WITNESS: May I apologize to the  
13 court when I'm out of line because I've not -- I've  
14 never been in a case before.

15 JUDGE DUKES: That is quite all  
16 right. No worries.

17 BY MR. BOLCHOZ:

18 Q. Hand you back Plaintiff's Exhibit Number 7  
19 to refresh your recollection as to the dollar amount  
20 of damages?

21 A. \$7,421.60.

22 Q. Okay. Did Mr. Dennis provide a security  
23 deposit for physical damage to the unit?

24 A. Yes, sir.

25 Q. Okay. Do you know in what amount?



1           A.   \$4,600, I believe. One month's rent, the  
2 opening rent. \$4,678.75.

3           Q.   Okay. Was that security deposit applied  
4 towards the physical damage you testified about?

5           A.   Yes, sir.

6           Q.   Okay. Did Mr. Dennis know that his  
7 deposit was used to pay for the physical damage?

8           A.   Yes, sir.

9           Q.   Okay. And, again, what was marked as  
10 Number 7, that e-mail, you copied Mr. Dennis on  
11 that, correct?

12          A.   Yes, sir.

13          Q.   Okay. Did he ever object to your using  
14 the security deposit to pay for the physical damage?

15          A.   No, sir.

16          Q.   Okay. And applying the security deposit  
17 left a deficit for the physical damage?

18          A.   Yes, sir.

19          Q.   In what amount?

20          A.   About \$2,400. I don't have that number  
21 right in front of me.

22          Q.   Okay. Are you seeking to recover that  
23 amount from Mr. Dennis as well?

24          A.   Yes.

25          Q.   Okay. Did you file a motion to summary

1 judgment in this case?

2 A. Yes, sir.

3 Q. Was it denied?

4 A. Yes.

5 Q. Do you know why?

6 A. It was denied --

7 MR. MOORE: Your Honor, I object to  
8 that as not having any relevance. The order would  
9 speak for itself I'm assuming.

10 JUDGE DUKES: I can't actually find  
11 the order, but I agree with you. What would be the  
12 relevance of why it was denied?

13 MR. BOLCHOZ: Well, the relevance is  
14 I guess it goes also to the unfair trade practices,  
15 Your Honor, and the deception because the reason for  
16 the denial which Mr. Dennis himself testified to  
17 last summer was based on a misstatement that we  
18 believe was intentional in order to avoid summary  
19 judgment.

20 JUDGE DUKES: Well, why don't we do  
21 this. If you've got questions of Mr. Dennis that  
22 have something to do with your case, why don't we  
23 save them for his cross examination.

24 MR. BOLCHOZ: Understood.

25 JUDGE DUKES: So sustained as to the

1 question there.

2 MR. BOLCHOZ: Okay. I have no  
3 further questions for Mr. McKim.

4 JUDGE DUKES: All right, sir. Please  
5 answer any questions Mr. Moore may have of you.

6 CROSS EXAMINATION

7 BY MR. MOORE:

8 Q. Mr. McKim, as I understand it you leased  
9 the property to the Dennis Corporation; is that  
10 correct?

11 A. Yes, sir..

12 Q. And it was for use as a field office; is  
13 that right?

14 A. It was for use as an office.

15 Q. Well, yes, sir, but you knew that Dennis  
16 had its main office in Columbia, right?

17 A. Yes, sir.

18 Q. Because you've been to the main office,  
19 correct?

20 A. Since. Not at the time.

21 Q. But you knew the main office was in  
22 Columbia?

23 A. Yes.

24 Q. You knew this would be a field office,  
25 correct?

1           A.   Then and now I don't understand the  
2 distinction of a field office.

3           Q.   I just asked you did you know it was a  
4 field office?

5           A.   I don't understand the distinction so how  
6 am I going to understand it was a field office?

7           Q.   So your testimony is you don't  
8 understand -- you don't know what a field office is?

9           A.   Not really, no.

10          Q.   All right.

11          A.   He rented an office from me, sir.

12          Q.   Well, did you know that Dennis Engineering  
13 was an engineering firm?

14          A.   Yes, sir.

15          Q.   And did you know that the primary reason  
16 that the engineers needed an office in Beaufort was  
17 to work to the Beaufort County project?

18          A.   Yes, sir.

19          Q.   And you understood that engineers  
20 basically work in the field a lot, correct?

21          A.   Yes, sir.

22          Q.   And you would have expected people coming  
23 in and out, correct?

24          A.   Yes, sir.

25          Q.   And, of course, have you ever had any

1 other tenants who basically hung things or stuck  
2 things on the wall?

3 A. Yes, sir.

4 Q. That is not at all unusual, is it?

5 MR. BOLCHOZ: I'm going to object to  
6 this line of questioning for relevance.

7 THE WITNESS: He's getting after  
8 normal wear and tear. Sorry.

9 JUDGE DUKES: I think your client is  
10 very perceptive, but I'm going to allow him to  
11 continue.

12 THE WITNESS: Okay.

13 BY MR. MOORE:

14 Q. Sir, have you ever taken a property back  
15 that didn't have somebody hanging holes or something  
16 in the wall?

17 A. Yes.

18 Q. But it's not unusual to find that, is it?

19 A. No.

20 Q. Now, let me talk a moment about this  
21 \$7,400. You say they had to have some spackling of  
22 the little tack marks in the wall, right? Correct?

23 A. Yes, sir.

24 Q. And you took photographs; is that right?

25 A. Yes, sir.

1 Q. The photographs that are in evidence are  
2 taken by you, correct?

3 A. Yes, sir.

4 Q. And the reason you took those photographs  
5 is because you wanted to document the things that  
6 were wrong with this office, correct?

7 A. Yes, sir.

8 Q. So I can look at the photographs and see  
9 everything that was wrong with the office, right?

10 A. No, sir.

11 Q. Well, sir, you say you were wanting to  
12 document everything that was wrong, right?

13 A. I've got 70 --

14 Q. Is that correct?

15 A. -- high resolution photographs in my  
16 computer if you want to see everything. We are  
17 trying to highlight things without boring you to  
18 death.

19 Q. Sir, let me ask you this question. Do you  
20 think if I asked you a direct question you can give  
21 me a direct answer to that question?

22 A. Sometimes.

23 Q. All right. I would ask you to do that,  
24 please, sir. I will try to be courteous to you.  
25 All I want you to do -- I don't want to argue with

1 you. I would just like you to answer my questions,  
2 correct?

3 A. Yes, sir.

4 Q. You took photographs that were designed to  
5 document every single thing that you claim to have  
6 been wrong with this unit, correct?

7 A. Yes.

8 MR. BOLCHOZ: Objection. Asked and  
9 answered.

10 JUDGE DUKES: Well, he didn't exactly  
11 answer it. So you can go ahead and answer it.

12 THE WITNESS: Yes, sir.

13 BY MR. MOORE:

14 Q. And the office building was  
15 3,400-and-some-odd square feet; is that correct?

16 A. I believe that is accurate, yes, sir.

17 Q. That is a big office, isn't it?

18 A. Yes, sir.

19 Q. Now, the photographs that you've put into  
20 evidence show how many actual offices?

21 A. I would have to look again. Not all of  
22 them.

23 Q. Please do. Please look. While you are  
24 looking let me ask you this question. How many  
25 offices would there have been contained in that

1 3,500 square feet that you leased?

2 A. Eight or nine offices, one conference  
3 room, two bathrooms, a kitchen. That is about it.

4 Q. And a reception area?

5 A. Yes, sir.

6 Q. All right. So show me -- tell me how many  
7 different offices you have photographs of?

8 A. Not nearly that many. I've got about  
9 three or four offices at the most photographed here.

10 Q. All right. And like you say, you took  
11 photographs to document every single piece of damage  
12 to every single office, right?

13 A. I'm afraid I did.

14 Q. All right. Now, sir, in regard to the  
15 spackling and this painting, who did the spackling?

16 A. I did.

17 Q. And who did the painting?

18 A. I did.

19 Q. And how much have you charged for the  
20 spackling and the painting that you did?

21 A. I would have to go back and look at my  
22 receipts.

23 Q. Well, sir, if you would, please, just --  
24 I'm trying to get a breakdown of this \$7,000 figure  
25 that you claim. To date have you ever provided



1 Dennis Corporation a breakdown of that \$7,000 figure  
2 that you claim to be damages?

3 A. No, sir.

4 Q. All right. Let's do it this way. From  
5 what I can see here there is damage to the carpet in  
6 one office; is that right?

7 A. Yes, sir.

8 Q. And there are holes in the walls where  
9 they put tacks in the walls in about three offices,  
10 correct?

11 A. What you can see, yes, sir.

12 Q. And there is some trash there?

13 A. Yes, sir.

14 Q. Who removed the trash?

15 A. I did.

16 Q. How much did you charge for remove the  
17 trash?

18 A. I did not itemize it, sir.

19 Q. Well, sir, if I can't get it itemized how  
20 can we know how much each item cost? Were you  
21 actually paid by the Plaintiff to remove the trash?

22 A. No. It was taken from the damage deposit.

23 Q. Well, yes, sir. But JRC Properties, LLC,  
24 is a limited liability corporation, right? Or  
25 company, right?

1 A. Yes, sir.

2 Q. That is different from you individually,  
3 right?

4 A. Yes, sir.

5 Q. And yet we know that you individually did  
6 the work in removing the trash, right?

7 A. I was asking as JRC Properties.

8 Q. Well, sir --

9 A. I did not get a paycheck for removing the  
10 trash.

11 Q. All right.

12 A. JRC pays me, not myself.

13 Q. Listen to my question. How much money did  
14 JRC Properties, LLC, pay you to remove the trash  
15 that you have shown us on these photographs? How  
16 much was the check for?

17 A. Just my regular check, owner's draw.

18 Q. Okay. So you didn't get any money -- so  
19 JRC Properties, LLC, didn't pay you any money to  
20 remove the trash?

21 A. Not specifically.

22 Q. How much money did JRC Properties, LLC,  
23 pay you to spackle the holes in the wall?

24 A. Not specifically.

25 Q. How much money did JRC Properties, LLC,

1 pay you to paint?

2 A. Not specifically.

3 Q. So the answer to those questions are  
4 basically none, right?

5 A. As it happens to be, yes, sir.

6 Q. Now, we know that you claim to have  
7 attempted to clean the carpet in the one office that  
8 you say had damage, right?

9 A. I paid to have that done, yes, sir.

10 Q. All right. But you also say that you  
11 attempted to have the carpet cleaned, right?

12 A. Yes, sir.

13 Q. How much did you pay to have the carpet  
14 cleaned?

15 A. It was about \$250, I believe.

16 Q. So the -- and, like you say, you took  
17 photographs of all the damage that was done, right?

18 A. Yes, sir.

19 Q. And the only photograph of any carpet was  
20 in one office?

21 A. Two offices and the hallways.

22 Q. Well, if we look at the photographs that  
23 where in evidence we see a little --

24 A. Let's look in these ones that are in  
25 evidence. And it shows two hallways -- two offices

1 and hallways.

2 Q. Okay. So the only place that there was  
3 carpet damage was two offices and the hallways?

4 A. Yes, sir.

5 Q. The rest of it cleaned up for \$200?

6 A. 250.

7 Q. \$250. Who did you pay the \$250 to?

8 A. The cleaning agency.

9 Q. Who was that?

10 A. It's in my file.

11 Q. Sir, I just want to know the name of the  
12 company, please, that you claim to have paid \$250 to  
13 steam clean the carpet?

14 A. I'm sorry. My total recollection isn't  
15 working.

16 Q. So we just don't know that?

17 A. We do know it. It's in my file.

18 Q. All right. But today -- as we are here  
19 today looking at the evidence in the case, we don't  
20 have any idea who you claim to have paid this \$250  
21 to, correct, or do you now remember?

22 A. I'm working on it, sir.

23 Q. All right. Take your time.

24 A. Charles. But you need a company name.

25 I'm not going to come up with it. I don't know it

1 at the moment. I have it in my files and I have it  
2 in my QuickBooks.

3 Q. Do we have an invoice from Charles?

4 A. Yes, sir.

5 Q. And is there a check where you paid  
6 Charles?

7 A. Yes, sir.

8 Q. Do you know where those invoices and  
9 checks are?

10 A. In my office.

11 Q. All right. So all of the carpet cleaned  
12 up except for one office and two hallways?

13 A. Two offices and two hallways.

14 Q. Two offices and two hallways. So that is,  
15 what, about 15 or 20 percent of the space?

16 A. That would work.

17 Q. How much did you spend to replace the  
18 carpet in just those two places where the carpet was  
19 damaged?

20 A. It was either \$800 or \$1,100. I've got  
21 that in documentation. And that was paid to Floor  
22 Fashions of Bluffton.

23 Q. All right. So then the total amount of  
24 out-of-pocket expenditures that we know you have to  
25 replace all of this damage would have been about a

1       \$1,050 at most?

2           A.    There depending on the amount I paid to  
3   Floor Fashions.

4           Q.    Well, if you say you paid Floor Fashions  
5   \$800 --

6           A.    I said 800 to 1,100.

7           Q.    All right. Let's just 1,100. And you  
8   paid \$250 --

9           A.    Right.

10          Q.    -- to basically clean the rest of the  
11   carpet, right? Is that right?

12          A.    Yes, sir.

13          Q.    But normal wear and tear you've got to  
14   clean the carpet anyway, don't you?

15          A.    Yes, sir.

16          Q.    All right. So now normal wear and tear  
17   you wouldn't normally have to replace carpet right?

18          A.    Yes, sir.

19          Q.    So you've got somewhere between \$800 and  
20   \$1100 --

21          A.    Yes, sir.

22          Q.    -- in actual out-of-pocket expenses,  
23   right?

24          A.    Yes, sir.

25          Q.    And we don't know if it's \$800 or \$1,100

1 because you didn't bring the checks?

2 A. Yes, sir.

3 Q. And didn't bring the receipts, right?

4 A. Yes, sir.

5 Q. Now, of course, you put in new carpet in  
6 for that 800 or \$1,100 and what was taken out was  
7 old carpet, right?

8 A. Yes, sir.

9 Q. And we don't have any photographs of what  
10 these marks that you call burn marks looked like  
11 after you tried to clean, do we?

12 A. In the photographs.

13 Q. The photographs show the marks on the  
14 floor that look like hand-truck marks to me, but  
15 I'll take your word for what you say they are. But  
16 we don't show what they looked like after you tried  
17 to clean it, do we?

18 A. One moment, please.

19 MR. BOLCHOZ: I'm going to object to  
20 the relevance of that question in any event, Your  
21 Honor. I don't know how it would be relevant to  
22 have pictures after the place had been fixed up.

23 JUDGE DUKES: I think the question  
24 was are there any photographs of the burn marks  
25 after it was cleaned on top of the burn marks?

1 MR. MOORE: Yes, sir.

2 JUDGE DUKES: Okay. So I'll allow  
3 him to answer if he knows or remembers.

4 THE WITNESS: I'm trying my best to  
5 recall if the photographs were before or after. And  
6 I do believe they were before, so, no, I don't have  
7 photographs after.

8 BY MR. MOORE:

9 Q. So we have documentation then of what it  
10 looked like when he left, but we don't have  
11 documentation to see what it looked like after it  
12 was cleaned?

13 A. Correct. Yes, sir.

14 Q. And, of course, Charles is not here to  
15 testify if they were burn marks, grease marks,  
16 whatever kind of marks they were, right?

17 A. Yes, sir.

18 Q. And the only reason you know what kind of  
19 marks they are are because Charles told you, right?

20 A. I've got eyes.

21 Q. All right, sir.

22 A. Yes, sir.

23 Q. So you are claiming that what I'm looking  
24 at is burn marks from something being dragged across  
25 the carpet?



1 A. Yes, sir.

2 Q. All right. Now, sir, as I understand it  
3 then you were given \$4,600 as a deposit against  
4 damage, right?

5 A. Yes, sir.

6 Q. And the total amount of damage maximum  
7 that you are out-of-pocket according to you is  
8 \$1,100, right?

9 A. No.

10 Q. All right. How much more are you actually  
11 out-of-pocket that JRC Properties actually wrote a  
12 check for?

13 A. I wrote a check to Home Depot to pay for  
14 all of that paint that I put on the wall in there.  
15 I can document all of that. I wrote a check to my  
16 brothers that came over and helped me do the  
17 painting throughout that whole unit. I can document  
18 that. I've got receipts for the paint. I've got  
19 quotes showing -- one company quoted \$8,000 to do  
20 the painting in there. I've got a quote showing  
21 another company quoted me \$5,000 to do the painting  
22 in there. I've got documentation to show that I did  
23 not pull those numbers that I quoted for damages, I  
24 did not pull those out of the thin air.

25 Q. Well, sir, let me ask you this about the

1 painting. When one tenant moves out don't you  
2 normally spackle the walls and paint for the new  
3 tenant?

4 A. It depends on the amount of damage.

5 Q. But don't you normally expect to do that?

6 A. No. If we get a good tenant we don't have  
7 to. Now, with engineers we expect to have to do  
8 some work. We've had two engineering firms, and  
9 they tend to be abusive.

10 Q. And you knew that going into the lease,  
11 right?

12 A. Yes.

13 Q. All right. And, of course, we have a  
14 lease. And if we look at the lease you told us that  
15 it's basically signed on behalf of JRC Properties,  
16 right?

17 A. Yes, sir.

18 Q. And you knew that they would probably be  
19 abusive to the property going in like you told us  
20 because it's an engineering firm?

21 A. Yes, sir, but the lease still says normal  
22 wear and tear.

23 Q. Sure. And normal wear --

24 A. It doesn't say normal wear and tear for  
25 engineers.

1 Q. It does not say normal wear and tear for  
2 an engineer. It just says normal wear and tear,  
3 correct?

4 A. Yes, sir.

5 Q. And we know that in normal wear and tear  
6 when you lease to an engineering company it's  
7 generally going to be heavier than for somebody else  
8 like say a law firm, right?

9 A. I can't argue with that.

10 Q. Now, let's take a look at the lease. It  
11 says, landlord, it says Rollin and Janice McKim,  
12 that is you and your wife, right? And it says  
13 Dennis Corporation by Daniel R. Dennis, III,  
14 president, right?

15 A. Yes, sir.

16 Q. You knew that he was signing on behalf of  
17 the -- of his corporation, right?

18 A. I presumed.

19 Q. Well, you knew it because you are the one  
20 who actually prepared the lease, aren't you?

21 A. A leasing agent did.

22 Q. It was prepared by your agent, not by his  
23 agent, right?

24 A. Correct. Yes, sir.

25 Q. And so the words Dennis Corporation by

1 Daniel R. Dennis, III, president, that was words  
2 that your leasing agent prepared, right?

3 A. Yes, sir.

4 Q. And how far did you go in school?

5 A. Third year -- fourth year of college, just  
6 shy.

7 Q. And you have been in business for how  
8 long?

9 A. Forty years.

10 Q. You can look at this lease and understand  
11 that Mr. Dennis signed the lease on behalf of his  
12 corporation, correct?

13 A. Yes, sir.

14 MR. BOLCHOZ: Objection.

15 JUDGE DUKES: What is the objection?

16 MR. BOLCHOZ: I think he's asking for  
17 a legal conclusion. I mean, he's not a lawyer.  
18 Mr. McKim is not an attorney. He's asking -- he's  
19 essentially asking what is the legal import of this  
20 signature on the lease.

21 JUDGE DUKES: Okay. I was thinking  
22 he was asking him who he believed he was entering  
23 into the contract with, but you can restate the  
24 question.

25 THE WITNESS: I know who I shook

1 hands with.

2 BY MR. MOORE:

3 Q. Yes, sir, but I didn't ask you that.

4 A. All right.

5 Q. My question is knowing business as this  
6 thing is signed you understood that you were  
7 basically leasing the property to Mr. Dennis'  
8 corporation, correct?

9 A. I'm not a lawyer.

10 Q. You didn't know? Is that what you are  
11 telling me, you don't know who you were leasing it  
12 to?

13 A. Right there. Mr. Dennis. I know it's  
14 Mr. Dennis and I know it's his corporation, but to  
15 me it's the man I shake hands with is as good as his  
16 word or not.

17 Q. Well, yes, sir, but you had been in  
18 business a long time, right?

19 A. One form or another, yes.

20 Q. Have you -- do you have any type of  
21 personal guarantee signed by Mr. Dennis?

22 A. No.

23 Q. Do you know what a personal guarantee is?

24 A. Yes.

25 Q. Did you --

1 A. Kind of like a handshake.

2 Q. So did you see fit to have a personnel  
3 guarantee prepared?

4 A. I wish. No, sir.

5 Q. Did you ask for a personal guarantee?

6 A. No, sir.

7 Q. So you understood then based upon the way  
8 the lease was drawn up that you were doing business  
9 with his corporation?

10 A. Yes, uh-huh. We're in a time since  
11 2008 -- that is not germane. Forgive me.

12 Q. The answer is yes, isn't it?

13 A. Yes.

14 Q. And you told us about these four other  
15 people that Mr. Dennis' corporation owed. Do you  
16 know that he's paid every single one of them now?  
17 Do you know that?

18 A. Through what action, I would have to ask.

19 Q. The same action I guess that you testified  
20 he hadn't paid?

21 A. No, I do not know that. I do know he  
22 hasn't paid me.

23 Q. Can you deny as we sit here today that  
24 Mr. Dennis has paid every single one of these other  
25 four entities you've talked about?

1 A. I can't deny that, no.

2 Q. And when these checks that he received or  
3 his corporation received from the County, do you  
4 know if the County paid him in full everything they  
5 owed him?

6 A. I do not know that.

7 Q. Do you know when his corporation was paid  
8 by the County if more than this amount of money was  
9 owed on the project?

10 A. I do not know that, but I believe it was.

11 Q. So when he got this 500,000 and this  
12 \$200,000 your belief is he actually owed (sic) more  
13 on the project than that, correct?

14 A. I believe he was owed more than that, yes.

15 Q. He was owed more than what they actually  
16 paid him, correct?

17 A. I believe.

18 Q. Do you know how much of this 500,000 or  
19 \$700,000 was owed to other people?

20 A. No.

21 Q. You wouldn't have the court believe that  
22 you have personal knowledge that he just took this  
23 \$700,000 and used it for his own personal use, would  
24 you? You don't know that, do you?

25 A. No.

1 Q. You have no idea what he did with this  
2 money, correct?

3 A. No.

4 Q. So you can't testify he deceived you by  
5 basically taking money that was appropriated for you  
6 because you don't know that, right?

7 MR. BOLCHOZ: Objection.

8 BY MR. MOORE:

9 Q. That is true, isn't it?

10 JUDGE DUKES: What is the objection?

11 MR. BOLCHOZ: He already answered  
12 that.

13 MR. MOORE: I don't think he has.

14 MR. BOLCHOZ: He testified to that,  
15 to the deception, how he was deceived. And he's  
16 asking -- he's re-asking the question that I asked  
17 him during direct.

18 JUDGE DUKES: Well, it's cross though  
19 so he can ask again. Go ahead, sir. You can  
20 answer.

21 THE WITNESS: Ask the question again,  
22 please.

23 BY MR. MOORE:

24 Q. Certainly. You can't testify as to what  
25 Mr. Dennis did with these funds, correct?



1           A.    I can testify that Mr. Dennis had me  
2 believing he was going to pay me out of funds he got  
3 from the County that I was helping him at his  
4 request to collect. And he got those funds, and I  
5 did not get paid. And I remain unpaid.

6           Q.    Of course, that was not my question to  
7 you, was it?

8           A.    That was my answer to your question.

9           Q.    Well, again, if you would answer what I  
10 ask you instead of what I don't ask you I would  
11 appreciate it. Okay? Can you do that?

12                   JUDGE DUKES: Well, just go ahead and  
13 ask him.

14                   THE WITNESS: I'm trying.

15                   JUDGE DUKES: Well, hold on a second.  
16 Mr. Moore, just go ahead and ask the question again  
17 if you would.

18 BY MR. MOORE:

19           Q.    Sir, let me ask you this about this  
20 deceit. By the time Mr. Dennis had told you if you  
21 would help him get the money he would pay you the  
22 lease had already been signed, right?

23           A.    The lease was signed at the inception.

24           Q.    So the answer to my question is yes,  
25 right? Is that right?

1           A.    I don't have those two together, yet. I'm  
2           a little slow sometimes.

3           Q.    By the time Mr. Dennis asked you to help  
4           him get his money from the County so he could pay  
5           you, the lease was already in effect, wasn't it?

6           A.    Yes.

7           Q.    Your debt was already incurred, correct?

8           A.    Yes.

9           Q.    He was already out of the building at that  
10          time, correct?

11          A.    Yes.

12          Q.    Sir, you certainly didn't lose any money  
13          by asking the County to help pay him, did you? That  
14          debt was already incurred, wasn't it?

15          A.    Yes.

16          Q.    All right. So there is nothing that you  
17          testified he did deceitful which incurred the debt  
18          that you are complaining about in this case. That  
19          is true, isn't it?

20          A.    Well, I wouldn't say it that way and I  
21          wouldn't answer it that way.

22          Q.    Well, sir, tell me this then. We know by  
23          the time you approached the County all the money  
24          that you are suing for today was already owed,  
25          right?

1 A. Yes.

2 Q. All right. Well, what did he do deceitful  
3 to cause you to incur the debt if all the deceit was  
4 when he asked you to help him with the County?

5 A. That right there.

6 Q. Yes, sir, but the debt was already  
7 incurred?

8 A. The deceit is a whole bunch of different  
9 thing, a whole bunch of different people. I see a  
10 lot of deceit over there on your side of the table,  
11 but you don't see it that way. You don't call it  
12 that way.

13 Q. Sir, are you claiming that I'm being  
14 deceitful with my questions?

15 MR. BOLCHOZ: Objection.

16 THE WITNESS: I better not answer  
17 that.

18 MR. BOLCHOZ: It's argumentative,  
19 Judge.

20 JUDGE DUKES: Let's do this. I  
21 mean --

22 MR. MOORE: I'll withdraw the  
23 question.

24 JUDGE DUKES: The point, Mr. Moore,  
25 you all might even be able to stipulate to this, as

1 I understand it Mr. Bolchoz, you listen and see if  
2 this is something you all agree to. The deceit that  
3 has been testified to, the alleged deceit that has  
4 been testified to, postdates the termination of this  
5 lease. Is that accurate?

6 MR. BOLCHOZ: That is accurate.

7 JUDGE DUKES: Okay. All right. That  
8 is kind of the point that you are trying to make,  
9 isn't it?

10 MR. BOLCHOZ: Yes, sir.

11 JUDGE DUKES: So you can move on  
12 then.

13 MR. MOORE: Could I ask one more  
14 question?

15 JUDGE DUKES: Yes, sir.

16 BY MR. MOORE:

17 Q. Since we know that is true, can you  
18 testify that you lost any money as a result of the  
19 deceit that wasn't already owed?

20 A. No.

21 Q. All right. Now, sir, the \$4,700 in  
22 security deposit that you were holding, did you hold  
23 that money in trust?

24 A. Yes.

25 Q. Where was it held in trust?

1 A. In my banking account.

2 Q. Now, Mr. Dennis did ask you for an  
3 accounting of that \$4,700 when he left, did he not?

4 A. No.

5 Q. Did you ever provide him with an  
6 accounting of that \$4,700?

7 A. Yes. It was applied to the damages.

8 Q. So we know that that money was held in  
9 your personal bank account or in JRC's bank account?

10 A. JRC's.

11 Q. It was held separately or it was  
12 commingled?

13 A. Commingled.

14 Q. Now, sir, that money you understand is  
15 suppose to be held separately, don't you?

16 A. Obviously not.

17 Q. All right. So we know that the security  
18 deposit was initially taken and commingled and used  
19 by JRC for other purposes, right?

20 MR. BOLCHOZ: I'm going to object,  
21 relevance, to this question. There is no  
22 counterclaim for the security deposit if that is  
23 where counsel is going. I mean, there is no  
24 counterclaims at all. So I mean I just don't even  
25 know how this is relevant so I object.

1 JUDGE DUKES: Well, of course, the  
2 total amount of damages I guess would have to  
3 include the deduction from -- of the security  
4 deposit, but what is the -- I don't get the  
5 commingling spending thing. What is the relevance  
6 of all of that?

7 MR. MOORE: Your Honor, what  
8 basically happened -- what basically happened  
9 according to us is that when Mr. Dennis was cut off  
10 by the County he didn't have any funds. He  
11 basically said, look, you know, take the security  
12 deposit for part of what I owe you. At which time  
13 the answer was no.

14 And in the numbers that he's given us for  
15 the rents, I don't believe there has been any  
16 deduction for a security deposit. Well, obviously  
17 he's holding those funds. Then we think we are  
18 entitled to credit for that.

19 JUDGE DUKES: Well, let me ask Mr.  
20 Bolchoz real quick, do you deny they be given credit  
21 for -- against any amount due via the deposit  
22 amount?

23 MR. BOLCHOZ: Do I deny that they are  
24 entitled to credit towards the physical damages  
25 which is what they were applied to?

1 JUDGE DUKES: Do you acknowledge  
2 that -- I was just going to see if you all agreed to  
3 this because it's the way most of these cases are.  
4 Maybe there is something different about this one.  
5 There is a total amount of damages that may or may  
6 not be appropriate. From that total amount of  
7 damages the deposit should be deducted. Is that an  
8 accurate --

9 MR. BOLCHOZ: It has been in  
10 statements given to Mr. Dennis. I mean, yes.

11 JUDGE DUKES: Okay.

12 MR. BOLCHOZ: It's, yeah. Definitely  
13 he's been given credit for that. In fact, he  
14 testified to -- I mean he testified to that a little  
15 while ago.

16 JUDGE DUKES: All right. Maybe -- so  
17 go ahead, Mr. Moore.

18 MR. MOORE: Thank you, Your Honor.  
19 That's the first time I've understood they are  
20 telling us we are entitled to our credit. Thank  
21 you.

22 JUDGE DUKES: Okay.

23 BY MR. MOORE:

24 Q. Now, sir, we've talked about this fee  
25 arrangement that you have. Where are any invoices

1 that you've received from the attorney on this case?  
2 Have you ever gotten an invoice?

3 A. From Mr. Bolchoz?

4 Q. Yes.

5 A. Every month.

6 Q. Have you paid checks?

7 A. Yes, sir.

8 Q. And you have those canceled checks?

9 A. Yes, sir. The bank has them.

10 Q. And none of those are in evidence today,  
11 right?

12 A. No, sir.

13 Q. Who did you lease this office to? Who did  
14 you lease the office to when Mr. Dennis left?

15 A. It sat -- it sat empty for a bit and then  
16 I leased it to Darren -- excuse me. I've gotten  
17 into my senile age. Darren and Debbie. I'll let my  
18 subconscious work on that. They were in there two  
19 years. They moved on. And now Jacoby & Sons occupy  
20 the unit.

21 Q. Who are Jacoby & Sons?

22 A. A building firm and real estate firm.

23 Q. Has a law firm ever been in there?

24 A. Law firm? Mr. Bolchoz operates out of the  
25 upstairs of the unit.



1 Q. Oh, so the lawyer who is representing you  
2 in this case actually leased the upstairs of the  
3 property that we are talking about?

4 A. A couple years later, yes. After it sat  
5 empty for a couple of years.

6 Q. Well, was Mr. Bolchoz the first tenant  
7 after the Dennis Corporation following his leaving?  
8 Following Mr. Dennis leaving?

9 A. Yes.

10 Q. All right, sir.

11 A. A couple years later.

12 Q. And it sat empty for a couple of years?

13 A. Yes, sir.

14 Q. And then you leased the top floor to Mr.  
15 Bolchoz?

16 A. Yes, sir.

17 Q. Now, sir, have you ever signed a written  
18 fee agreement with anybody in regard to attorneys  
19 fees in this case? You can answer that question.

20 A. I'm trying to recall if I have or not.

21 Q. Do you recall, sir, ever having signed a  
22 written fee agreement?

23 MR. BOLCHOZ: I'm going to object to  
24 relevance. I mean, you know, he testified as to his  
25 attorneys fees. I mean certainly Mr. Moore has the

1 right to examine me as to the amount of the  
2 attorney -- I mean, I just don't -- I object. It's  
3 not relevant.

4 MR. MOORE: Your Honor, the new rules  
5 of ethics basically provide that no attorneys fee is  
6 chargeable at all absent a written fee agreement.  
7 That is the rule.

8 JUDGE DUKES: Well, basically the  
9 testimony right now is he doesn't remember, I think.  
10 Is that what he said?

11 THE WITNESS: Yes, sir.

12 JUDGE DUKES: So I --

13 BY MR. MOORE:

14 Q. If you had a written fee agreement with  
15 your counsel where would it be?

16 A. Somewhere in my files.

17 Q. With all of this other -- these other  
18 documents you claim to have, right?

19 A. Yes, sir.

20 Q. All right. Of this money that you claim  
21 to have spent, this money over and above the 800 or  
22 \$1,100 for the carpet how much of it was spent  
23 upgrading Mr. Bolchoz's law firm?

24 A. None.

25 Q. So you didn't do any painting or spackling

1 or anything up there?

2 A. We had already done that clean up at the  
3 time after Dennis vacated. We cleaned up the  
4 upstairs. We had no renters coming forth. I moved  
5 myself up there for awhile with some of my antique  
6 maps and prints and stuff that I had formally been  
7 in the retail business. I was entertaining the idea  
8 of trying to open that as a retail map shop, but  
9 then I realized the County was not going to let me  
10 do that with limited egress/ingress. Then it sat  
11 empty for awhile longer. Eventually he came in and  
12 took it as it then existed.

13 Q. Well, when is it that you spent all of  
14 this money to paint and spackle the upstairs?

15 A. After Dennis -- most of that was  
16 downstairs. A little bit of it was upstairs, but  
17 after Dennis vacated.

18 Q. Why wasn't there much upstairs?

19 A. Dennis -- most of Dennis' activities were  
20 downstairs. He only had a couple -- one or two men  
21 working upstairs.

22 Q. So there wasn't damage at all upstairs?

23 A. There was damage, but not nearly as  
24 extensive as downstairs.

25 Q. So the photographs show us the downstairs

1 damage?

2 A. For the most -- I believe it's exclusively  
3 that case, yes.

4 Q. And then you moved in the upstairs for  
5 awhile?

6 A. Yes, sir.

7 Q. Before Mr. Bolchoz occupied the upstairs  
8 there, did you paint for him?

9 A. Just some touch-up.

10 Q. All right. So the answer would be some?

11 A. Yes.

12 Q. Of course you didn't replace any carpet?

13 A. No.

14 Q. All right. How much room is there  
15 upstairs? Is it equal space?

16 A. No. It's about 1,120 square feet.

17 Q. Upstairs?

18 A. Yes, sir.

19 Q. All right. Now, you agree that Dennis  
20 terminated the lease early pursuant to the lease,  
21 right?

22 A. Yes, sir.

23 Q. He had a right to do that?

24 A. Yes, sir.

25 Q. You've verified that, in fact, the County

1 did terminate him, right?

2 A. Never verified that.

3 Q. But you acknowledge that to be true?

4 A. Yes.

5 Q. So he had a right to terminate the lease  
6 when he did, correct?

7 A. Yes. The lease specified that he provide  
8 us proof of termination by the County which he never  
9 did.

10 Q. And you acknowledge that you claim he owes  
11 four months rent?

12 A. Yes, sir.

13 Q. And he owes the \$7,000 in damages?

14 A. Yes, sir.

15 Q. For which there is not one check or  
16 receipt into evidence today, right?

17 A. Yes, sir.

18 Q. And you claim -- I guess that would total,  
19 what, about \$22,000?

20 A. Twenty-seven thousand.

21 Q. And then if you deduct the \$4,000,  
22 4,500 --

23 A. Then you get there, yes, sir.

24 Q. So 22,000, \$23,000 is what you claim that  
25 he owes you, right?

1 A. Plus late fees.

2 Q. Plus late fees?

3 A. Plus legal fees.

4 Q. I want to here about legal fees, but if  
5 you get down to the actual amount you claim to be  
6 due it's some 22,000, \$23,000, right?

7 MR. BOLCHOZ: Objection. He just  
8 testified --

9 BY MR. MOORE:

10 Q. Not including attorneys fees. Some  
11 22,000, \$23,000?

12 MR. BOLCHOZ: Or late fees.

13 JUDGE DUKES: Right. And I'm  
14 following it so go ahead.

15 BY MR. MOORE:

16 Q. Including the late fees it's 23,000,  
17 \$24,000, right?

18 A. Not including the late fees.

19 Q. Okay. Not including late fees.  
20 Twenty-two, \$23,000, right?

21 A. Not including the legal fees.

22 Q. I'm going to get to that.

23 A. Yes, sir.

24 Q. All right. So what you are seeking is  
25 \$28,000 in legal fees to collect a debt that absent

1 late fees is about 22,000, \$23,000?

2 A. Somewhere along that line. Mr. Dennis  
3 testified last summer to have paid \$30,000-something  
4 in legal fees to settle a \$1,000 settlement. So I  
5 think my ratio is quite good.

6 Q. Well, yes, sir, but of course that really  
7 hasn't got anything to do with what I'm trying to  
8 get to.

9 A. No.

10 Q. I just want to make positive I understand.  
11 You are asking this court to award you \$28,000 in  
12 legal fees in order to collect on a debt that  
13 otherwise is about 22,000 or \$23,000 plus late fees,  
14 right?

15 A. Yes, sir. had he paid to begin with there  
16 wouldn't have been any legal fees.

17 Q. And, of course, if we look at these  
18 letters that you were getting he was writing you as  
19 early as July 2011, trying to work out some sort of  
20 compromise with you, wasn't he?

21 A. He was trying to get off half cost.

22 Q. Sure. He wrote a letter through an  
23 attorney and basically said, hey, I want to try to  
24 work this out with you, correct?

25 A. Yes, sir.

1 Q. So he was so deceitful he hired a lawyer,  
2 sent you a letter, and said, is there some way we  
3 can work this out, right? That is what the letter  
4 says, isn't it?

5 A. Yes. And I'm trying to fix that in my  
6 mind was that before you disappeared from the scene  
7 and Mr. Collins and then Mr. Smith came in and then  
8 you came back again. I got lost with all of his  
9 attorneys there for awhile, but, yes, that is what  
10 that letter says. It's an offer for 50 percent.  
11 And I did not feel like settling for 50 percent.  
12 That is my prerogative, isn't it?

13 Q. Sir, if you will recall, I'm suppose to be  
14 asking the questions.

15 A. Okay.

16 Q. I just want to make sure that --

17 A. That is what that letter says, yes, sir.

18 Q. We know as early as July 2011 he  
19 approached you in an effort to try to work the thing  
20 out, right?

21 A. Yes, sir.

22 Q. And, of course, we've been unable to work  
23 it out, right?

24 A. Yes, sir.

25 Q. All right.



1           A.    Let's do specify the nature of what was  
2    tried to work out.

3           Q.    Well, let's talk half a minute.

4                   JUDGE DUKES:  Mr. Moore, let me do  
5    this.  I hate to do this.  I was kind of hoping this  
6    would cleanly finish up before I needed to take a  
7    break.  What I hate to do is have you finish and  
8    then a break before the redirect or whatever.  So  
9    maybe it's just easier to just stop right now.

10                  MR. MOORE:  That would be great.  
11    Thank you, Judge.

12                  JUDGE DUKES:  And so, sir, please  
13    don't discuss your testimony with anyone during the  
14    lunch break.  Why don't we try to make it back here  
15    in 45 minutes, an hour?  Is that long enough to go  
16    across the street and grab something to eat?

17                  THE WITNESS:  I believe that is my  
18    food.

19                  JUDGE DUKES:  That's right.  You --  
20    well, everybody else though might --

21                  THE WITNESS:  I'll go with them.

22                  JUDGE DUKES:  Okay.  So what time is  
23    it now?

24                  COURT REPORTER:  1:21.

25                  JUDGE DUKES:  Okay.  So why don't we

1 try to make it back here -- if everybody is back in  
2 about 45 minutes we can start, if not, an hour. Try  
3 not to go any further than an hour. See what we can  
4 do.

5 MR. MOORE: Thank you, Judge.

6 MR. BOLCHOZ: Thanks, Judge.

7 JUDGE DUKES: You understand the  
8 restrictions, sir; is that right?

9 THE WITNESS: Includes him?

10 JUDGE DUKES: That includes him.

11 THE WITNESS: Okay. Yes, sir.

12 (Lunch recess 1:21 to 2:14.)

13 JUDGE DUKES: Back on the record.

14 Sir, you are still under oath. You can continue  
15 cross.

16 BY MR. MOORE:

17 Q: Sir, my understanding is what you want is  
18 for Dennis Corporation to comply with the lease; is  
19 that correct?

20 A. Yes, sir.

21 Q. Do you acknowledge that JRC also should be  
22 required to comply with the lease?

23 A. Tit for tat, yes, sir.

24 MR. MOORE: All right. Might we hand  
25 him a copy of the lease agreement? I've got --

1 JUDGE DUKES: Plaintiff's 1 should be  
2 in that stack.

3 MR. BOLCHOZ: He's got Plaintiff's 1.  
4 I thought --

5 THE WITNESS: I've got Plaintiff's 1.

6 MR. BOLCHOZ: Didn't I give you --

7 MR. MOORE: I've got a copy of it  
8 somewhere.

9 MR. BOLCHOZ: Okay.

10 MR. MOORE: Here it is. There you  
11 are.

12 BY MR. MOORE:

13 Q. Sir, let's look at Item 4.1 of the lease.  
14 Item 4 there says that it's for preparation,  
15 maintenance, and repair of the premises, correct?

16 A. Yes, sir.

17 Q. All right. So let's just read just a  
18 portion of this because I want to ask you a question  
19 about it. It says, the tenant shall at its own  
20 expense keep the interior of the premises in good  
21 repair and tenantable condition including all  
22 interior repairs and maintenance and indemnify  
23 landlord against any loss, damage, or expense  
24 arising by reason of any failure of tenant to keep  
25 the premises in good repair and tenantable condition

1 or due to any act of neglect of tenant, its agents,  
2 employees, contractors, invitees, licensees,  
3 tenants, or assignees. Do you see that?

4 A. Yes, sir.

5 Q. All right. That is what you are saying  
6 they didn't do. They put holes in the walls and  
7 messed up the carpet, right?

8 A. Yes, sir.

9 Q. Then it goes on and says if tenant fails  
10 after written notice from landlord and 15 days to  
11 cure to perform or cause to be performed any such  
12 necessary maintenance and repairs then at the option  
13 of landlord in its sole discretion any such  
14 maintenance or repair may be performed or caused to  
15 be performed by landlord and the cost and expense  
16 thereof charged to tenant. You see that?

17 A. Yes, sir.

18 Q. And it says, tenant shall pay the amount  
19 thereof to landlord on demand as additional rent.  
20 You see that?

21 A. Yes, sir.

22 Q. Would you please show me where you sent  
23 the required 15 days notice and gave the opportunity  
24 of Dennis Corporation to make the repairs? Where is  
25 that?

1 A. Can I see that?

2 MR. BOLCHOZ: Just answer his  
3 question.

4 THE WITNESS: I need to look at  
5 records I don't have in front of me considering  
6 the -- concerning the total of the damages that I  
7 had specified and see what the date was on that to  
8 see if it complies with that 15 days.

9 BY MR. MOORE:

10 Q. No, sir. What it says is -- what it says  
11 is you've got to give them 15 days notice that there  
12 is damage --

13 A. Understood.

14 Q. -- and give them an opportunity to cure.

15 A. And damage --

16 Q. And give them an opportunity to cure,  
17 right?

18 A. Yes, sir. And the damages were not  
19 visible until they vacated.

20 Q. Well, yes, sir. But like it says, if  
21 tenant fails to do it you may include that as -- you  
22 can fix it and add it as additional rent, correct?

23 A. Yes, sir.

24 Q. That is what you've done, right?

25 A. Yes, sir.

1 Q. Well, then what I want to know is the  
2 thing also says before you can do that you've got to  
3 give them 15 days notice and an opportunity for them  
4 to do the work. What I want to know is where is the  
5 written notice that the lease requires you to give  
6 affording them the 15 days opportunity to cure any  
7 defects? Where is it?

8 A. I would have to look at those records. I  
9 don't believe I specifically have such a notice.

10 Q. The reason you don't have one is because  
11 there was never one sent, correct?

12 A. I'd have to look at records, but most  
13 likely that is correct.

14 Q. Well, sir, if that is correct then we can  
15 agree that you did not comply with Item 4.1 of your  
16 own lease, right?

17 A. Yes.

18 Q. And Item 4.1 says before you may make the  
19 repairs and charge them to Dennis, you must first  
20 give Dennis the opportunity to cure it as its own  
21 expense, right?

22 A. Yes.

23 Q. You didn't do that, right?

24 A. Yes.

25 Q. Why did you violate the terms and

1 conditions of your own lease?

2 A. I didn't consult a lawyer to interpret it  
3 for me.

4 Q. Who made the decision for you to violate  
5 the terms of your lease?

6 A. My own ignorance.

7 Q. And as a result of that you acknowledge  
8 that in your own ignorance your company, the  
9 Plaintiff in this case, violated the provisions of  
10 4.1 of the lease as you now read it in plain  
11 English, right?

12 A. Yes, sir.

13 Q. Now, according to that you can't charge  
14 them additional rent like you've done it. You must  
15 first give them an opportunity to cure at their  
16 expense. You just didn't do that, right?

17 A. Yes, sir.

18 Q. All right. Now, would you please look at  
19 your lease and show me the language in this lease  
20 that says what condition the premises are suppose to  
21 be in when you get them back?

22 A. Okay. Hold onto your pants. It will take  
23 awhile.

24 Q. Sure.

25 A. I don't believe I'm finding that.

1 Q. I've looked for it, too, sir. And I agree  
2 it's not in there. Can we agree then there is no  
3 language of the lease which basically says the  
4 condition the premises are to be in when they are  
5 surrendered back to you?

6 A. I would have to say we can agree to that,  
7 yes, sir.

8 Q. Well then when you testified earlier about  
9 what the lease said about the condition it was to be  
10 in according to the terms of the lease, you were  
11 just wrong about that?

12 A. Yes, sir.

13 Q. You weren't intentionally lying. You just  
14 made a mistake?

15 A. I made a mistake.

16 Q. All right. We've talked now, too, about  
17 this concept of an attorneys fee. We know that  
18 Dennis Corporation did not default. They simply  
19 terminated the agreement the way they had a right to  
20 do, right?

21 A. No, they defaulted.

22 Q. Well, they certainly had a right -- they  
23 had a right to -- they had a right to cancel the  
24 lease, right? You've told us that.

25 A. Yes. They defaulted before they canceled



1 the lease.

2 Q. All right. But the reason you took the  
3 property back is because they surrendered it to you  
4 when they canceled the lease, right?

5 A. Yes, sir.

6 Q. The lease ended when they canceled, right?

7 A. Yes, sir.

8 Q. Paragraph 8 talks about default and  
9 related requirements, right?

10 A. Yes, sir.

11 Q. And Paragraph 8 talks about your ability  
12 to terminate the lease in the event of default,  
13 right?

14 A. Yes, sir.

15 Q. You never terminated the lease. They  
16 canceled the lease according to its terms, right?

17 A. Yes, sir. I don't -- I don't recognize  
18 that I'm required to terminate the lease if they  
19 default.

20 Q. Well, and you didn't?

21 A. Right.

22 Q. They canceled, right?

23 A. Yes, sir.

24 Q. Well, sir, I read Paragraph 8 of your  
25 lease which as far as I can determine is the only

1 clauses in there that deal with the right to collect  
2 an attorneys fee, would you agree with me?

3 A. No, sir.

4 Q. What other provisions allow for -- other  
5 than Article 8, what other provisions call for the  
6 payment of attorneys fees?

7 A. Well, if you say Article 8 to include  
8 Article 8.3 --

9 Q. Sure.

10 A. Okay. Then I believe that is it, but I  
11 would have to consult my attorney on that.

12 Q. Right. Now, we know that you acknowledge  
13 that there is supposed to be equal application of  
14 the lease. You've got to comply with it and they've  
15 got to comply with it, correct?

16 A. Yes, sir.

17 Q. Item 8.3 talks about these late charges  
18 and so forth. And it says that there at the very  
19 end -- read this with me. It says, if any rent,  
20 additional rent, or other debt owing by one party to  
21 the other here under is collected by or through an  
22 attorney at law, the prevailing party shall be  
23 entitled to collect its reasonable attorneys fees,  
24 correct?

25 A. Yes, sir.

1 Q. Now, you have sued not only the Dennis  
2 Corporation, you have sued Mr. Dennis individually,  
3 correct?

4 A. Yes, sir.

5 Q. If it's ultimately determined that he  
6 individually doesn't owe your company any money,  
7 would you agree that he would be a prevailing party?

8 MR. BOLCHOZ: Objection.

9 THE WITNESS: I'm not a lawyer.

10 MR. BOLCHOZ: That is a legal  
11 question, Judge.

12 JUDGE DUKES: It is.. Sustained.

13 BY MR. MOORE:

14 Q. The language in there about prevailing  
15 party though would have been written by your real  
16 estate agent, right?

17 A. I don't know whether it was my real estate  
18 agent or his attorney.

19 Q. All right. I thought you told us earlier  
20 that this lease was prepared by your real estate  
21 agent?

22 A. That is my knowledge. I don't know  
23 whether it was prepared before him by his attorney.

24 Q. All right. By whose attorney? You say  
25 his. By Mr. Dennis' attorney?

ROLLIN E. MCKIM, JR. REDIRECT EXAMINATION BY MR. BOLCHOZ

1 A. No. By the real estate attorney.

2 Q. Oh, okay. But this agreement was prepared  
3 by your side of the negotiations and presented to  
4 Mr. Dennis for his company to sign?

5 A. Yes, sir.

6 MR. MOORE: All right. Sir, I thank  
7 you for answering my questions. I don't have any  
8 further questions for you.

9 JUDGE DUKES: Mr. Bolchoz, anything  
10 else?

11 MR. BOLCHOZ: Yes, sir. One second,  
12 please.

13 REDIRECT EXAMINATION

14 BY MR. BOLCHOZ:

15 Q. Mr. McKim, did you collect estimates for  
16 repairs to the physical damage to the property?

17 A. Yes, sir.

18 Q. Okay. And what did you decide to do about  
19 having the work done?

20 A. Decided as far as possible to do it  
21 myself.

22 Q. And why did you decide to do that?

23 A. Economic necessity.

24 Q. Did you do a walk-through of the building  
25 with Mr. Dennis?

1 A. Yes, I did.

2 Q. Okay. Did he know or was he aware that  
3 you had physical damage to the premises from his  
4 stay there?

5 A. Yes. We saw that on the walk-through in  
6 early February of 2011.

7 Q. Okay. Did he know that you were going to  
8 apply his security deposit to the physical damages?

9 A. He knew that later. I don't know that I  
10 specified it during the walk-through, but I  
11 specified it afterwards in my statements to him at  
12 which time he never made objection until we got into  
13 legal procedures.

14 Q. Okay. And you specified it as well in the  
15 letter to Ladson Howell in evidence, correct?

16 A. Yes, sir.

17 Q. And he didn't object to that?

18 A. No.

19 Q. Okay.

20 A. Until legal procedures.

21 Q. Okay. And did he ever -- whether the  
22 walk-through or subsequently after he got the  
23 e-mails or after he got the numerous statements you  
24 sent to him, did he ever ask for a breakdown of what  
25 the security deposit was being applied to actually

1 pay for?

2 A. Never.

3 Q. Okay. And during the walk-through did  
4 Mr. Dennis mention Section 4.1 of the lease?

5 A. No.

6 Q. Okay. And during the walk-through or any  
7 time subsequently, did he demand a right to cure or  
8 make repairs himself?

9 A. No.

10 Q. Okay. And during the walk-through or any  
11 time subsequently, did he ask for an opportunity to  
12 make repairs himself?

13 A. No.

14 Q. Okay. Take a look at the lease for me if  
15 you would, Section 8.3. Counsel went through that  
16 final sentence of 8.3 with you, correct?

17 A. Yes, sir.

18 Q. Okay. And it reads, if any rent,  
19 additional rent, or other debt owing by one party to  
20 the other hereunder is collected by or through an  
21 attorney, the prevailing party shall be entitled to  
22 collect its reasonable actual attorneys fees and  
23 costs incurred in the collection of such rent or  
24 other debt, correct?

25 A. Yes, sir.

1 Q. Okay. Has Mr. Dennis personally or on  
2 behalf of his corporation brought any claims against  
3 you in this lawsuit that you are aware of?

4 A. No, sir.

5 Q. Is he attempting to collect any monies  
6 from you or from JRC?

7 A. No, sir.

8 Q. Okay. With regard to the late fees that  
9 have accrued under the lease, I believe you  
10 testified earlier that the lease provides for a  
11 five percent late fee for the few months that he  
12 missed the rental payments; is that correct?

13 A. For the first month of each miss, yes,  
14 sir.

15 Q. Okay. So that is four months?

16 A. Yes, sir.

17 Q. Okay. And then subsequently you are  
18 entitled to collect 1.5 percent of the outstanding  
19 amount for every 30 day period the rent goes unpaid?

20 A. Yes, sir.

21 Q. Okay. Do you know what the total dollar  
22 figure on top of the principal amount you are  
23 seeking today is?

24 A. Just under \$20,000 in late fees.

25 Q. Okay. I'm going to hand you a document

1 and ask you if you recognize that. Do you know what  
2 that is?

3 A. This is the most recent statement of the  
4 combined principal, late charges, and legal fees.

5 Q. Okay. And who prepared that document?

6 A. I did.

7 Q. Okay. And --

8 A. I'm sorry. This does not have the legal  
9 fees on it except for the court reporter and for the  
10 mediator.

11 Q. Okay. And does that document help refresh  
12 your recollection as to the total principal and late  
13 fees due today?

14 A. Yes, sir.

15 Q. Okay. And what is that amount?

16 A. \$39,376.36.

17 Q. Okay. And that is, as you say, exclusive  
18 of the attorneys fees?

19 A. Yes.

20 Q. Okay. And that is exclusive of the  
21 property damage you are seeking to recover?

22 A. Yes, sir.

23 Q. Now, the security deposit that counsel has  
24 been asking about here, that was applied and the  
25 Defendants were given credit for that dollar figure,



1       were they not?

2           A.    I'm sorry. Ask that again.

3           Q.    Okay. Did they receive credit for their  
4 security deposit?

5           A.    Against the property damages, yes, sir.

6           Q.    Okay. And that is how the credit was  
7 received, it was applied to the property damage?

8           A.    Yes, sir.

9                   MR. BOLCHOZ: Okay. I don't have any  
10 other questions.

11                   MR. MOORE: Very briefly, Your Honor.

12                           RECROSS EXAMINATION

13 BY MR. MOORE:

14           Q.    Who is it that gave you these estimates?

15           A.    Again, those are in my file. I don't have  
16 that at the top of my head.

17           Q.    Are any of those people here today to  
18 testify?

19           A.    No, sir.

20           Q.    Now, where in the lease does it say that  
21 Mr. Dennis has to ask you for the notices he is  
22 entitled to and the rights to cure that he's  
23 entitled to?

24           A.    It's not in the lease.

25           Q.    Basically those are your obligations to

1 give whether he asks for them or not?

2 A. I believe so, yes, sir.

3 Q. Did anyone other than Dennis Corporation  
4 owe you any rent?

5 A. No, sir.

6 Q. Did anyone other than Dennis Corporation  
7 owe you for the damages to the premises?

8 MR. BOLCHOZ: I'm going to object. I  
9 think that is a legal -- he's asking --

10 THE WITNESS: Yes.

11 MR. BOLCHOZ: -- for a legal  
12 conclusion.

13 THE WITNESS: No, I don't know  
14 others.

15 MR. BOLCHOZ: Hang on.

16 JUDGE DUKES: Hold on a second. Owe  
17 you for the damages to this unit or to other units?

18 MR. MOORE: To this unit. To this  
19 unit. I'm sorry, Your Honor. To this unit. I  
20 asked the question improperly.

21 BY MR. MOORE:

22 Q. Does anyone owe you any money for Dennis'  
23 tenancy other than Dennis Corporation?

24 A. I would have to ask my layer whether it's  
25 the corporation or whether it's the individual.

1 Q. All right. Other than Dan Dennis or the  
2 individual --

3 A. No one.

4 Q. -- corporation?

5 MR. MOORE: All right. Thank you so  
6 much. I have no further questions, Your Honor.

7 JUDGE DUKES: Thank you.

8 REDIRECT EXAMINATION

9 BY MR. BOLCHOZ:

10 Q. One quick follow-up. Did Mr. Dennis ask  
11 you for any information about the estimates that you  
12 collected relating to the physical damage to the  
13 property?

14 A. Never.

15 Q. Okay. And did Mr. Dennis ask -- in fact,  
16 ask you for any documents during the course of this  
17 litigation?

18 A. No. No.

19 Q. Did he ask -- did he send you any  
20 discovery to answer?

21 A. Never.

22 MR. BOLCHOZ: Okay. Nothing further.

23 JUDGE DUKES: All right. Mr.  
24 Bolchoz, do you want to do the attorneys fee part  
25 now or how do you want to do it?

1 MR. BOLCHOZ: We can do that now. I  
2 mean, I know he's entitled to cross examine me about  
3 it, so --

4 MR. MOORE: Your Honor if I might,  
5 would that be the Plaintiff's case except for the  
6 attorneys fees part?

7 JUDGE DUKES: That is my  
8 understanding because that's the only -- correct?

9 MR. BOLCHOZ: Yes. Yes. That is  
10 Plaintiff's case.

11 MR. MOORE: If I might -- if I might  
12 hold those attorneys fee portions until the end I  
13 would appreciate it, but I would like to make --

14 JUDGE DUKES: Want to make the  
15 motions first?

16 MR. MOORE: I would like to make some  
17 motions, please, sir.

18 JUDGE DUKES: I suppose we could do  
19 it that way. So happy to hear from you, sir.

20 MR. MOORE: Your Honor, I would  
21 move --

22 JUDGE DUKES: Well, let me ask this.  
23 Plaintiff rests save and except for the attorneys  
24 fee portion; is that correct.

25 MR. BOLCHOZ: That's right, Judge.

1 JUDGE DUKES: Okay. All right. Go  
2 ahead, sir.

3 MR. MOORE: Your Honor, I would move  
4 to dismiss the second cause of action which is  
5 basically an action for conversion.

6 JUDGE DUKES: All right.

7 MR. MOORE: My understanding is that  
8 the elements of conversion are basically the  
9 ownership of a specific piece of personal property  
10 and then someone takes it permanently for his own  
11 uses and purposes.

12 Generally the law recognizes that cash is  
13 a fungible item, that no one has particular  
14 ownership of one particular dollar or another. But  
15 in order for this gentleman to prove a cause of  
16 action for conversion, he would have to prove that  
17 Dennis Corporation held something of his and that  
18 Dennis Corporation or Dan Dennis took that which was  
19 his. He has acknowledged on cross examination that  
20 Beaufort County did not owe him anything, that  
21 nobody owed him anything other than Dan Dennis  
22 and/or the Dennis Corporation.

23 And what he's basically said is, well, the  
24 County gave Dennis Corporation some money and part  
25 of that should have been used to pay him. Well,

1 that may or may not be true, but that doesn't rise  
2 to the level of a conversion.

3 Unless he can show that we were holding  
4 the money in some form of trust for him, which I  
5 don't think he's done by way of the evidence, unless  
6 he could establish an actual ownership of the cash,  
7 and even if he could do that it would still be a  
8 problem, but it wasn't cash. It was just a check.

9 There is no specific item or personal  
10 property which is alleged to have been taken by  
11 either the Dennis Corporation or Dan Dennis. Again,  
12 the gist of his testimony is Dennis Corporation was  
13 owed some money which they were relying on to pay me  
14 my rent. And they promised me that they would pay  
15 me my rent when they got paid.

16 And they got paid and didn't pay me my  
17 rent. Well, that is not a conversion. That might  
18 be a breach of contract. It might be a breach of an  
19 agreement to pay, but it certainly is not a  
20 conversion. We are talking the difference between a  
21 contract and the tort of conversion.

22 So we would move to dismiss the case based  
23 upon a lack of proving the specific elements of a  
24 conversion. And we would therefore also move to  
25 dismiss the conversion claim against Mr. Dennis

1 individually because there is no proof that, A,  
2 anything was converted, nor that Mr. Dennis actually  
3 did it.

4 We would also asked to dismiss Mr. Dennis  
5 from the breach of contract or breach of the lease  
6 case. The Plaintiff himself has testified that he  
7 had no personal guarantee, knew what a personal  
8 guarantee was, accepted the lease as from the  
9 corporation.

10 The lease document is specifically signed  
11 by Mr. Dennis as president of the corporation and  
12 for the corporation on a form prepared by the  
13 Plaintiff. They now have sued him under the lease  
14 that he never personally guaranteed. And they have  
15 now sued him for conversion of property they never  
16 claimed belonged to them.

17 So we then come down to the third cause of  
18 action which is the unfair trade practice. First of  
19 all, I would move to dismiss Mr. Dennis as a  
20 Defendant even under (inaudible) McLeod versus C&L  
21 Corporation. In order to prove someone to have  
22 individual liable -- individual liability, you must  
23 actually prove the nature, degree, and control that  
24 the individual is having over the corporation.

25 You must prove that the individual is a

1 controlling party.

2 The next problem they have though is that  
3 they must prove in some form or fashion that there  
4 is something unfair or deceptive which is the  
5 proximate cause of the injury.

6 When we asked the Plaintiff what is the  
7 public interest, well, there were four other people  
8 he didn't pay. Well, do you know if he's paid them  
9 now? No. So there is no indication -- there is no  
10 proof that anybody else wasn't paid who was owed  
11 money. There simply is a void in regard to proof.

12 Didn't pay him at the time. Are they paid  
13 now? I don't know. Those people weren't called.  
14 We don't know what the circumstances were nor do we  
15 even now that those people were actually owed money.  
16 So under the Noack case they clearly have to show a  
17 public interest before even being able to bring an  
18 unfair trade.

19 Additionally, they would have to be able  
20 to show that Mr. Dennis was the controlling party  
21 who somehow or another orchestrated or controlled  
22 the unfair and/or deceptive trade practices. A  
23 one-time event is not enough. And the case law -- I  
24 believe there is a case directly on point that says  
25 simply owing a debt or not paying a debt does not



1 rise to a level of unfair trade.

2 The next problem they have is a proximate  
3 cause issue in regard to both the conversion and --  
4 well, at least in regard to the unfair trade  
5 practice. When asked, look, what is the deceit that  
6 you are claiming? Well, he asked me to help him get  
7 the money from the County. And I did it. And he  
8 didn't pay me.

9 Well, okay, well -- but everything that  
10 you are claiming to be a damage had already occurred  
11 by that time. The rents were already due. And if  
12 there was money already due then you have a  
13 situation to where by the time the so-called  
14 deception took place the debts which are claimed to  
15 be the damages in this case were already owed.

16 So there is no proximate cause of any sort  
17 of any sort of injury proven which is in any way  
18 related to what is alleged to be the unfair and  
19 deceptive act which is not paying money you promised  
20 to pay which really is not an unfair trade practice  
21 anyway.

22 With all due respect, I believe you have a  
23 situation here where this is simply a case dealing  
24 with a breach of a lease which has been blown way  
25 out of proportion in regard to a conversion claim

1 which we now have to defend and unfair trade case  
2 which we now have to defend.

3 I also -- and I know I'm saying a lot  
4 really fast. I would move to dismiss any claims in  
5 regard to the physical damage because there is  
6 simply not any proof of it. Everything is totally  
7 speculative. There is not one check. There is not  
8 one receipt. There is not one estimate. There is  
9 not one person who did any work. Nothing except  
10 this gentleman's testimony. And the only thing he  
11 can tell us, it was somewhere between 800 and \$1,100  
12 to replace a piece of carpet. We don't know how  
13 much went to where.

14 The alleged damages to the premises are  
15 speculative plus the lease itself does not have any  
16 comment in regard to the condition the premises was  
17 supposed to be returned. I believe the law says  
18 that even when a lease is silent as to the condition  
19 it's supposed to be returned in the same condition  
20 as it would have been reasonable wear and tear  
21 excepted.

22 When you have a small amount of carpet and  
23 some holes in the wall it would seem to me  
24 especially in light of the Plaintiff's testimony  
25 that he expects heavy issues from an engineering

1 firm that there has been no proof that there has  
2 been anything that is not ordinary wear and tear.

3 We also would move, Your Honor, to strike  
4 the claim for any of the property issues on the  
5 ground that the law specifically states that a  
6 person who breaches a contract may not seek to  
7 enforce that contract. Under his own admission  
8 Mr. Dennis was entitled to a notice and an  
9 opportunity to cure.

10 I asked him who on his side made the  
11 decision to breach the contract. He said he did. I  
12 asked him why did you breach the contract? He said  
13 because of his own ignorance. I said, according to  
14 the written lease isn't it so that before you can  
15 assess any type of damages such as this you would  
16 have to comply with your lease and give the written  
17 notices and so forth. Yes.

18 Do any such notices and right-to-cure  
19 exist? No. The law is very clear that a person who  
20 breaches his own contract may not then seek to  
21 enforce the contract.

22 Now, being as entirely honest as I know  
23 how to be, I think that the breach of the -- I think  
24 that the provisions of the contract are probably  
25 severable. I do not think that the fact that he

1       breached the contract by not giving us the right to  
2       cure means he cannot collect his back rent. He can.

3               But I do think that when he winds up  
4       acknowledging that he's breached the provision of  
5       that lease dealing with the purported property  
6       damage which he claims, that he is not entitled to  
7       enforce that provision of the lease which he has  
8       admittedly breached.

9               I also think this goes back to the  
10       equitable claim for attorneys fee which I also move  
11       to dismiss. There is no fee agreement which has  
12       been placed into the record. Under our new rules of  
13       court as I understand them, a fee agreement is not  
14       enforceable unless it is in writing. That has been  
15       hammered home to me over and over again by our  
16       senior -- by our managing partners. And in this  
17       case at this point in time there has been no fee  
18       agreement produced.

19               I also would respectfully submit that if I  
20       am correct, and I think I am, that the failure to  
21       comply with the lease on the part of the Plaintiff  
22       forfeits their claim to any type of property damage.

23               And if I'm correct, and I hope I am, that  
24       there has been a failure of proof in regard to the  
25       actual condition it was returned in compared to what

1 it should have been returned in and how much the  
2 damages are, then the Plaintiff would have -- not be  
3 entitled to any damages or recovery for anything  
4 other than back rent.

5 That being the case, it would seem to us  
6 that, A, if Mr. Dennis prevails individually, he is  
7 a prevailing party. And, B, what we've really been  
8 arguing about in this case is the validity of these  
9 damages which we have a yet to see any itemization  
10 of.

11 That being the case, it would appear to me  
12 that Dennis Corporation would have a prevailed on  
13 that portion of the case which we really have been  
14 litigating over. And either Dennis Corporation  
15 should be entitled to an attorneys fee or the  
16 parties should be left where they are in regard to  
17 an attorneys fees.

18 We also would move for a directed verdict  
19 that in regard to the actual amount of rent, which  
20 we acknowledge is due, that there should be four  
21 rent -- four months of rent assessed, that Dennis  
22 should be given credit for the \$4,600 of deposit  
23 that was being held. We ought to write them a check  
24 for the amount of money that is three months rent  
25 and this case should be over which is what we've

1       been trying to say forever, but they won't listen to  
2       that.

3               So with that I think that I have made my  
4       motions. And I thank you for listening.

5               JUDGE DUKES: Thank you very much.  
6       Mr. Bolchoz, I'm guessing you have a different  
7       opinion, so go ahead.

8               MR. BOLCHOZ: Thank you, Your Honor.  
9       I do. Let's see. Starting with the --

10              THE WITNESS: Sir, can I possibly  
11       take a quick trip to the men's room?

12              JUDGE DUKES: Sure. Why don't we  
13       take a -- we will go off the record for 10 minutes  
14       or so.

15              (Recess 2:48 to 2:53.)

16              JUDGE DUKES: All right. Back on.  
17       Mr. Bolchoz, response to the motions?

18              MR. BOLCHOZ: Thank you, Judge. With  
19       regard to the dismissal of the conversion cause of  
20       action, money can be the subject of conversion if  
21       it's capable of being identified. And I'm citing  
22       the Mullis versus Trident Emergency Physicians case  
23       that Your Honor might be familiar with.

24              The conversion cause of action, I think  
25       the lynch pin of the elements that were alleged, and

1 I think properly, is 25 in the complaint. The  
2 Plaintiff's interest in and to the aforesaid monies  
3 received from Beaufort County by the defendants was  
4 superior to that of the Defendants.

5 I mean, as my client testified, he was  
6 specifically informed on more than one occasion by  
7 the Defendant that monies were -- that he -- that  
8 Mr. Dennis was receiving from the County were meant  
9 for paying his rent which means paying JRC for the  
10 rent.

11 And under the Mullis case, I think that is  
12 a specific identification of monies, I mean, that  
13 can be converted. So when those monies came in, the  
14 half million dollars in January and the \$200,000 in  
15 May, there is no question again based on the  
16 testimony of the Defendant there is no question how  
17 much -- and based on the Plaintiff's testimony there  
18 is no question as to how much was due and owing. In  
19 fact, that is not even -- I mean, that wasn't even  
20 disputed at least at the time.

21 So there is a specific identifiable amount  
22 of the money that came in to the Defendant's hands  
23 that the Defendant himself asserted belonged to the  
24 Plaintiff and actually asked the Plaintiff to assist  
25 him in trying to recover from the County, which he

1 did.

2 So the basis of the conversion is the  
3 exercise by the Defendant over -- by the Defendants  
4 over monies that were identifiable in a dollar  
5 amount that was ascertainable and liquidated and  
6 converted to some other use rather than paying the  
7 rent. That is the lynch pin of the conversion cause  
8 of action.

9 With regard to the dismissal of Mr. Dennis  
10 personally from the breach of contract cause of  
11 action, we didn't allege a breach of contract cause  
12 of action against Mr. Dennis. If you look at the  
13 complaint, and specifically the prayer for relief,  
14 the prayer for relief, Paragraph A says, as to the  
15 first cause of action granting the Plaintiff  
16 judgment against Defendant corporation, all of its  
17 actual, consequential, and incidental damages as  
18 well as its cost of collection including attorneys  
19 fees and costs.

20 So, you know, to the extent that they  
21 would like to have Mr. Dennis dismissed from that  
22 cause of action, and I think -- excuse me. I think  
23 that is unnecessary because he's not -- we are not  
24 seeking any relief under the lease for Mr. Dennis  
25 personally as is clear from the complaint.



1 With regard to the dismissal of Mr. Dennis  
2 personally from the unfair trade practices cause of  
3 action, I would cite the case of Dumas versus  
4 Infosafe for the proposition that if there is  
5 evidence that -- excuse me. I'm sorry. That is a  
6 different case.

7 The Plowman case from 1993. If there is  
8 evidence that an officer, director, or someone in  
9 charge of the corporation personally was involved  
10 with the deceptive act then that person can be held  
11 as liable as the corporation. That is the Plowman,  
12 I think that is how you pronounce it, Plowman v.  
13 Bagnal.

14 Despite counsel's characterization of the  
15 deceptive act, the deceptive act wasn't getting the  
16 Plaintiff to assist him with recovering the monies.  
17 It was the conversion of the monies that he did get,  
18 that Mr. Dennis did get, that he did not apply to  
19 his rent.

20 Again, based on his own testimony that  
21 these were amounts that belonged to the Plaintiff.  
22 So the deceptive -- that is the deceptive act.  
23 Taking the -- getting the monies and refusing to  
24 distribute them or pay his rent with them, with the  
25 portion that he knew was earmarked essentially for

1 his landlord. That is the deceptive act.

2 And under -- again, under the Plowman case  
3 if there is evidence that -- that a director or  
4 someone in control, a controlling person in the  
5 corporation actively participated in that then he is  
6 as liable as the corporation. So I don't think  
7 dismissal of Mr. Dennis personally from the unfair  
8 trade claim is appropriate either.

9 The dismissal of any claim regarding  
10 physical damage for lack of evidence, there is  
11 evidence. I mean, my client testified extensively  
12 about the damage. There are photographs. And more  
13 importantly I think, or at least as important, is I  
14 think the concept of waiver here. At no time either  
15 during the walk-through or the numerous e-mails that  
16 were received by Mr. Dennis or the regular  
17 conversations that were had between the parties or  
18 the numerous statements that Mr. Dennis got for the  
19 two years following his termination, at no time --  
20 not even in this case with discovery, at no time  
21 were they -- did they ask -- this is the first time  
22 that 4.1 has ever been mentioned for sure, but at no  
23 time did they ask for a breakdown of where the money  
24 was going other than being shown that the entire  
25 security deposit was being used and that there was

1 now a deficit to fix the remaining physical damage.  
2 And at no time was that objected to. And at no time  
3 did they ask for a break down of the damages of  
4 where -- who was being paid. At no time did they  
5 ask for any estimates from any contractors relating  
6 to the physical damage. I mean it just -- they  
7 waived all of that. And so I don't think dismissal  
8 of the claim regarding physical damage is  
9 appropriate.

10 And also, again, I think the evidence was  
11 more than sufficient, especially in light of their  
12 waiver from this witness as to the amount of the  
13 physical damage and the fact that estimates were  
14 secured, but he essentially did the work to try to  
15 save more of the money.

16 Also despite counsel's characterization of  
17 prior testimony, the witness did not actually  
18 acknowledge breaking the lease. What he  
19 acknowledged was he did not provide a written notice  
20 or right to cure within 15 days under 4.1. He  
21 acknowledged that he didn't do that. He did not  
22 acknowledge that he broke the lease.

23 And, in fact, he probably felt that such  
24 was unnecessary again given that Mr. Dennis  
25 personally went through the walk-through and looked

1 at all the damages and was told this is -- we are  
2 using your security deposit to repair the damage and  
3 was fine with it.

4 Even after he got numerous e-mails, even  
5 after he got numerous statements showing that what  
6 exactly that -- the security deposit was going to be  
7 used in total.

8 With regard to the equitable claim -- I  
9 believe counsel referred to it as an equitable claim  
10 for attorneys fees, the contract calls for it. I  
11 mean, the contract clearly calls -- I mean, it's not  
12 an equitable claim. It's a legal claim. Breach of  
13 contract because -- under 8.3 very clearly because  
14 the Plaintiff had to pursue the Dennis Corporation  
15 in order to recover its monies, it's entitled to its  
16 cost of collection including attorneys fees.

17 And with regard to the fee agreement or,  
18 you know, the characterization of the testimony  
19 notwithstanding, what he testified to was that he  
20 did not recall whether he signed a retainer  
21 agreement or not. He just didn't -- he just didn't  
22 remember. But he also testified to get being  
23 monthly invoices from his attorney on a regular  
24 basis. So I don't think that the dismissal of the  
25 attorneys fees claim is appropriate either.

1 JUDGE DUKES: All right. I don't  
2 think I have a copy of the --

3 MR. BOLCHOZ: I have got an extra  
4 copy of everything for you.

5 JUDGE DUKES: You have an extra copy  
6 of everything?

7 MR. BOLCHOZ: Yes. What do you need?

8 JUDGE DUKES: Well, the plat and  
9 various things so I can follow along.

10 MR. BOLCHOZ: Oh, you want to look  
11 through the exhibits and see --

12 JUDGE DUKES: Yes.

13 MR. BOLCHOZ: Okay. Just tell me  
14 what you want. I've got copies here for you.

15 JUDGE DUKES: Okay. All right. Give  
16 this back to Deborah. Let the record reflect I'm  
17 handing the entire stack to Deborah. All right. I  
18 think what I want to do is this, the standard, of  
19 course, for Mr. Moore's motions is very high at this  
20 point to prevail, so I'm going to deny the motion on  
21 the conversion and leave that in.

22 The unfair trade practices I'm going to  
23 grant the motion. I don't think it's an unfair  
24 trade practices case. I'm going to deny the motions  
25 with regard to the attorneys fees with the motion to

1 strike the attorneys fee claim is the motion leaving  
2 in for now the attorneys fee claim.

3 With regard to the issue as to whether or  
4 not Mr. Dennis would be a prevailing party,  
5 Mr. Dennis individually would be a prevailing party  
6 under the contract, of course, Mr. Dennis was not a  
7 contracting party. And therefore, I don't see that  
8 that would have anything to do with him  
9 individually. And that may well mean at the end of  
10 the day he doesn't have any personal liability  
11 either, but I don't think he's a party as  
12 contemplated by this contract.

13 I think that deals with the outstanding  
14 motions, doesn't it? Is there anything that I  
15 didn't rule on?

16 MR. MOORE: I think it does, Your  
17 Honor. I just want to make sure that I understand  
18 at this point in time Mr. Dennis is not a party to  
19 the action under the lease; is that correct? So the  
20 only thing still pending against him individually is  
21 the conversion claim.

22 JUDGE DUKES: That's correct. And  
23 apparently -- and that sounds like that is  
24 acknowledged by the Plaintiff that there is no  
25 contract action for breach of contract, breach of

1 the lease, anything like that. The only remaining  
2 cause -- that is not even claimed as I understand  
3 it.

4 The only claims against Mr. Dennis  
5 individually have to do with the unfair trade  
6 practices, which is now out, and the conversion,  
7 which is still in.

8 MR. MOORE: Yes, sir. And just to --  
9 I have done as the court probably is aware a good  
10 bit of work under the Unfair Trade Practices Act.  
11 I've lectured on it at the university on several  
12 occasions and several other places.

13 We would like to preserve our claim -- and  
14 you don't have to make this as I understand it. We  
15 believe that we have a claim for attorneys fee on  
16 behalf of Mr. Dennis under the Unfair Trade  
17 Practices Act, basically I'll go into it later. I  
18 just want to make sure that I note that we are  
19 preserving our claims for attorneys fees under the  
20 U.T.P.A.

21 JUDGE DUKES: All right. So noted.  
22 I mean, I haven't made any ruling one way or the  
23 other.

24 MR. MOORE: I know.

25 MR. BOLCHOZ: Can I respond to that?

1 JUDGE DUKES: Please. Go ahead.

2 MR. BOLCHOZ: I just -- you know,  
3 there is no claim -- I mean, I would object to that.

4 JUDGE DUKES: I wasn't really going  
5 to rule on it. I just -- Mr. Moore wanted to make  
6 the statement, so --

7 MR. BOLCHOZ: Okay. I mean, I guess  
8 I would just point out that there is no claim in  
9 their pleadings for any monies, any attorneys fees,  
10 anything whatsoever. And this is the first time as  
11 I'm sitting here after three years hearing about it,  
12 so --

13 JUDGE DUKES: No, I understand.

14 MR. MOORE: As I understand it, I  
15 don't have to actually raise it as far as a  
16 counterclaim. It's simply something to be dealt  
17 with under the statute. I just wanted to make sure  
18 that I was preserved on that and thank you.

19 JUDGE DUKES: You were just letting  
20 us know that something might happen?

21 MR. MOORE: Yes, sir.

22 JUDGE DUKES: Okay.

23 MR. MOORE: Thank you.

24 JUDGE DUKES: With obvious  
25 opportunities to respond in whatever fashion



1 appropriate. So all right. Mr. Moore?

2 MR. MOORE: Call Amber Hunting.

3 JUDGE DUKES: All right. Can I get  
4 you, sir, to switch.

5 MR. BOLCHOZ: Come sit over here.

6 UNIDENTIFIED SPEAKER: Do you want us  
7 to go and grab her?

8 JUDGE DUKES: Oh, that's right. They  
9 are out there. Okay. Thank you.

10 MR. BOLCHOZ: You don't want to send  
11 the bailiff, Judge.

12 JUDGE DUKES: Well, they are better  
13 than bailiff's, right? And besides they would  
14 probably like a walk. It's more fun to participate  
15 in the action than just watch.

16 UNIDENTIFIED SPEAKER: Yes, Your  
17 Honor.

18 MR. MOORE: I'm glad they are getting  
19 their 403.

20 JUDGE DUKES: Thank you so much.

21 MR. MOORE: Would you have a copy of  
22 the attorney's fee affidavit?

23 MR. BOLCHOZ: An extra copy?

24 MR. MOORE: Yes.

25 JUDGE DUKES: Come on up to this seat

## AMBER HUNTING DIRECT EXAMINATION BY MR. MOORE

1 if you would, please.

2 MR. BOLCHOZ: I'm pretty sure I do.  
3 Make sure that I didn't already give that to you if  
4 you would because I have three in total.

5 JUDGE DUKES: Ma'am, if I could get  
6 you to raise your right hand. Do you swear or  
7 affirm to tell the truth, the whole truth, and  
8 nothing but the truth so help you God?

9 MS. HUNTING: Yes, sir.

10 JUDGE DUKES: Okay. Can you state  
11 your full name, please.

12 MS. HUNTING: Amber Hunting.

13 JUDGE DUKES: That is it?

14 MS. HUNTING: You don't need a middle  
15 name?

16 JUDGE DUKES: Well, if you've got a  
17 middle name I guess it wouldn't hurt to put it on  
18 the record.

19 MS. HUNTING: It's Carol.

20 WHEREUPON:

21 AMBER HUNTING, being duly sworn and  
22 cautioned to speak the truth, the whole truth and  
23 nothing but the truth, testifies as follows:

24 DIRECT EXAMINATION

25 BY MR. MOORE:

1 Q. Amber, who do you work for?

2 A. Dan. Dennis Corporation.

3 Q. How long have you worked for Dennis  
4 Corporation? A long time?

5 A. Seven, eight years.

6 Q. What did you do for Dennis?

7 A. I work in construction management.

8 Q. Did you ever work at the Beaufort office  
9 which is the subject of this action?

10 A. On occasion, yes.

11 Q. Who would have been the last person from  
12 the Dennis Corporation to have seen that property  
13 before it was given back to JRC?

14 A. I was the person that went down and moved  
15 the furniture out.

16 Q. What condition was the place in when you  
17 left?

18 A. It was in used condition. We had been  
19 there for a couple of years. It's a construction  
20 office. It was --

21 Q. Was it significantly damaged?

22 A. No.

23 MR. BOLCHOZ: Object to the form of  
24 the question. Significantly damaged, I mean, what  
25 does that mean?

1 JUDGE DUKES: I don't know. I guess  
2 the value of the question is responded to by the  
3 answer. You will have an opportunity to ask her,  
4 but any way if you can -- it's her opinion I  
5 suppose.

6 BY MR. MOORE:

7 Q. Was the Sheetrock damaged?

8 A. Not that I would say, no.

9 Q. What was the condition was Sheetrock?

10 A. There were pinholes in it from having --  
11 we used big rolls of paper for maps to plot out  
12 maps. And we would hang it with push pins.

13 Q. Were there any holes in the Sheetrock  
14 except for little pinholes?

15 A. Not that I recall, no. I wouldn't -- I  
16 didn't have tools to take anything that was screwed  
17 in, I so just left.

18 Q. Okay. How about the carpet, what kind of  
19 condition was that in?

20 A. Used.

21 Q. Was it -- tell me what you mean by that.

22 A. Well, I mean normal wear from being in  
23 there a couple of years. It was a construction  
24 office. They took tools and concrete cylinders and  
25 nuclear gauges and hand-trucks in and out all the

1 time.

2 Q. Did it need cleaning?

3 A. Probably.

4 Q. When you last looked at it did you see any  
5 significant damage to the carpet?

6 A. No.

7 Q. There are some photographs in evidence  
8 showing some streaks in one room and two hallways.

9 A. Right.

10 Q. Do you know what those were?

11 A. I don't know what it was. I know that I  
12 came -- they were moving -- two guys were helping  
13 me. And they were moving things out. And I came in  
14 and I saw it and I was like, what is this? And they  
15 said, I don't know. So I took a paper towel because  
16 that is all I had and some soap and water and I  
17 rubbed it. And I said, okay. It will come up with  
18 the cleaning. So --

19 Q. Was it a burn mark or were they dirt  
20 marks?

21 A. I thought they were some kind of -- it was  
22 some kind of dirt because where I scratched or  
23 rubbed with the towel it came up.

24 Q. All right. That was done during the  
25 course of moving out?

## AMBER HUNTING CROSS EXAMINATION BY MR. BOLCHOZ

1 A. Uh-huh.

2 Q. Is that yes?

3 A. Yes.

4 Q. Uh-huh and uh-uh don't pick up on the  
5 machine.

6 A. I understand.

7 Q. Was the -- from what you can see, was  
8 there any damage to that facility other than  
9 reasonable wear and tear?

10 A. No.

11 MR. MOORE: I don't any further  
12 questions. Thank you.

13 CROSS EXAMINATION

14 BY MR. BOLCHOZ:

15 Q. Ms. Hunting is it? Hunting?

16 A. Yes.

17 Q. Show you what has been previously marked  
18 as Plaintiff's -- I don't know the number of the  
19 marking. Can you take a look at these --

20 A. Nine?

21 Q. Nine. Thank you. Plaintiff's Exhibit 9.  
22 Can you take a look at those photographs for me real  
23 quick?

24 A. Uh-huh. Okay.

25 Q. Okay. Do those look like photos of the

1 premises in question in this case?

2 A. Uh-huh.

3 Q. Okay. Was that a yes?

4 A. Yes.

5 Q. Okay. And do those look like photos of  
6 the premises in question and the condition they were  
7 in when Dennis Corporation moved out?

8 A. I don't recall this -- I think this was  
9 a -- I think this was the storage room.

10 Q. What are you pointing -- you are looking  
11 at the one with the trash on the ground?

12 A. With papers and it looks like maybe  
13 concrete dust and the cylinder bowl. It's a  
14 possibility. I don't know what this is.

15 Q. Okay. You are looking at the photo that  
16 has the sticky note marked computer?

17 A. Uh-huh. Yes.

18 Q. Okay. Do you know whether that is where a  
19 computer was?

20 A. I don't know why there would be a  
21 computer -- is that a floor picture?

22 Q. If you don't know, you don't know.

23 A. I don't know why there would be a computer  
24 on the floor, but --

25 Q. Okay. Would it surprise you to learn that

1 Mr. Dennis confirmed that these -- in his deposition  
2 that these photographs reflected the condition of  
3 the premises when they moved out?

4 A. No.

5 Q. Okay. And are you aware that Mr. Dennis  
6 never asked for a breakdown as to where his security  
7 deposit was going from Mr. McKim here?

8 A. I have no business knowing that  
9 information.

10 Q. Okay. And do you know whether -- well,  
11 let me ask you this. Do you know whether Mr. Dennis  
12 ever objected to using the security deposit to  
13 repair the physical damage to the premises?

14 A. I have no knowledge of what the lease  
15 agreement said.

16 Q. Okay. What did you say your position with  
17 the company is?

18 A. Currently I'm a survey manager. At this  
19 time I was an assistant construction manager.

20 Q. Do you know who the shareholders of the  
21 corporation are?

22 A. Not off the top of my head, no.

23 Q. Okay. Are there any more shareholders  
24 than Mr. Dennis?

25 A. It's a corporation so, yes, I would assume



1 Q. Yes.

2 A. I have no interaction with him personally.

3 MR. BOLCHOZ: Okay. No further  
4 questions, Judge, for this witness.

5 MR. MOORE: Nothing further. We call  
6 Dan Dennis.

7 JUDGE DUKES: Thank you so much.

8 UNIDENTIFIED SPEAKER: You want me to  
9 go grab the other witness?

10 JUDGE DUKES: Yes. I think this  
11 is --

12 MR. MOORE: We are not going to call  
13 him. I'm going to call one more witness and be  
14 done. Dan, come around.

15 JUDGE DUKES: But thank you. Do you  
16 swear or affirm to tell the truth, the whole truth,  
17 and nothing but the truth so help you God?

18 MR. DENNIS: Yes, sir.

19 JUDGE DUKES: All right. State your  
20 whole name for the record.

21 MR. DENNIS: Daniel Raymond Dennis,  
22 III.

23 WHEREUPON:

24 DANIEL R. DENNIS, III, being duly  
25 sworn and cautioned to speak the truth, the whole

1 truth and nothing but the truth, testifies as  
2 follows:

3 DIRECT EXAMINATION

4 BY MR. MOORE:

5 Q. Dan, I believe you are a licensed  
6 professional engineer; is that right?

7 A. Yes, sir.

8 Q. Where did you go to college?

9 A. The Citadel.

10 Q. Do you have any educational experience  
11 above that?

12 A. I received a Masters in Business  
13 Administration from The Citadel.

14 Q. And I believe the Dennis Corporation, are  
15 you the sole shareholder?

16 A. I'm the sole shareholder of all Class A  
17 shares which are the voting shares.

18 Q. And there are some other people own some  
19 other shares?

20 A. A few employees own some Class B shares,  
21 nonvoting.

22 Q. How long has Dennis Corporation been in  
23 business?

24 A. Over 10 years.

25 Q. Do you conduct your business in an

1       honorable fashion?

2           A.    Yes, sir.

3           Q.    Try to?  What are some -- just give me  
4       five or six of the representative clients that you  
5       do business for?

6           A.    Richland County, currently Beaufort  
7       County, Bluffton, Hardeeville, Jasper County, just  
8       in this area.

9           Q.    All right.  How many employees do you  
10      have?

11          A.    Currently we have 55.

12          Q.    And back when all of this was going on  
13      were times tough?

14          A.    Very tough.

15          Q.    Was there a problem with the economy?

16          A.    It was crashing.

17          Q.    Now, I believe that you on behalf of the  
18      corporation signed this office lease; is that right?

19          A.    Yes, sir.

20          Q.    And why did you need this property?

21          A.    Dennis Corporation entered into a contract  
22      to manage Beaufort County's penny sales tax.  And  
23      the County requested that we have office space in  
24      southern Beaufort County.  And this location was  
25      convenient because it accessed several projects we

1 were helping the County with; Bluffton Parkway,  
2 Bluffton Flyover, Boundary Street, and just a good  
3 location.

4 Q. Did you take any money that belonged to  
5 JRC Properties, LLC?

6 A. No, sir.

7 Q. Did Dennis Corporation do that?

8 A. No, sir.

9 Q. Now, I believe we've acknowledged that you  
10 sent a letter canceling the contract as you had a  
11 right to do when Beaufort County canceled you; is  
12 that right?

13 A. Yes, sir.

14 Q. Did you do it in a timely fashion?

15 A. I did.

16 Q. Now, when Beaufort County canceled -- when  
17 Beaufort County canceled you, did you owe several  
18 months rent to JRC?

19 A. Yes, sir.

20 Q. Why hadn't you paid them?

21 A. Didn't have the funds at the time. I  
22 was --

23 Q. How much money did Beaufort County owe you  
24 at the time?

25 A. 1.5 million.

1 Q. And of that \$1.5 million did you ever  
2 collect it?

3 A. A portion of it.

4 Q. How much of it did you get?

5 A. 700,000.

6 Q. That meant the County shorted you how much  
7 money?

8 A. Approximately 800,000.

9 Q. And did that leave you upside down in the  
10 corporation?

11 A. Yes, sir. Almost put us in bankruptcy.

12 Q. Did you pay -- did you use the money that  
13 you got -- there was a check for 500. I believe  
14 there was 200,000 more that you got, right?

15 A. Yes, sir.

16 Q. What did you use that money for?

17 A. To make payroll and to pay our bank line  
18 of credit off so they wouldn't foreclose on us.

19 Q. Okay. If you hadn't done that would they  
20 have foreclosed?

21 A. Yes, sir.

22 Q. So you used the money that you did get for  
23 legitimate debts?

24 A. Yes, sir.

25 Q. Did you take any of it for yourself?

1 A. No, sir.

2 Q. And Dan Dennis individually, did you  
3 receive any benefit of that \$700,000?

4 A. No, sir.

5 Q. Now, I believe there were four other  
6 suppliers in the Beaufort area that were owed a  
7 right significant sum of money; is that right?

8 A. Yes, sir.

9 Q. And were you able to pay them?

10 A. Yes, sir.

11 Q. And there is a letter in the file here  
12 that I wrote. Did you attempt to reach an accord  
13 with the Plaintiff in this case?

14 A. Yes.

15 Q. Would they talk to you?

16 A. No, sir.

17 Q. Did you have any willingness at all to  
18 find an accord that you could resolve what was owed  
19 them?

20 A. Would have liked to, sir, but no.

21 Q. Now, there was an argument that you waived  
22 some sort of right to your notice of breach and  
23 opportunity to cure. Did you ever intentionally  
24 give up a known, right?

25 A. No, sir.

1 Q. At any point in time, did you receive any  
2 type of notification from the Plaintiff that there  
3 were deficiencies in the property and you had 15  
4 days to cure them?

5 A. No, sir.

6 Q. If there had been deficiencies noted and  
7 you had been given an opportunity to cure would you  
8 have done that?

9 A. Certainly.

10 Q. When you left the property was it in bad  
11 shape?

12 A. No, sir.

13 Q. Tell the Judge the type of shape the  
14 property was in when you left it.

15 A. Your Honor, when I did walk through the  
16 property with the landlord basically I looked at  
17 what we described or what we've heard testimony  
18 today on, some -- a lot of tacks, little pin tacks  
19 to hold up land sheets were in the walls. No doubt.

20 I'm not sure you could really even see  
21 them if you took -- once you took them out. I  
22 thought the carpet was in excellent shape from a  
23 wearability standpoint considering the construction  
24 personnel that used it.

25 I did notice the marks that the Plaintiff

1 mentioned in the carpet. Wasn't sure quite what was  
2 that. Had no idea. Wasn't about to make any  
3 judgment call then until I talked to our folks who  
4 worked for Dennis Corporation who moved the  
5 furniture out of the office.

6 And subsequently they told me that they  
7 felt that office was in very good shape. So --

8 Q. When you -- when you occupied the premises  
9 initially did you have any discussion with the  
10 Plaintiff over here about the type -- the volume and  
11 the type of use that was going to be made of the  
12 property?

13 A. I believe the Plaintiff knew we were  
14 conducting surveying work which, of course, is out  
15 in the field inspection and testing which is out on  
16 bridges and roadways which are dirty environments  
17 and not really conducive to -- you know, like as you  
18 said, it wasn't a bank or an attorney's firm.

19 Q. When you vacated the premises, the County  
20 owed you roughly how much money?

21 A. 1.5 million.

22 Q. Did you ask him to help get that?

23 A. Sir, I asked anyone who I could in  
24 Beaufort County.

25 Q. And you were having a hard time with that?



1           A.    The County was having a hard time. They  
2           were not collecting their monies as they thought  
3           they were. They were in jeopardy of I think  
4           themselves of bankruptcy, close to it. And they  
5           terminated my contract and left me hanging for a  
6           long time.

7                    Then they did cut me that, you know,  
8           \$700,000, but left me holding, you know, a debt  
9           of -- they still owe me, you know, in my opinion  
10          800,000 to \$900,000.

11          Q.    And I believe that you were dealing with  
12          the County attorneys on that?

13          A.    Yes, sir. At the time it was Mr. Lad  
14          Howell.

15          Q.    And they were nice to you?

16          A.    Oh, yeah, without a doubt.

17          Q.    They were just upside down and they left  
18          you holding the bag?

19          A.    They weren't generating the property  
20          revenues, and it was a domino effect.

21          Q.    Was there anything that you did to cause  
22          them to terminate your contract?

23          A.    No, sir.

24          Q.    They just didn't have the money to pay  
25          you?

1 A. Yes, sir. In my opinion.

2 Q. And did you ever promise to pay the  
3 Plaintiff money out of the money you got from the  
4 County?

5 A. No, sir.

6 Q. Did you tell him that you were waiting on  
7 money from the County so that you could try to pay  
8 him?

9 A. Absolutely.

10 Q. When you got the money from the County did  
11 you try to pay him?

12 A. Yes, sir. I was paid less than 50 cents  
13 on the dollar. And I believe that may have been  
14 where the offer came from that counsel made.

15 Q. Any response to that offer at all?

16 A. None.

17 Q. And after you've made that response, that  
18 is when you got sued?

19 A. Yes, sir.

20 Q. Now, Dan, you are in the construction and  
21 engineering business, correct?

22 A. Yes, sir.

23 Q. Was there \$7,000 worth of damage done to  
24 the inside of that building?

25 A. No, sir.

1 Q. Were you ever given any type of a  
2 breakdown as to how the \$7,000 was arrived at?

3 A. No, sir.

4 Q. Did you ask for it?

5 A. No. You know, it just seems outrageous.

6 Q. Have you ever seen the first bill, check,  
7 invoice, receipt, anything like that?

8 A. No, sir.

9 Q. When you were leaving, did you do a walk-  
10 through of the building with the Plaintiff?

11 A. Yes, sir.

12 Q. And did he make any statement about the  
13 condition of the building?

14 A. He was doing a lot of talking and I was  
15 doing a lot of listening. And again, you know, I  
16 don't think that was the time or place to, you know,  
17 discuss, you know, what the mark was in the carpet.

18 Q. All right. Now, at some point in time,  
19 did he show up at a social event you and your wife  
20 were having?

21 A. Yes, sir.

22 Q. Was he invited to that event?

23 A. I don't think so.

24 Q. When he and his wife showed up, what did  
25 they want?

1           A.    He, you know, I believe if I recall  
2           correctly just wanted to talk a little bit about the  
3           rent situation. And, you know, I invited his wife  
4           and himself to, you know, we have plenty of food and  
5           a lot of clients were there.

6           Q.    Did you all already have lawyers by that  
7           time?

8           A.    I don't believe so.

9           Q.    All right. How many times did you  
10          actually try to find some way to make an accord with  
11          this man?

12          A.    As long as I've had attorneys working on  
13          this case.

14          Q.    And you acknowledge that you owe four  
15          months rent?

16          A.    Absolutely.

17          Q.    But you want credit for your security  
18          deposit?

19          A.    Yes, sir.

20          Q.    And that would basically leave three  
21          months rent?

22          A.    Yes, sir.

23          Q.    And you are willing to write a check for  
24          that today or at least make arrangements for that  
25          today?

1 A. I could write a check for that today, sir.

2 Q. All right. Now, have you ever seen an  
3 invoice or anything from an attorney -- from his  
4 attorneys fee?

5 A. No, sir.

6 Q. How much have your attorneys fees been on  
7 this thing?

8 A. I think so far you've charged me a  
9 thousand dollars.

10 Q. Okay. As I understand it you've been  
11 to -- you've been sued. An answer was filed, right?

12 A. Yes, sir.

13 Q. You responded to some discovery?

14 A. Yes, sir.

15 Q. You haven't sent any written discovery to  
16 them?

17 A. That's correct.

18 Q. You haven't sent -- you haven't taken  
19 anybody's deposition?

20 A. That's correct.

21 Q. And we are here today?

22 A. Yes, sir.

23 Q. You work with lawyers on a regular basis?

24 A. I'm an expert witness for about 30 law  
25 firms.

DANIEL R. DENNIS, III CROSS EXAMINATION BY MR. BOLCHOZ

1 Q. Have you seen anything close to \$28,000  
2 worth of work on this file?

3 A. No, sir.

4 MR. MOORE: Dan, I don't have any  
5 further questions. Answer any questions they might  
6 have for you.

7 CROSS EXAMINATION

8 BY MR. BOLCHOZ:

9 Q. Mr. Dennis, you acknowledged I guess that  
10 you owe at least \$15,000 in back rent to the  
11 Plaintiff, correct?

12 A. Yes, sir.

13 Q. And you acknowledged that last summer,  
14 right?

15 A. I believe so.

16 Q. In your deposition, correct?

17 A. I believe so.

18 Q. Okay. But you didn't pay it last summer,  
19 did you?

20 A. No, sir.

21 Q. Okay. Now, and you testified just a  
22 second ago that the reason you didn't pay the  
23 Plaintiff and didn't pay your rent was because you  
24 didn't have funds at the time, but in fact -- I'll  
25 show you what has been marked as Plaintiff's

1 Exhibit 5. Do you recognize that?

2 A. I do.

3 Q. What is that?

4 A. This Exhibit 5 and the two voided checks  
5 for Exhibit 5 are the last two payments Dennis  
6 Corporation received from Beaufort County.

7 Q. Okay. And what is the date of that first  
8 check?

9 A. The date of the first check is January 19,  
10 2011.

11 Q. Okay. So you actually had that check in  
12 hand -- and it's for how much?

13 A. \$503,000.

14 Q. And you actually had that check in hand  
15 when you sent in your termination letter; isn't that  
16 correct?

17 A. Yes, sir.

18 Q. Okay. And you didn't pay anything to the  
19 rent out of that, correct?

20 A. I had to make payroll and pay the bank so  
21 they wouldn't foreclose on Dennis Corporation.

22 Q. Okay. And then here again subsequently  
23 again in May if you look at the check underneath  
24 that you got another \$200,000, correct?

25 A. Yes, sir.

1 Q. And you didn't pay any of your rent at  
2 that point either, correct?

3 A. Again, I was making payments to the bank.

4 Q. You had already gone from the premises and  
5 moved back to Columbia at that point in May,  
6 correct?

7 A. Yes, sir.

8 Q. Now, didn't you send an e-mail to the  
9 McKims inviting them to the barbecue that  
10 they appeared at?

11 A. We have a mass e-mail distribution list.  
12 Maybe that was it.

13 Q. So you are not sure whether he was invited  
14 or not?

15 A. I'm not sure who is on that mass e-mail  
16 list.

17 Q. Okay. Do you remember talking with  
18 Mr. McKim's wife at that occasion?

19 A. I'm sure I tried to talk with everyone who  
20 showed up.

21 Q. Okay. Didn't you tell her at that -- in  
22 that occasion that you had satisfied some debts and  
23 you wanted to get this debt paid off?

24 A. The three months rent, yes, sir.

25 Q. Okay. And subsequent to that didn't you



1 tell Mr. McKim -- didn't you invite Mr. McKim to sue  
2 you for the monies that were owed?

3 A. I don't think I would ever invite anyone  
4 to sue me.

5 Q. Okay. But you didn't tell Mr. McKim that  
6 your attorney had said it had been three years so  
7 you could go ahead and sue?

8 A. No, sir. I don't recall saying that.

9 Q. Okay. And you brought up here today for  
10 the first time Section 4.1 of the office lease; is  
11 that correct?

12 A. Yes, sir.

13 Q. And is that a copy of the lease right  
14 there that is marked as Plaintiff's Exhibit 1?

15 A. Yes, sir.

16 Q. Okay. Didn't you intentionally waive that  
17 Section when you walked through with Mr. McKim to  
18 look at the property damage?

19 A. No, sir.

20 Q. Okay. But you didn't bring it up to him  
21 at that time, did you?

22 A. No.

23 Q. Okay. You never brought it up again until  
24 today, correct?

25 A. Yes, sir.

1 Q. Okay. You testified I think a second ago,  
2 you said you are an expert witness for three  
3 different law firms?

4 A. Thirty.

5 Q. Thirty law firms?

6 A. Over 30.

7 Q. Okay. And you also I believe last summer  
8 you testified that you've been qualified as an  
9 expert witness I think a bunch of times. Do you  
10 remember that?

11 A. Yes, sir.

12 Q. Yeah. About 250 cases?

13 A. Yes, sir.

14 Q. Now, you understand the legal concept of  
15 waiver, don't you?

16 A. I don't.

17 Q. Okay. Now, you indicated that you did not  
18 ever ask Mr. McKim for -- you knew that Mr. McKim  
19 was going to apply your security deposit to pay for  
20 the property damage, correct? You are not denying  
21 that or are you?

22 A. Well, we never discussed it.

23 Q. Okay.

24 A. I mean, I would think it would have been  
25 something that we would have discussed prior to him

1 applying those funds.

2 Q. So is it your testimony here that you  
3 didn't -- you never knew that he intended to apply  
4 the security deposit to the property damage?

5 A. Oh, no. He did, obviously.

6 Q. No, but you didn't know that he was  
7 planning to do that. Is that your testimony today?

8 A. I didn't know it at first. And then  
9 subsequently in discovery and with invoices, yes.

10 Q. Okay. Well, take a look at what has been  
11 marked as Plaintiff's Exhibit 7. Do you recognize  
12 that e-mail?

13 A. Yes, I do.

14 Q. Okay. And you are actually copied on it,  
15 correct?

16 A. I am.

17 Q. And what is the date of that e-mail?

18 A. February the 10th, 2011.

19 Q. Okay. And doesn't -- and the e-mail is  
20 from Mr. McKim, correct?

21 A. It is.

22 Q. To Ladson Howell?

23 A. Yes, sir.

24 Q. Excuse me. And in that e-mail doesn't he  
25 specifically state that he's going to take the

1 security deposit and apply it to his damages?

2 A. He's telling Mr. Howell that, yes, sir.

3 Q. Right. And he actually gives him the  
4 dollar amount that is leftover that is still due and  
5 owing for the rest of the property damage; isn't  
6 that correct?

7 A. He does.

8 Q. And what is that figure?

9 A. Well, he just states less a security  
10 deposit of \$4,678.75.

11 Q. Okay. And was that the security deposit  
12 that you posted?

13 A. I believe so, yes, sir.

14 Q. Okay. And he actually in that -- the next  
15 paragraph he describes the specific property damage,  
16 doesn't he?

17 A. He describes the damage in his opinion.

18 Q. Okay. And you testified a second ago that  
19 you never asked for a breakdown. That is not in  
20 dispute, right?

21 A. No, sir, I never asked for a breakdown.

22 Q. Okay. And you indicated I think a second  
23 ago you thought that it seemed outrageous, the  
24 dollar amount; is that correct?

25 A. Yes, sir.

1 Q. Okay. But you didn't respond to that  
2 e-mail, did you?

3 A. The e-mail was not sent to me, sir.

4 Q. You were copied on it?

5 A. Yes, sir.

6 Q. Okay. And you knew that he was  
7 intending -- that he had applied your security  
8 deposit to the property damage, correct?

9 A. Sir, I can't speak for Mr. Rollin.

10 Q. The e-mail indicates to Mr. Howell that  
11 he's going to use your security deposit to pay for  
12 the physical damage; is that correct?

13 A. That is what he's saying in the e-mail.

14 Q. Okay. And you were copied on that e-mail?

15 A. Yes, sir.

16 Q. And that was February what?

17 A. February the 10th, 2011.

18 Q. Okay. So that is just, what, a couple  
19 weeks after you left?

20 A. Yes, sir.

21 Q. A couple weeks after the walk-through?

22 A. Yes, sir.

23 Q. Okay. But you didn't respond to that  
24 e-mail to Mr. McKim and say, this is outrageous, did  
25 you?

1 A. The e-mail was not sent to me. I --

2 Q. So the answer is no?

3 A. Yes, sir, you are correct.

4 Q. Okay. And you didn't respond to Mr. McKim  
5 and say, you can't keep all of that security deposit  
6 money. There wasn't that much damage. Did you do  
7 that?

8 A. No.

9 Q. Okay. And you didn't respond -- you  
10 didn't contact Mr. McKim and say, you know, you've  
11 got to give me some kind of indication of where this  
12 security deposit is going because I just don't see  
13 it. Did you do anything like that?

14 A. No.

15 Q. And actually subsequent to this e-mail he  
16 sent you monthly statements, regular statements,  
17 showing that your security deposit had been applied  
18 towards the physical damage. He actually sent you  
19 several of those over the next few years, didn't he?

20 A. He did.

21 Q. Okay. And not one of those times did you  
22 ever object to the application of your security  
23 deposit to the physical damage; isn't that true?

24 A. I have legal counsel, sir.

25 Q. Okay. Did your legal counsel object to

1 it?

2 A. Just what we've heard today.

3 Q. Now, you indicated that you paid your  
4 attorney a thousand dollars in attorneys fees in  
5 this case so far?

6 A. Yes, sir.

7 Q. Okay. And which attorney is that?

8 A. Mr. Moore.

9 Q. Okay. But your answer was actually filed  
10 by a Mr. Smith?

11 A. Yes, sir.

12 Q. Okay. And he never was actually relieved  
13 as counsel in the case, was he?

14 A. I don't know the technicalities of that.

15 Q. Okay. So you've actually had two  
16 attorneys in this case, correct?

17 A. Yes, sir.

18 Q. Okay. And you are aware that at least one  
19 of your attorneys objected to my motion for summary  
20 motion, correct?

21 A. Yes, sir.

22 Q. And are you aware that we had a conference  
23 call with Judge Buckner about that?

24 A. No, sir.

25 Q. Okay. And were you aware that opposing

1 counsel prepared an order denying summary judgment?

2 A. It was mentioned earlier today.

3 Q. Okay. And you sat for depositions last  
4 summer with me and another attorney who isn't here  
5 today. And that was pretty much an all day affair,  
6 wasn't it?

7 A. Yes, sir.

8 Q. Okay. And obviously you attended a  
9 mediation last fall with Curtis Coltrain that lasted  
10 at least a half a day, correct?

11 A. Yes, sir.

12 Q. But it's your testimony here today that  
13 you paid a thousand dollars in attorneys fees?

14 A. To date.

15 Q. In the past three years of this  
16 litigation?

17 A. Yes, sir. Mr. Moore instructed me to  
18 bring him a check today for this case for \$1,500.

19 Q. Okay. Now, didn't you testify last summer  
20 that -- I don't know if it was opposing counsel, but  
21 you testified that at some point you had paid  
22 \$38,000 to settle a case for \$1,000?

23 A. I think you have taken that out of  
24 context. It was a -- I was -- Dennis Corporation  
25 was being sued. And my carrier -- my insurance



1 carrier took over the case. And when that occurs I  
2 don't have any control over it. So the insurance  
3 carrier approved -- paid my attorney over my  
4 objections \$38,000 to settle a \$1,000 claim over my  
5 objections.

6 Q. Okay. And under Section 2.2 of the lease  
7 if you terminate the lease earlier than the lease  
8 term all base rental, additional rent, and other  
9 charges due and owing survive that early  
10 termination; isn't that correct?

11 A. I guess the Judge would have to rule on  
12 those motions to dismiss.

13 MR. BOLCHOZ: Okay. Your Honor, I've  
14 got a sealed copy of Mr. Dennis' transcript from  
15 last summer I would to unseal and ask him some  
16 questions about.

17 JUDGE DUKES: Go ahead, please.

18 BY MR. BOLCHOZ:

19 Q. Mr. Dennis, I'm handing you a copy of your  
20 deposition transcript. Do you remember when I took  
21 your deposition last summer, sir?

22 A. Yes, sir.

23 Q. Okay. Take a look at Page 16 of the  
24 transcript for me, please. The question at Line 8  
25 on Page 16 was, so base rental, additional rent, and

1 other charges due and owing shall survive the  
2 expiration or earlier termination of this lease. So  
3 if the termination of the lease is earlier than the  
4 lease term, those amounts are still due and owing  
5 from the tenant, correct. And read your answer  
6 there at Line 14.

7 A. I would agree with that.

8 Q. Okay. And the effective date of the  
9 termination of your lease was January 31st, 2011,  
10 correct?

11 A. Yes, sir.

12 Q. Okay. And at the time you terminated the  
13 lease you had not paid rent for October, November,  
14 or December of 2010 or January of 2011, correct?

15 A. Yes.

16 Q. Okay. And under Section 8.3, the landlord  
17 is entitled to charge you late fees on the rent;  
18 isn't that correct?

19 JUDGE DUKES: Are you still asking --  
20 are you looking at the deposition or are you asking  
21 that question today.

22 MR. BOLCHOZ: Well, I'm asking him  
23 today first.

24 JUDGE DUKES: Okay. So we are -- all  
25 right. Go ahead.

1 MR. BOLCHOZ: But I'm going to use  
2 that again, so --

3 THE WITNESS: I would answer your  
4 same question again, it would be up to the Judge to  
5 decide on the -- on Mr. Moore's motion to dismiss.

6 BY MR. BOLCHOZ:

7 Q. Okay. Well, take a look at Page 20 of  
8 your transcript for me, please. At Line 2 the  
9 question was, so again assuming that you have an  
10 accurate invoice just for the sake of this question,  
11 then the landlord is entitled to charge you the late  
12 fees referenced here in 8.3; isn't that correct?  
13 And read your answer at Line 6.

14 A. Yes.

15 Q. Okay. And under Section 8.3 the tenant is  
16 required to pay 1.5 percent of the past due amount  
17 for each 30-day period that such amount remains  
18 unpaid; isn't that correct?

19 A. Yes, sir, for an accurate invoice.

20 Q. Okay. I believe you testified that you  
21 sign between 500 to 600 contracts a year?

22 A. Yes, sir.

23 Q. Okay. And 80 percent of those contracts  
24 have attorney fee provisions?

25 A. I'm not sure if I said that or not. It

1 seems like most of them do these days.

2 Q. Okay. Take a look at Page 24 for me. At  
3 Line 10 the question was, and you said most of those  
4 500 to 600 contracts have attorney fee provisions in  
5 them. And your answer on line 12 was?

6 A. I would say 80 percent.

7 Q. Okay. Now, you were served with a request  
8 to admit or request for admissions in this case;  
9 isn't that correct?

10 A. Yes, sir.

11 Q. And request to admit number three you were  
12 asked to admit or deny the following statement, that  
13 the Defendants made no rental payments to Plaintiff  
14 for the following months; October, November,  
15 December of 2010 and January of 2011. Is that  
16 correct?

17 A. Yes, sir.

18 Q. All right. And you denied that statement  
19 in January of 2014, correct?

20 A. I'm not sure.

21 Q. Okay. And the court denied my motion for  
22 summary judgment based on that denial; isn't that  
23 true?

24 A. I'm not sure either.

25 Q. Take a look at Page 30 for me, please.

1       Actually, I'm sorry, look at Page 80. Turn to  
2       Page 80. So the question at Line 4 was, okay.  
3       Thank you. So it looks like with this order the  
4       judge denied the Plaintiff's motion for summary  
5       judgment based upon your request -- your response,  
6       excuse me, to the Request for Admissions Number 3.  
7       What was your answer at Line 9?

8             A. Yes.

9             Q. And then at 10 the question was, and that  
10       is the Request for Admissions Number 3 that you have  
11       now said is erroneous; is that correct?

12            A. Yes.

13            Q. Okay. But you would agree with me, would  
14       you not, that if the court had granted summary  
15       judgment almost a year ago the case would have ended  
16       almost a year ago, right?

17            A. I guess a judge would have to answer that  
18       question.

19            Q. Okay. Well, you certainly wouldn't  
20       continue to pay your attorney to represent you in a  
21       case that ended a year ago, correct?

22            A. Can you say that again?

23                   MR. BOLCHOZ: Withdrawn.

24       BY MR. BOLCHOZ:

25            Q. Now, per your contract with the County,

1 Beaufort County was giving you money specifically  
2 earmarked to pay your landlord, right?

3 A. No, sir.

4 Q. Okay. Look at Page 40 for me, please. At  
5 Line 18 the question was, you are telling me that  
6 Beaufort County was giving you money specifically  
7 earmarked to pay your landlord. Reading your answer  
8 at Line 21.

9 A. Absolutely. It was a contract for. It  
10 was a project specific contract.

11 Q. Okay.

12 A. Can I --

13 Q. And then --

14 MR. MOORE: Whoa, Whoa. He's  
15 entitled to explain that.

16 JUDGE DUKES: I didn't know if he was  
17 finished or not. Go ahead and finish your answer,  
18 sir.

19 THE WITNESS: Mr. Bolchoz, you are  
20 taking that out of context. Your question to me on  
21 Question 18 was my original contract with Beaufort  
22 County that I signed with them in 2008 specifically  
23 required me to provide an office. Beaufort County  
24 in my contract with them reimbursed me for rent,  
25 supplies, any other incidentals for the office. We

1 would submit an invoice -- a monthly invoice to  
2 Beaufort County for labor, for fuel, equipment, and  
3 also the lease which we are discussing here today.

4 So that was my answer. And you are taking  
5 that out of context, dramatically.

6 BY MR. BOLCHOZ:

7 Q. I'm sorry. Are you reading from that  
8 document or is that your testimony here today?

9 A. I'm just telling you the truth.

10 Q. Okay. Look at Page 41 for me. At Line 5  
11 the question was, did the contract require that you  
12 take a portion of what they pay you to pay your  
13 landlord? And what was your answer at Line 7?

14 A. Yes, sir.

15 Q. Okay.

16 A. And I would like to explain that as well.  
17 Again, we are referring to the master agreement  
18 between Dennis Corporation and Beaufort County. And  
19 when they reimburse me on a month-to-month basis for  
20 rent, then that was -- that was my answer for the  
21 month-to-month rent.

22 Q. I believe that the question at line five  
23 on Page 41 was a straightforward question to you,  
24 don't you?

25 A. Very straightforward.

1 Q. Okay.

2 A. You asked me about the master contract.

3 Q. I asked you, again, did the contract  
4 require you to take a portion of what they pay you  
5 to pay your landlord. And you answered, yes, sir?

6 A. They do.

7 Q. Okay. Now, you haven't paid any of the  
8 late charges that accrued on the rent since you  
9 left -- since you vacated in 2011, have you?

10 A. No.

11 Q. Okay. But you don't deny that you owe the  
12 late charges?

13 A. I do.

14 Q. Take a look at Page 97 for me, please. At  
15 Line 23 the question was, rounding off, so there is  
16 no question but that you owe my client \$15,000? And  
17 your answer at 25 was?

18 A. That sounds about right.

19 Q. Okay. And then on the next page, on 98,  
20 Line 1, the question was, and that is exclusive, of  
21 course, of any other charges or any interest or  
22 anything else that my client is entitled to under  
23 the lease, correct? And your answer was?

24 A. That is the just the base rent.

25 Q. Okay. And you already testified that I



1 believe it's Section 8.3 provides for late charges  
2 and late fees; isn't that correct?

3 A. It will be determined, I guess, by the  
4 Judge.

5 Q. Well, I'm asking if it's actually in  
6 Section 8.3. Do you need to take another look at  
7 the lease? I'm asking if it's actually in the lease  
8 that you signed?

9 A. Oh, it is.

10 Q. It is?

11 A. Yes, sir.

12 Q. The late charge and late fee provision is  
13 in there, correct?

14 A. Yes, sir.

15 Q. And it's five percent -- five percent late  
16 fee for each month that you miss during that month,  
17 correct?

18 A. I believe so.

19 Q. Okay. And then it's a 1.5 percent charge  
20 for each 30-day period that the total amount goes  
21 unpaid, correct?

22 A. Yes, sir.

23 Q. Okay. And that is in the contract you  
24 signed?

25 A. Yeah. I think it's about 30 percent

1 interest or something like that.

2 Q. Okay. Well, here, let's take a look at it  
3 and see if you can see it for yourself. Take a look  
4 at Section 8.3 for me. Can you read that first  
5 sentence?

6 A. Tenant shall pay as a late charge in the  
7 event any installment, rent, additional rent, or  
8 other charge to be paid by tenant hereunder is not  
9 paid within 15 days of when due, the greater of \$100  
10 or an amount equal to five percent of the amount  
11 due, but in no event shall the amount of such late  
12 charge exceed an amount based upon the highest  
13 legally permissible rate chargeable at any time by  
14 landlord under the circumstances.

15 Q. Okay. Read that second sentence for me.  
16 Tenant shall pay. Can you read that out loud,  
17 please?

18 A. Yes, sir. Tenant shall also pay as a late  
19 charge an amount equal to one and one-half percent  
20 of the amount due landlord hereunder for each 30-day  
21 period that such amounts remain unpaid commencing  
22 upon the end of the first 30-day period after the  
23 due date of such amount.

24 Q. Okay. Thank you. Now, you never received  
25 an invoice relating to your rental payment from

1 Mr. McKim until you stopped paying rent; isn't that  
2 true?

3 A. I believe so.

4 Q. Okay. So you got your first invoice or  
5 statement from the landlord in October of 2010 after  
6 you stopped paying your rent, correct?

7 A. No, sir. I've got some -- Rollin had sent  
8 me -- or, yeah, Rollin had sent me some payment  
9 slips early on in our contract. I brought them.  
10 Well, they are in my file. They are monthly pay  
11 slips that he wanted me to fill out. I guess we  
12 would fill them out when or my accounts payable  
13 clerk would do that.

14 Q. Okay. Did you produce those during  
15 discovery in this case?

16 A. Well, they were given to me by Mr. McKim.

17 Q. Okay. Is that a yes or a no?

18 A. I guess I didn't if they are not exhibits.

19 Q. Okay. And did you get one of those every  
20 month?

21 A. There is a stack of them.

22 Q. Okay. Did you get one of those every  
23 month?

24 A. I don't get them. Our accounts payable  
25 department would get them.

1 Q. Okay. Did anybody get one every month  
2 from your organization?

3 A. I don't know.

4 Q. Okay. I mean, if you didn't get one did  
5 you not pay the rent?

6 A. Well, we paid the rent.

7 Q. Yeah. Every month up until October of  
8 2010, correct?

9 A. Yes, sir.

10 Q. And then that is when you started getting  
11 statements breaking down the amounts that you owed,  
12 correct?

13 A. Yes, sir.

14 Q. Okay. And just so I'm clear, again, you  
15 didn't ask for any kind of -- despite what your  
16 counsel has brought out today, you didn't ask for  
17 any kind of breakdown of where your security deposit  
18 went or who was going to be paid or what it was  
19 going to be applied for, correct? You never asked  
20 for that?

21 A. No, sir.

22 Q. Is that -- that's correct?

23 A. Yes.

24 Q. You did not?

25 A. I did not.

1 Q. Okay. And isn't it true you were sued by  
2 three other parties relating to your time working  
3 for Beaufort County?

4 A. No, sir.

5 Q. Okay. Did you have claims from three  
6 other parties, sub consultants in addition to JRC  
7 Properties?

8 A. Four sub consultants in addition to JRC  
9 Properties --

10 MR. MOORE: Your Honor, I would have  
11 to object on the relevance. The unfair trade  
12 practices claim is now gone. The only thing left is  
13 a breach of the lease agreement on behalf -- against  
14 Dennis Corporation and a conversion claim against  
15 Mr. Dennis. I can't conceive of the relevance of if  
16 somebody else sued him, whether they have or not.

17 JUDGE DUKES: How about that? I  
18 don't get the relevance.

19 MR. BOLCHOZ: I'll move on, Judge.

20 JUDGE DUKES: Okay.

21 BY MR. BOLCHOZ:

22 Q. Mr. Dennis, what is your position with  
23 Dennis Corporation?

24 A. I am the president.

25 Q. And you are also the owner, correct?

1 A. Yes, sir.

2 Q. Okay. And there are no other directors  
3 besides you, are there?

4 A. We have a Board of Directors.

5 Q. Okay. There are no other shareholders  
6 besides you, are there?

7 A. There are no other Class A shareholders.

8 Q. Do you recall when you sat as the 30(b)(6)  
9 witness for the Dennis Corporation in my deposition  
10 last summer?

11 A. Yes, sir.

12 Q. Okay. Do you recall me asking you who  
13 were the current shareholders?

14 A. Yes, sir.

15 Q. And do you recall your answer?

16 A. Me.

17 Q. That's right. And so are you changing  
18 that testimony as we sit here today?

19 A. No, sir. I'm the only Class A  
20 shareholder.

21 Q. Okay. But I didn't ask you about  
22 different classes of shareholders, did I?

23 A. No, sir.

24 Q. And there are no other officers besides  
25 you; is that correct?

1           A.    No, sir.  Excuse me.  That is correct,  
2           yes, sir.

3                   MR. BOLCHOZ:  Okay.  I don't have any  
4           other questions.

5                   MR. MOORE:  Nothing further.

6                   JUDGE DUKES:  I've got a couple of  
7           quick questions to try to put this stuff together.  
8           Mr. Dennis, you had a contract with Beaufort County.  
9           And was that an open-ended contract or was it  
10          suppose to terminate at some point or what was the  
11          nature of the end contract with Beaufort County?

12                   THE WITNESS:  It was a  
13          time-and-materials contract.  So it would end when  
14          either the time expired, sir, or the funds expired.  
15          Our fee.  After our fee was earned.

16                   JUDGE DUKES:  Okay.  I guess what I'm  
17          trying to get at is this.  At some point it sound  
18          like Beaufort County wrote you a letter or contacted  
19          you somehow and said, we are real sorry.  Thanks for  
20          everything that you have done, but that is the end  
21          of it?

22                   THE WITNESS:  Yes, sir.

23                   JUDGE DUKES:  Is part of the \$800,000  
24          that you did not get paid money that you would have  
25          gotten beyond that period?

1 THE WITNESS: No, sir. That was  
2 costs that I had already incurred. That was -- that  
3 was payroll I had already made. You know, that  
4 money -- I had already spent that money.

5 JUDGE DUKES: All right.

6 THE WITNESS: Primarily through my  
7 bank line of credit. Because of the magnitude of  
8 the contract with Beaufort County, at the time it  
9 was out largest contract to date, and I had -- my  
10 bank had to get me a special line of credit just so  
11 that we could handle the size of the contract.

12 JUDGE DUKES: All right. So the loss  
13 that you are saying came from Beaufort County  
14 terminating the contract is not a loss of  
15 anticipated revenue going beyond the termination of  
16 the contract?

17 THE WITNESS: Absolutely not. It's a  
18 loss of pure revenue. My working capital that year  
19 or the subsequent year dropped almost a million,  
20 \$1.1 million.

21 JUDGE DUKES: Okay. That is the only  
22 question I've got. Any questions of this witness  
23 related to my question?

24 REDIRECT EXAMINATION  
25 BY MR. MOORE:



1 Q. Basically when you say you lost \$800,000,  
2 that was money you had already spent?

3 A. Yes, sir.

4 Q. The County shorted you \$800,000?

5 A. They did.

6 Q. And that almost bankrupted the  
7 corporation. We actually talked about possibly  
8 bankruptcy when what happened, right?

9 A. We did. We discussed suing the County.  
10 And we felt like they had deeper pockets.

11 Q. Well, then, too, you wanted to eventually  
12 when the recession left you wanted to get more  
13 business from them and you didn't want to sue them?

14 A. Correct. And we are now working back for  
15 Beaufort County.

16 Q. So they paid you what they could pay you  
17 out of the million whatever they did acknowledge  
18 that they owed you, and they just couldn't pay you  
19 the rest?

20 A. Yes, sir.

21 Q. You had to eat it?

22 A. I ate it.

23 Q. And you had suppliers that you owed and  
24 you had paid your -- you already paid your workers  
25 their wages?

1           A.    As a professional service firm, just like  
2           an accounting firm or a legal profession, 90 percent  
3           of my costs are labor. So the County would usually  
4           pay us within 60 to 90 days. So I was always in --  
5           you know, they always had my money, so-to-speak.  
6           So -- most of that \$800,000 was labor for my  
7           employees that I had paid with my bank line of  
8           credit.

9           Q.    You weren't cheating these people or  
10          trying to run off with anybody's money?

11          A.    No, sir. I've never cheated anyone. I've  
12          never run off with anyone's money.

13          Q.    This \$700,000 you got, it was all -- it  
14          and more were already allocated to the bank, weren't  
15          they?

16          A.    Yes, sir. Every penny I think went to the  
17          bank.

18          Q.    And you had no choice about that?

19          A.    No, sir. It was that or they were going  
20          to take control of my company and then we would go  
21          into bankruptcy.

22          Q.    And the money you used to pay the other  
23          four people that you did owe money to, the other  
24          four suppliers, was money you earned subsequent to  
25          being canned?

DANIEL R. DENNIS, III RECROSS EXAMINATION BY MR. BOLCHOZ

1           A.   Yes, sir. That was from profits from  
2 other jobs.

3           Q.   And I believe you are still trying to dig  
4 out of the hole from this thing, aren't you, Dan?

5           A.   It's still with me today.

6                   MR. MOORE: Okay. Nothing further.

7                   JUDGE DUKES: Mr. Bolchoz, anything  
8 related to that?

9                           RECROSS EXAMINATION

10           BY MR. BOLCHOZ:

11           Q.   I believe you testified last summer you  
12 were actually considering bringing Beaufort County  
13 into this lawsuit; is that -- do you remember that  
14 testimony?

15           A.   No, sir, I don't.

16           Q.   Okay. You don't remember discussing with  
17 your -- telling me that you were discussing with  
18 your lawyer the possibility of bringing in the  
19 County?

20           A.   Back in 2011.

21           Q.   I deposed you in June of last year.

22           A.   Yes, sir. I believe your question was or  
23 my answer was back in 2011 to re-coop the \$800,000  
24 failure to pay.

25           Q.   Okay. But you did believe that that was

1       actionable on your part, that you could have sued  
2       the County for that?

3           A.    I don't know many people who sue counties  
4       and win.

5           Q.    Well, my question was were your terminated  
6       for cause because you had done something wrong?

7           A.    The letter that Mr. Howell wrote was very  
8       diplomatic. And he said we were terminated for not  
9       cause and for cause. So to this day I'm really not  
10      sure what Mr. Howell meant by that letter.

11          Q.    Do you believe that the County owes you or  
12      owed you that additional \$700,000?

13          A.    Well, I do not fraudulently bill. So I  
14      sent the County invoices for that \$800,000-plus. I  
15      was not paid for that money even though I incurred  
16      that expense. So, yes, I absolutely believe  
17      Beaufort County owes me in excess of \$800,000.

18          Q.    But you are now back to working for them  
19      again as we sit here today?

20          A.    That is the world I live in.

21                   MR. BOLCHOZ: I don't have any other  
22      questions, Judge.

23                   JUDGE DUKES: Okay. Thank you.  
24      Anything further from this witness?

25                   MR. MOORE: No, sir.

1 JUDGE DUKES: All right. Do you have  
2 any other witnesses?

3 MR. MOORE: No, sir. That is our  
4 case, Your Honor.

5 JUDGE DUKES: All right. Let's see.  
6 And you can go back to your seat if you like, sir.

7 THE WITNESS: Thank you, sir.

8 MR. BOLCHOZ: Sorry, Judge. My  
9 client had to run to excuse himself, so --

10 JUDGE DUKES: I suppose we could all  
11 take a break here in a second. Let me see. We've  
12 still got Mr. Bolchoz and his testimony with regard  
13 to attorneys fees that we've put off until now. And  
14 what else do we have from the Defendant?

15 MR. MOORE: That would be -- that is  
16 our case, Your Honor. I think just a very short  
17 examination in regard to the -- and I can probably  
18 do the cross examination in regard to his fee  
19 affidavit in five minutes or less.

20 JUDGE DUKES: You all want to just  
21 keep rolling or take a break? It's up to you all.  
22 I'm fine.

23 MR. MOORE: I think we can do that  
24 and come back in and renew motions and do whatever.

25 JUDGE DUKES: So you want to take a

1 break first or not?

2 MR. MOORE: I would love to do the  
3 fee affidavit cross examination if I could.

4 JUDGE DUKES: Yeah, that is fine.  
5 You are the one with the 52 ounces drink. I just  
6 didn't know if you needed a break.

7 MR. MOORE: I'm good. I can do that  
8 really quick.

9 JUDGE DUKES: All right. All right.  
10 Let's do that then. Mr. Bolchoz, do you swear or  
11 affirm to tell the truth, the whole truth, and  
12 nothing but the truth so help you God?

13 MR. BOLCHOZ: I do.

14 JUDGE DUKES: Okay. All right.

15 WHEREUPON:

16 SEAN BOLCHOZ, being duly sworn and  
17 cautioned to speak the truth, the whole truth and  
18 nothing but the truth, testifies as follows:

19 DIRECT EXAMINATION

20 BY MR. MOORE:

21 Q. Mr. Bolchoz, do you have a written fee  
22 agreement with these people?

23 A. I do.

24 Q. Where is it?

25 A. My copy is probably in my office, my file

1 somewhere.

2 Q. You are familiar with Rule 1.5(b) which  
3 requires fee agreements to be in writing, correct?

4 A. Yes.

5 Q. The affidavit you have just has a gross  
6 fee. Have you really charged this man \$28,000 for  
7 the work you've done on this file?

8 A. Yes.

9 Q. As I understand it, and I want to make  
10 sure I got this, you prepared, filed, and served a  
11 summons and complaint, right?

12 A. Yes.

13 Q. You did one deposition, right?

14 A. Two.

15 Q. Two depositions on the same day?

16 A. Yes. In Columbia.

17 Q. And they took, what an hour and a half or  
18 two hours apiece?

19 A. I don't remember. I mean I remember being  
20 there most of the day. Maybe we left around three.

21 Q. Started about 10:00?

22 A. I think so.

23 Q. About five hours of deposition. You sent  
24 standard interrogatories and a request to produce,  
25 right?

1           A.    I sent -- no, I didn't send standard  
2 interrogatories. I sent --

3           Q.    You sent interrogatories and a request to  
4 admit?

5           A.    And request to admit, that's correct.

6           Q.    You did one motion for summary judgment  
7 that was heard on the telephone?

8           A.    Yes.

9           Q.    And you appeared today to try the case?

10          A.    I'm sorry?

11          Q.    You appeared today to try the case?

12          A.    Yes.

13          Q.    And additionally maybe throughout the case  
14 wrote 10, 15 letters?

15          A.    I think so. Maybe more than that, I don't  
16 know.

17          Q.    And went to a mediation that lasted half a  
18 day?

19          A.    Yes.

20          Q.    That pretty much is the sum and total of  
21 what has been done on this case, isn't it?

22          A.    I don't understand your question.

23          Q.    That is pretty much what has been done on  
24 the case from a legal standpoint, isn't it? What  
25 else have we done except that?



1           A. I did all of those things that you just  
2 asked me about if that is your question.

3           Q. Well, that is --

4           A. That's right.

5           Q. Is there anything that you've done except  
6 for that?

7           A. The same things that you do, Jake. Talk  
8 to clients on the phone and research the issues and  
9 I mean I'm not going to presume to know how you  
10 prepare your litigation, but --

11          Q. You claim to have --

12          A. I assume we do the same kinds of things.

13          Q. I do, too. You claim to have billed  
14 \$28,810 before we started trial this morning. That  
15 would be over 90 hours work placed in the file. Are  
16 you really telling me that you have billed this man  
17 \$28,000 for what you have done in this case?

18          A. Yes. And I've already answered that. You  
19 know, it would be -- it would have been probably a  
20 lot less if your client had not denied what he later  
21 admitted under oath last summer which was the crux  
22 of this entire case, did you pay rent for October,  
23 November, December, and January which was denied  
24 when I got your responses a year ago.

25          Q. Well, of course, he did because you were

1     able to secure the deposit towards one of those  
2     months which would mean he owed for three and not  
3     four. So the denial would have been appropriate.  
4     So I don't really need to be lectured. I'm just  
5     trying to gather you want to tell this court that  
6     before we came here today you had spent 93 hours in  
7     this case?

8             A.    Yes.

9             Q.    Is any of this being not paid in checks or  
10     are they being paid cash or checks or what are they?  
11     Or are you taking it out in rent?

12            A.    No. No. No. It's all been -- I mean,  
13     what has been paid of my bill has been paid with a  
14     check.

15            Q.    How much of your bill has been paid?

16            A.    Not the entire amount. I think he's got a  
17     balance.

18            Q.    How much is his balance?

19            A.    I'm not sure as I sit here right now  
20     today. A few thousand dollars perhaps.

21            Q.    This bill -- there is no itemization on  
22     these 93 hours. You are telling me that somewhere  
23     I'm going to be able to see bills that bill 93 hours  
24     work at \$300 an hour?

25            A.    That is what I'm telling you for the

1 fourth time. This is a three-year old case from  
2 2013. I mean, now, I realize that your client has  
3 only been billed a thousand dollars. So I'm not  
4 exactly sure how that happened. So we are pretty  
5 far apart. I understand that, but, yeah, I can back  
6 up everything that was billed in this case I assure  
7 you.

8 Q. He's been billed \$2,500. He's got a check  
9 for \$1,500 today. And I billed him \$1,000 when I  
10 did the answer which is a pretty fair fee. I billed  
11 2,500 bucks and you billed \$28,000 and we've done  
12 the same amount of work. That is what I can't  
13 understand. And, of course, you are telling me that  
14 you've got 93 hours in the file. Okay. And you are  
15 billing at \$300 an hour?

16 A. Yes.

17 Q. How long have you been practicing?

18 A. I don't know. Since August of '99. I  
19 guess that is 16 and a half years now.

20 Q. How many jury trials have you ever tried?

21 A. A handful. Three or four.

22 Q. I've tried about 1,800. And my hourly  
23 rate is 250 bucks an hour. And I've been practicing  
24 40 years. How do you justify a \$300 an hour rate?

25 A. I think it's commiserate with what is

1 charged down here in this area. How do you justify  
2 a \$250 rate?

3 Q. Well, the fact that I've been practicing  
4 40 years, and I've tried probably 1,500 to 1,800  
5 trials.

6 A. Well, perhaps you should up your rate.

7 MR. MOORE: Very fine. Thank you,  
8 sir.

9 JUDGE DUKES: All right. Thank you  
10 very much.

11 MR. BOLCHOZ: Thanks, Judge.

12 JUDGE DUKES: All right. Anything  
13 else?

14 MR. BOLCHOZ: Not from us, Judge, or  
15 from the Plaintiff.

16 JUDGE DUKES: All right. Anything  
17 from the Defendant?

18 MR. MOORE: Your Honor we would renew  
19 our motions and we would also point out to the court  
20 that the attorneys fee affidavit is woefully  
21 inadequate. It does not break out time, billing,  
22 costs. It doesn't have a fee agreement attached to  
23 it. And we would respectfully submit that \$28,000  
24 being billed on a case which appears to be worth  
25 somewhere around \$15,000 is exorbitant. The

1 attorneys fees have got to be commiserate with the  
2 (inaudible). But we would renew -- Your Honor, and  
3 I don't want to have to do them again. Can I simply  
4 say I renew all of my motions and be protected?

5 JUDGE DUKES: I don't see any problem  
6 with that unless Mr. Bolchoz does.

7 MR. BOLCHOZ: That is whatever he  
8 wants to do.

9 JUDGE DUKES: All right. Let me do  
10 this then. I've had an opportunity while I've  
11 listened to all of this -- Defendants rest I assume?

12 MR. MOORE: Yes, sir.

13 JUDGE DUKES: And I think it's not  
14 even disputed that Dennis -- let me deal with this  
15 part first, the conversion. I don't think that the  
16 Plaintiff has met the burden of proof for  
17 conversion. I'm going to strike the conversion. I  
18 almost did it after they rested, but there was  
19 enough in the case, but I'm going to strike it now.  
20 And so that takes Mr. Dennis individually, I  
21 believe, out of the case.

22 With regard to the lease agreement I think  
23 it's undisputed that four months weren't paid. So  
24 the damages, of course, start by adding those four  
25 months. I can only deal obviously with the proof

1 and the testimony and everything I've got in front  
2 of me with regard to the damages. The damages that  
3 were documented and testified to with regard to --  
4 oh, let me deal with the waiver issue and the 15-day  
5 issue.

6 I'm confident on the -- presented in this  
7 contract that the Defendant was required to leave  
8 the property in good repair and tenantable  
9 condition. That is 4.1 by the way. And I  
10 understand the Defendant had a claim that  
11 essentially any damages were waived by the failure  
12 to -- well, the 15 days and the right to cure. My  
13 understanding is that the parties walked through  
14 together and there wasn't really a denial by  
15 Mr. Dennis that some things had to be done. I've  
16 seen the pictures.

17 But then we get to what it's worth because  
18 the problem I've got is this, the problem I've got  
19 is we've got the carpet which looking at the  
20 pictures and hearing the testimony I'm convinced  
21 probably needed to be replaced. And so there is  
22 \$1,100 as I recall. The rest of it cleaned for  
23 \$250.

24 Then unfortunately we get to the part that  
25 was probably the most expensive which was the

1 painting of the walls and all of that. I don't  
2 think there is anything in this record that supports  
3 a specific number. I understand there were some  
4 estimates from some people and that I'm sure this  
5 gentleman worked very hard to paint the place and  
6 spackle it, but I don't have how much the gallons of  
7 paint cost or the brushes or the rollers or how many  
8 hours it took or anything like that. What I've got  
9 is he was paid from his normal draw from the  
10 Plaintiff to do this work. Conceivably he would  
11 have been doing some other work. I don't -- I can't  
12 assign a value to that in the absence of any  
13 evidence. So, so far I've got the rent times four  
14 plus 1,100 plus 250 minus the deposit.

15 I don't think there was any dispute but  
16 that the late charges were due. I think I heard  
17 Mr. Dennis say that, yes, that was appropriate. And  
18 they appear to be right there in the contract. So I  
19 don't know what that math is, but -- and you all  
20 have done it for me I think already or testified to  
21 it and it's just math so we can figure that out.

22 Then I get to the attorneys fees. And the  
23 attorneys fees I've certainly seen higher. I've  
24 seen lower. Mr. Dennis, you got a spectacular deal  
25 out of Mr. Moore. I don't know if that is a normal

1 rate. And this was expensive. It went on for  
2 awhile. We had -- you know, Mr. Moore, you did a  
3 fine job in your cross examination of Mr. Bolchoz,  
4 but as we all know the mediation for instance isn't  
5 just the mediation. It's the day or perhaps days  
6 leading up to the mediation. And the depositions  
7 require prepare. And maybe after 1,800 trials, you  
8 know, the prepare is a little less, but most  
9 everybody else probably has to prepare a little bit.

10 And so the 28,000 as everyone -- as the  
11 attorneys know, there is a long line of cases that  
12 says that attorneys fees, while maybe there is some  
13 bearing on the magnitude of the case, there is  
14 nothing that prevents the attorneys fees from  
15 exceeding the actual damages. I mean, that happens  
16 a lot in those kind of cases.

17 What causes -- gives me some pause about  
18 the attorneys fees is that I'm not confident this  
19 wasn't a breach of lease case from the start. And  
20 some of that time and effort, and it's hard to tell  
21 how much -- and even if it said research three  
22 hours, I wouldn't be able to figure it out. Some of  
23 that probably has to do with unfair trade practices  
24 and conversion.

25 And again, I don't think I fault the



1 Plaintiff for bringing those. I think it's good  
2 lawyering to put in every possible cause of action  
3 but ultimately at the end of the day should the  
4 Defendant be charged for attorneys fees and research  
5 and other things that had to do with what I now  
6 consider, having heard the evidence, to be nonviable  
7 causes of action. I don't have any way -- I don't  
8 think anyone would have any way to figure out  
9 exactly how much extra those attorneys fees are  
10 because of those two causes of action.

11 And so I've just got to think about that.  
12 And I'm happy even to hear maybe even to have the  
13 attorneys write me a brief post trial memo on  
14 attorneys fees associated with this particular issue  
15 before I put together a final number on any kind of  
16 damages.

17 And so the beauty of nonjury, of course,  
18 is I can do that. I don't have to come up with a  
19 number right now. So I think that is where I am  
20 with this case right now. So I'm happy to hear any  
21 comments or questions or anything -- by the way,  
22 that is an final ruling for purposes of motions to  
23 reconsider or new trial or anything like that. That  
24 is just where my current thinking is. And I guess  
25 what I'm doing is asking for a post trial very brief

1 memo. It doesn't have to be a giant thing, but that  
2 deals specifically with the attorneys fee issue I'm  
3 struggling with.

4 So anything from the Plaintiff on that?

5 MR. MOORE: No, sir. I'm sorry. I'm  
6 Defendant.

7 JUDGE DUKES: You are use to being  
8 the plaintiff. That is fine. All right.

9 MR. BOLCHOZ: No.

10 JUDGE DUKES: Nothing? Okay. Why  
11 don't we do this then. What is -- I'm going to  
12 consider it ended for you all's purposes by the way,  
13 but not for the trial purposes. What is a  
14 reasonable period of time to put something together?

15 MR. MOORE: I think 20 days.

16 JUDGE DUKES: Sean, is that good with  
17 you?

18 MR. BOLCHOZ: That is fine with me.

19 JUDGE DUKES: Why don't you all do  
20 this. When you put it together what I would love  
21 for you to do is let the other one know -- I would  
22 like to get them together so you all about the same  
23 time send them to Heather so I don't have one for  
24 four days before I get the other one. So if it's 20  
25 days, try to make it on the 20th day and not, you

1 know, send it early or anything. And since Heather  
2 is not here, I'll have to remember to give her a  
3 heads-up tomorrow that they are coming.

4 MR. MOORE: Maybe the comments this  
5 afternoon might get us to where we now can resolve  
6 this case.

7 JUDGE DUKES: That of course is my  
8 favorite way to end a case. Everyone should be  
9 equally unhappy. That is my favorite standard. So  
10 if you can reach that part in this that is a fine  
11 way to do things. So, and obviously let me know if  
12 that happens in the interim.

13 All right. Anything else for this record  
14 then? All right. Well, that will conclude the  
15 record save and except for a post trial briefs which  
16 will be filed at some point 20 days out.

17 (Whereupon, the hearing was concluded  
18 at 4:11 p.m.)  
19  
20  
21  
22  
23  
24  
25

1 Certificate of Reporter  
2

3 I, Deborah S. Thomas, Certified Verbatim  
4 Reporter and Notary Public in and for the State of  
5 South Carolina, do hereby certify that I reported  
6 the hearing of JRS Properties vs. Dennis  
7 Corporation, et al, on the 25th day of January,  
8 2016: and that the foregoing page 184 constitute a  
9 true and correct transcription of the said hearing.

10 I further certify that I am neither  
11 attorney nor counsel for, nor related to or employed  
12 by, any of the parties connected with this action,  
13 nor am I financially interested in said cause.

14 I further certify that the original of  
15 said transcript shall be hereafter delivered to  
16 S. Jahue Moore, Esquire, Moore Taylor Law Firm,  
17 P.A., 1700 Sunset Boulevard, Columbia, South  
18 Carolina

19 In witness whereof I set my hand and seal  
20 this 6th day of May, 2016.

21 

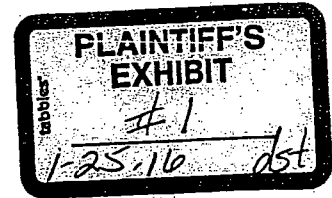
22 My Commission  
23 expires 1/4/18

24 Deborah S. Thomas, CVRM  
25 and Notary Public for the  
State of South Carolina



STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT



OFFICE LEASE

THIS LEASE AGREEMENT, dated this \_\_\_\_ day of January, 2008, made by JRC PROPERTIES, LLC, 20 Towne Square, PMB 390, Bluffton, SC 29910 ("Landlord") and DENNIS CORPORATION, whose address is 5000 Thurmond Mall, Suite 114, Columbia, South Carolina 29201 ("Tenant").

WITNESSETH: THAT,

Landlord, for and in consideration of the rents, covenants, agreements, and stipulations herein contained, to be paid, kept, and performed by Tenant, has leased and rented, and by these presents leases and rents unto Tenant, and Tenant hereby leases upon the terms and conditions herein contained, the Premises described in Paragraph 1.1 (b) below. So long as Tenant shall observe and perform the covenants and agreements binding on it hereunder and subject to the terms and provisions hereof, Tenant shall at all times during the Lease Term peacefully and quietly have and enjoy possession of the Premises.

I

PREMISES AND OTHER DEFINITIONS

Unless the context otherwise specifies or requires, the following terms shall have the meanings herein specified:

1.1 Premises. Terms used in defining Premises are:

(a) The term "Building" shall mean the office building known as Building #6 Buckingham Plantation Drive, Bluffton, South Carolina ("Building").

(b) The term "Premises" shall mean (i) the exclusive use of the Building which contains 3743 square feet; and (ii) the non-exclusive use of the existing parking areas located on the Land.

(c) Land. The term "Land" shall mean Building #6 Buckingham Plantation Drive, Bluffton, South Carolina together with its associated parking.

II

TERM, ASSIGNMENT, AND SUBLETTING

2.1 Term. On the Commencement Date, Tenant shall take and accept the Premises from Landlord in their then condition and as suited for the use intended by Tenant, to have and to hold the same for a period of five (5) years (the "Initial Lease Term"). The Initial Lease Term shall

N:\directory\joanne\real-estate\leases\mckim

commence on March 1, 2008 (the "Commencement Date") and shall end at 6:00 P.M. E.S.T. on February 28, 2013 (the "Expiration Date").

2.2 Tenant's Right of Early Termination. In the event that Tenant's contract with Beaufort County is terminated at any time and for any reason by the county, Tenant shall upon verification of the termination have the option to immediately terminate this Lease upon provision of written notice to Landlord of its election to do so.

2.3 Removal of Tenant's Personal Property. Before the termination of this Lease, Tenant shall remove from the Premises all its personal property which this Lease allows Tenant to remove and peaceably surrender such Premises and the keys thereto to Landlord in the same condition as at the beginning of this Lease, only natural wear and tear excepted. Such property of Tenant as it fails to remove either from the Premises or the Building after the termination of this Lease shall be considered as abandoned by Tenant and may be disposed of by Landlord at Tenant's expense in any manner whatsoever without accounting to Tenant for same or being liable in any way to Tenant for such disposition.

2.4 Holding Over. In no event shall there be any renewal of this Lease by operation of law, and if Tenant remains in possession of the Premises after the termination of this Lease and without a new lease executed by Landlord and Tenant, Tenant shall be deemed to be occupying the Premises as a tenant at sufferance at a Base Rental equal to one hundred percent (100%) of the then existing market rental rate and additional rental as provided for under this Lease, and otherwise subject to all the covenants and provisions of this Lease insofar as the same are applicable to a month-to-month tenancy.

2.5 Assignment and Subletting: The Tenant shall not, without the Landlord's prior written consent: (i) mortgage, pledge, encumber, or otherwise transfer (whether voluntarily, by operation of law, or otherwise) this Lease or any interest hereunder; (ii) allow any lien to attach to Tenant's interest in the Premises or this Lease; (iii) permit the use or occupancy of the Premises or any part thereof by any one other than Tenant; (iv) assign or convey this Lease or any interest herein; or (v) sublet the Premises or any part thereof; and any attempt to consummate any of the foregoing without Landlord's consent shall be void. Landlord may deny or withhold its consent to any of the foregoing in Landlord's sole discretion, for any reason or for no reason.

2.6 Extension Options. Tenant shall have three (3) options to extend the Term of this Lease for an additional one (1) year period (each such 1-year period hereafter referred to as a "Renewal Term"). In order to exercise such option, Tenant must provide written notice to Landlord not less than ninety (90) days prior to the end of the Initial Lease Term or Extension Term, as applicable, of its election to extend the term of this Lease.

## RENT, RENT ADJUSTMENT, AND DEPOSITS

3.1 Payment of Base Rental. Tenant shall pay to Landlord as annual rent during the Initial Lease Term and any Renewal Term the Base Rental (as defined in Paragraph 3.2 hereof). The Base Rental shall be paid in equal monthly installments, in advance, on the first day of every calendar month during the Lease Term. If the Commencement Date occurs on other than the first day of a calendar month, Tenant shall pay, in addition to Base Rental, a prorated portion of the Base Rental for the first Lease month based upon the number of days remaining in said first partial calendar month.

### 3.2 Amount of Base Rental.

a. During the first year of the term of the Lease, the Base Rental will be \$15.00 per square foot (3743 sq. ft.) of the Premises per month. For the first year of the term of the Lease, such monthly rental shall be \$4,678.75.

b. A security deposit of \$4,678.75 will be paid by Tenant prior to occupancy. The security deposit will be refundable 30 days from the expiration of this lease unless any charges as outlined in 4.1 have accrued.

c. The Base Rental will increase by \$0.50 per square foot for each year of the Initial Lease Term or any Renewal Term, with the first rental increase occurring on the first day of the first month following the one-year anniversary of the Commencement Date.

d. All monthly rent payments will be made in advance on the first day of the month for which it is payable.

3.3 Payments. Tenant shall pay to Landlord all Base Rental, any additional rent, and all other charges due and owing by Tenant under this Lease without deduction or set off, in legal tender, and at Landlord's address or as otherwise directed from time to time by Landlord's notice. Tenant's obligation to pay the Base Rental, any additional rent, and all other charges due and owing by Tenant under this Lease shall survive the expiration or earlier termination of this Lease unless termination is through the faults or acts of the Landlord.

## IV

## PREPARATION, MAINTENANCE, AND REPAIR OF PREMISES

4.1 Maintenance and Repairs by Tenant. Tenant shall at its own expense keep the interior of the Premises in good repair and tenantable condition, including all interior repairs and maintenance, and indemnify Landlord against any loss, damage, or expense arising by reason of any failure of Tenant so to keep the Premises in good repair and tenantable condition or due to any act or neglect of Tenant, its agents, employees, contractors, invitees, licensees, tenants, or assignees. If Tenant fails, after written notice from Landlord and 15 days to cure, to perform, or cause to be performed, any such necessary maintenance and repairs, then at the option of

Landlord, in its sole discretion, any such maintenance or repair may be performed or caused to be performed by Landlord and the cost and expense thereof charged to Tenant, and Tenant shall pay the amount thereof to Landlord on demand as additional rent. Occupancy by Tenant shall be deemed acceptance of the Premises. For purposes of this paragraph 4.1, maintenance and repair of the windows and doors shall also be the responsibility of the Tenant.

4.2 Maintenance and Repairs by Landlord. Landlord, at its cost and expense and without right of reimbursement from Tenant, shall be responsible for all necessary maintenance and repairs to (i) all portions of the Building other than the interior of the Premises, including without limitation the roof, foundation, exterior walls, structure, and building exterior, and (ii) all systems within the Building, including without limitation, plumbing, electrical, heating, ventilating, and air conditioning. Landlord shall also provide pest control for the Building and Land.

4.3 Alterations by Tenant. Tenant shall make no alterations or additions of any kind in or to the Premises without first obtaining Landlord's written consent. Tenant shall discharge of record by bond or otherwise, within ten (10) days following the filing thereof, any mechanic's or similar lien or encumbrance filed against the Premises or the Building for work or materials claimed to have been furnished to or for the benefit of Tenant and/or the Premises.

4.4 Hazardous Materials. Tenant will not cause any hazardous material to be placed on the Land.

4.5 Damage and Destruction. If the Premises are rendered partially or wholly unfit for occupancy by fire, the elements, act of God or other casualty (fire, the elements, acts of God or other casualties hereinafter referred to as the "Casualty"), and if such damage cannot, in Landlord's reasonable opinion, be materially restored within sixty (60) days of the date of such Casualty, then Landlord may, at its sole option, terminate this Lease as of such date. For purposes hereof, the Premises shall be deemed "materially restored" if they are in such condition as would not prevent or materially interfere with Tenant's use of the Premises for the purpose for which it was then being used. If this Lease is not terminated pursuant to the above provisions of this Paragraph 4.5, then Landlord shall proceed with all due diligence, upon receipt of all insurance proceeds due to Landlord, to repair and restore the Premises. In any case the Landlord must have the Premises restored to its original condition within 120 days of said damage or destruction or Tenant will have the right to terminate this lease at its sole option without liability. In no event shall Landlord be required to rebuild, repair, or replace any part of the partitions, fixtures, additions, or other property and improvements which may have been placed in or about the Premises by Tenant. If this Lease shall not be terminated by Landlord pursuant to this Paragraph 4.5 and if the Premises are unfit for occupancy in whole or in part following such Casualty, the rent payable during the period in which the Premises are unfit for occupancy shall abate in proportion to the percentage of the rentable area of the Premises rendered unusable by such Casualty as agreed upon between Tenant and Landlord; provided, however, that no such abatement shall be made in the event such Casualty shall have been caused through the gross negligence or willful misconduct of Tenant, its agents, employees, contractors, invitees, licensees, tenants, or assignees. If any such Casualty occurs, Landlord shall not be liable to Tenant for inconvenience, annoyance, loss of profits, expenses, or any other type of injury or



damage resulting from the repair of any such Casualty, or from any repair, modification, arranging, or rearranging of any portion of the Premises or any part or all of the Building or for termination of this Lease as provided in this Paragraph 4.5. Notwithstanding any language contained in this Lease to the contrary, Landlord's obligations to repair and restore such damage shall be limited to the amount of insurance proceeds made available to Landlord for such repair and restoration (after any right of any mortgagee to said proceeds); provided, that if, in Landlord's reasonable judgement, the amount of such insurance proceeds is not sufficient to materially restore the Premises and the Building (except for any improvements, fixtures, finishes, or personalty that may have been placed in or about the Premises by Tenant), Landlord shall have the right to terminate this Lease as of the date of such Casualty and the Lease Term shall end as of such date. In the event of any Casualty during the final year of the Lease Term of this Lease, Landlord, at Landlord's sole option, shall have the right to terminate this Lease as of the date of such Casualty and the Lease Term shall end as of such date. Landlord is required to maintain adequate insurance to restore damaged Premises to its condition at the time of the casualty. In the event the Premises are not returned to its condition at the time of the Casualty, then Tenant has the option to terminate this Lease without liability.

4.5 Eminent Domain. If all of the Premises should be taken for any public or quasi-public use under governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, and the taking would prevent or materially interfere with the use of the Premises for the purpose for which it is then being used, this Lease shall, at either Landlord's or Tenant's option, terminate effective as of the date of such actual physical taking. Tenant would share in any condemnation award to the extent that said award included Tenant Improvement in addition to the Base Building and other items of value provided or installed by Tenant. If part of the Premises is taken for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private purchase in lieu thereof, then Landlord or Tenant shall have the right to terminate this Lease effective as of the date of such actual physical taking. In the event that this Lease is not terminated as provided above in this Paragraph 4.6, the rent payable hereunder during the unexpired portion of this Lease shall be reduced in proportion to the percentage of the rentable area of the Premises rendered unusable by such taking and Landlord shall undertake materially to restore the Premises. Said rent shall be adjusted, however, to reflect a decrease in the usability and the quality of the Premises, including but not limited to such things as less desirable access, parking, visibility, signage, etc. Landlord or Tenant, as the case may be, shall exercise its right to terminate this Lease provided above in this Paragraph 4.6 by written notice to the other party within thirty (30) days of the date of such actual physical taking. Notwithstanding any language contained in this Lease to the contrary, Landlord's obligation to materially restore the Premises shall be limited to the amount of condemnation proceeds made available to the Landlord for such restoration and repair (after any right of any mortgagee to said proceeds); if such proceeds is not sufficient to materially restore the Premises and the Building (except for any improvements, fixtures, finishes, or personalty that may have been placed in or about the Premises by Tenant), Landlord or Tenant shall have the right to terminate this Lease effective as of the date of such actual physical taking. Tenant shall not share in any condemnation award or payment in lieu thereof or in any award for damages resulting from any grade change of adjacent streets, the same being hereby assigned to Landlord by Tenant; however, Tenant may separately claim and receive from the condemning authority (but not from Landlord), if legally payable, compensation

for Tenant's removal and relocation costs and for Tenant's loss of business and/or business interruption, provided that such claim and recovery shall in no way diminish Landlord's recovery. Notwithstanding anything to the contrary contained in this Paragraph 4.6, if during the Lease Term the use or occupancy of any part of the Building or Premises shall be taken or appropriated temporarily for any public or quasi-public use under any governmental law, ordinance, or regulation, or by right of eminent domain, or by private agreement in lieu thereof, this Lease shall be and remain unaffected by such taking or appropriation and Tenant shall continue to pay in full all rent payable hereunder by Tenant during the term of this Lease or private agreement in lieu thereof; in the event of any such temporary appropriation or taking, Tenant shall be entitled to receive that portion of any award which represents compensation for the loss of use or occupancy of the Premises during the term of this Lease, and Landlord shall be entitled to receive that portion of any award which represents the cost of restoration and compensation for the loss of use or occupancy of the Premises after the end of the term of this Lease and of the Building.

**4.7 Landlord's Right to Enter Premises.** Tenant shall report to Landlord immediately in writing any damage to or defective condition in or about the Building or Premises known to Tenant. Tenant shall not change the locks on any entrance to the Premises. Upon provision of prior notice to Tenant, Landlord and its agents, employees, and contractors shall have the right to enter the Premises at such times as Landlord deems reasonably necessary to make inspections, to exhibit the Premises to prospective purchasers and tenants and to make necessary repairs, additions, alterations, and improvements to the Building, including, without limitation, the erection, use, and maintenance of pipes and conduits. Landlord shall also be allowed to take into and through the Premises any and all needed materials that may be required to make such repairs, additions, alterations, and improvements, all without being liable to Tenant in any manner whatsoever, during such time as work is carried out in a manner so as to not interfere unreasonably with the conduct of Tenant's business therein, the rent provided herein shall in no wise abate, and Tenant waives any claim and cause of action against Landlord for damages by reason of loss or interruption to Tenant's business and profits therefrom because of the prosecution of any such work or any part thereof. In the event of emergency, or if otherwise necessary to prevent injury to persons or damage to property, such entry to the Premises may be made without notice to Tenant and by force without any liability whatsoever on the part of Landlord for damage resulting from such forcible entry.

## V

### USE AND SERVICES

**5.1 Use.** Tenant shall use the Premises for general office purposes and no other purpose. Tenant shall not use the Premises for any illegal purpose, nor violate any statute, regulation, rule, or order of any governmental body in its use thereof, nor create or allow to exist any nuisances or trespasses, nor do any act in or about the Premises or bring anything onto or into the Premises which will in any way increase the premium for insurance on the Premises or the Building, nor deface or injure the Premises or overload the floor of the Premises.

**5.2 Utility and Other Charges.** Tenant shall promptly pay and discharge, directly to the

providing utility if possible, as and when the same become due, all charges incurred in connection with water and electricity to the Premises. In the event there is a single meter to the Building, Tenant shall pay a pro rata share of the utilities as determined by Landlord as additional rent.

5.3 Real Estate Taxes. Tenant shall promptly pay all personal property taxes with regard to Tenant's personal property on or before the date that the same become due and payable. Landlord shall pay the real estate taxes, with no right of proportionate reimbursement from Tenant.

5.4 Tenant's Failure to Pay. In the event that Tenant shall fail, after written notice from Landlord and 15 days to cure, to pay any of the foregoing items required by this Article to be paid by Tenant, Landlord may (but shall be under no obligation to) pay the same; and any amounts so advanced therefor by Landlord shall become an additional obligation of Tenant hereunder, which amounts shall constitute additional rental hereunder, payable by Tenant upon receipt of demand therefor.

## VI

### COMPLIANCE WITH LAWS

6.1 Compliance With Laws. Tenant shall comply, at its own expense, with all statutes, regulations, rules, ordinances, and orders of any governmental body, department, or agency thereof which apply to or result from Tenant's use or occupancy of the Building and the Premises.

## VII

### INSURANCE, LIABILITY, AND INDEMNIFICATION

#### 7.1 Insurance.

(a) Tenant shall carry fire and extended coverage insurance insuring all partitions, fixtures, additions and other property placed in or about the Premises, and any and all furniture, equipment, supplies, and other property contained therein, such insurance coverage to be in the full replacement value thereof less reasonable deductible.

(b) Tenant also agrees to carry a policy or policies of worker's compensation and comprehensive general liability insurance, including personal injury and property damage, with contractual liability endorsement, in the amount of One Million Dollars (\$1,000,000) for property damage and One Million Dollars (\$1,000,000) for occurrence for personal injuries or deaths of persons occurring in or about the Premises.

(c) Said insurance policies as described in the foregoing Paragraphs (a) and (b) shall: (i) name Landlord as an insured and insure Landlord's contingent liability under this Lease (except for the worker's compensation policy, which shall instead include a waiver of subrogation endorsement in favor of Landlord), (ii) be issued by an insurance company which is reasonably acceptable to Landlord and licensed to do business in the State of South Carolina, and (iii)

provide that said insurance shall not be canceled unless thirty (30) days prior written notice shall have been given to Landlord. Said policy or policies, or certificates thereof, shall be delivered to Landlord by Tenant upon commencement of the term of the Lease and upon each renewal of said insurance.

(d) In addition to insurance for the Premises, Landlord shall carry and pay for fire, casualty, wind and hail insurance on the Building in an amount equal to the full replacement cost of the Building, with no right of proportionate reimbursement from Tenant.

**7.2 Waiver of Subrogation.** Landlord and Tenant each hereby releases the other from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for any loss of damage to property caused by fire or any other perils insured in policies of insurance covering such property, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible, including without limitation any other tenants or occupants of the remainder of the Building; provided, however, that this release shall be applicable and in force and effect only to the extent that such release shall be lawful at that time and in any event only with respect to loss or damage occurring during such time as the releasor's policies shall contain a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the releasor to recover thereunder and then only to the extent of the insurance proceeds paid under such policies.

**7.3 Indemnify.** Either party (the "Indemnifying Party") shall indemnify and shall hold the other harmless from and defend the other party against any and all claims, demands, liability, costs, losses or expenses (including attorney's fees and costs) for any injury or death to any person or damage to any property whatsoever arising out of or in any way relating to any act or omission of the Indemnifying Party or Indemnifying Party's agents, employees, contractors, invitees, licensees, tenants or assignees. In case any action or proceeding be brought against the other party by reason of any claims or liability, the Indemnifying Party agrees to cause such action or proceeding to be defended at Indemnifying Party's sole expense by counsel reasonably satisfactory to the other party. The provisions of this Lease with respect to any claims or liability occurring or caused prior to any expiration or termination of this Lease shall survive such expiration or termination.

**7.4 Liability of Landlord.** Except as otherwise expressly provided herein, Landlord shall not be liable to Tenant or to any person, firm, corporation, or other business association claiming by, through or under Tenant for failure to furnish or for delay in furnishing any service provided for in this Lease, and no such failure or delay by Landlord shall be an actual or constructive eviction of Tenant nor shall any such failure or delay operate to relieve Tenant from the prompt and punctual performance of each and all the covenants to be performed herein by Tenant; nor for any latent defects in the Premises or Building; nor for defects in the cooling, heating, electric, water, elevator, or other apparatus or systems or for water discharged from sprinkler systems, if any, in the Building; nor for the theft, mysterious disappearance, or loss of any property of Tenant whether from Premises or any part of the Building. Landlord shall not be liable for any interference, disturbance, or act whether caused by another tenant or tenants of Landlord or other person, nor shall Tenant be relieved from any obligation herein because of such interference,

disturbance, or act. No officer, director, shareholder, or partner of Landlord, or of any partner of Landlord, shall have any personal liability whatsoever with respect to this Lease. Further, Landlord's obligations and liabilities under this Lease shall be limited solely to Landlord's interest in the Building, as such interest is constituted from time to time.

## VIII DEFAULT AND RELATED REQUIREMENTS

### 8.1 Default and Remedies.

(a) The occurrence of any of the following shall constitute an event of default:

- (i) The rent (including any additional rent) and any other sum of money payable under this Lease, whether to Landlord or other wise, is not paid within fifteen (15) days of the due date thereof;
- (ii) Tenant's interest in the Lease or the Premises shall be subjected to any attachment, levy, or sale pursuant to any order or decree entered against Tenant in any legal proceeding and such order or decree shall not be vacated within thirty (30) days of entry thereof; or
- (iii) Tenant breaches or fails to comply with any term, provision, condition, or covenant of this Lease, other than the payment of rent, or with any of the Rules and Regulations now or hereafter established from time to time by Landlord to govern the operation of the Building and such breach or failure is not cured with fifteen (15) days, or such longer period as is necessary if such default is incapable of being cured within fifteen (15) days provided that Tenant has commenced and is diligently pursuing cure, after written notice of such breach or failure is given to Tenant.

(b) Upon the occurrence of an event of default, and following application of any notice and cure period, Landlord shall have to option to do and perform any one or more of the following in addition to, and not in limitation of, any other remedy or right permitted it by law or in equity or by this Lease:

- (i) Landlord, with or without terminating this Lease, may immediately or at any time thereafter re-enter the Premises and correct or repair any condition which shall constitute a failure on Tenant's part to keep, observe, perform, satisfy, or abide by any term, condition, covenant, agreement, or obligation of this Lease or of the Rules and Regulations now in effect or hereafter adopted or of any notice given Tenant by Landlord pursuant to the terms of this Lease, and Tenant shall fully reimburse and compensate Landlord on demand for all reasonable expenses.
- (ii) Landlord, with or without terminating this Lease, may immediately or at any time thereafter demand in writing that Tenant vacate the Premises and thereupon

Tenant shall vacate the Premises and remove therefrom all property thereon belonging to or placed on the Premises by, at the direction of, or with consent of Tenant within sixty (60) days of receipt by Tenant of such notice from Landlord, whereupon Landlord shall have the right to re-enter and take possession of the Premises. Any such demand, re-entry and taking possession of the Premises by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

iii) Landlord, with or without terminating this Lease, may immediately or at any time thereafter re-enter the Premises and remove therefrom Tenant and all property belonging to or placed on the Premises by, at the direction of, or with consent of Tenant. Any such re-entry and removal by Landlord shall not of itself constitute an acceptance by Landlord of a surrender of this Lease or of the Premises by Tenant and shall not of itself constitute a termination of this Lease by Landlord.

(iv) Landlord, with or without terminating this Lease, may immediately or at any time thereafter relet the Premises or any part thereof for such time or times, at such rental or rentals and upon such other terms and conditions as Landlord in its sole discretion may deem advisable, and Landlord may make any alterations or repairs to the Premises which it may deem necessary or proper to facilitate such reletting; and if this Lease shall not have been terminated, Tenant shall continue to pay all rent and all other charges due under this Lease up to and including the date of beginning of payment of rent by any subsequent tenant of part or all of the Premises, and thereafter Tenant shall pay monthly during the remainder of the term of this lease the difference, if any, between the rent and other charges collected from any such subsequent tenant or tenants and the rent and other charges reserved in this Lease, but Tenant shall not be entitled to receive any excess of any such rents collected over the rents reserved herein.

(v) Landlord may immediately or at any time thereafter terminate this Lease, and this Lease shall be deemed to have been terminated upon receipt by Tenant of written notice of such termination; upon such termination Landlord shall recover from Tenant all damages Landlord may suffer by reason of such termination including, without limitation, unamortized sums expended by Landlord for construction of Tenant Improvements, all arrearage in rentals, costs, charges, additional rentals, and reimbursements, the cost (including court costs and attorneys' fees) of recovering possession of the Premises, and, in addition thereto, Landlord at its election shall have and recover from Tenant either (1) an amount equal to the excess, if any, of the total amount of all rents and other charges to be paid by Tenant for the remainder of the term of this Lease over the then reasonable rental value of the Premises for the remainder of the term of this Lease, or (2) the rents and other charges which Landlord would be entitled to receive from Tenant pursuant to the provisions of subparagraph 8.1 (b) (iv) if the Lease were not terminated. Such election shall be made by Landlord by serving

written notice upon tenant of its choice of one of the two said alternatives within thirty (30) days of the notice of termination.

(c) No course of dealing between Landlord and Tenant or any failure or delay on the part of Landlord in exercising any rights of Landlord under this Paragraph 8.1 or under any other provisions of this Lease shall operate as a waiver of any rights of Landlord hereunder or under any other provisions of this Lease, nor shall any waiver of a default on one occasion operate as a waiver of any subsequent default or any other default. No express waiver shall affect any condition, covenant, rule, or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

(d) The exercise by Landlord of any one or more of the rights and remedies provided in this Lease shall not prevent the subsequent exercise by Landlord of any one or more of the other rights and remedies herein provided. All remedies provided for in this Lease are cumulative and may, at the election of Landlord, be exercised alternatively, successively, or in any other manner, and all remedies provided for in this Lease are in addition to any other rights provided for or allowed by law or in equity.

**8.2 Insolvency or Bankruptcy.** The appointment of a receiver to take possession of all or substantially all of the assets of Tenant, or an assignment of Tenant for the benefit of creditors, or any action taken or suffered by Tenant or any action against Tenant under any insolvency, bankruptcy, or reorganization act, shall at Landlord's option constitute an event of default under this Lease. Upon the happening of any such event of default or at any time thereafter, this Lease shall terminate five (5) days after written notice of termination from Landlord to Tenant. In no event shall this Lease be assigned or assignable by operation of law or by voluntary or involuntary bankruptcy proceedings or otherwise and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency, or reorganization proceedings.

**8.3 Late Payments.** Tenant shall pay, as a late charge in the event any installment of rent, additional rent, or other charge to be paid by Tenant hereunder is not paid within fifteen (15) days of when due, the greater of \$100.00 or an amount equal to five percent (5%) of the amount due (but in no event shall the amount of such late charge exceed an amount based upon the highest legally permissible rate chargeable at any time by Landlord under the circumstances). Tenant shall also pay, as a late charge, an amount equal to one and one-half percent (1.5%) of the amount due to Landlord hereunder, for each thirty (30) day period that such amount remains unpaid, commencing upon the end of the first (1st) thirty (30) day period after the due date of such amount. Should Tenant make a partial payment of past due amounts, the amount of such partial payment of past due amounts, the amount of such partial payment shall be applied first to reduce all accrued and unpaid late charges, in inverse order of their maturity, and then to reduce all other past due amounts, in inverse order of their maturity. If any rent, additional rent, or other debt owing by one party to the other hereunder is collected by or through an attorney at law, the prevailing party shall be entitled to collect its reasonable actual attorneys' fees and costs incurred in the collection of such rent or other debt.

**8.4 Waiver of Homestead.** Tenant hereby waives and renounces all homestead or

exemption rights which Tenant may have under or by virtue of the Constitutions and Laws of the United States, the State of South Carolina, and any other State, as against any debt or sum Tenant may owe Landlord under this Lease and hereby transfers, conveys, and assigns to Landlord all homestead or exemption rights which may be allowed or set apart to Tenant, including such as may be set apart in any bankruptcy proceeding, to pay any debt or sum owing by Tenant to Landlord hereunder.

8.5 No Waiver of Rights. No failure or delay of Landlord to exercise any right or power given it herein or to insist upon strict compliance by Tenant of any obligation imposed on it herein and no custom or practice of either party hereto at variance with any term hereof shall constitute a waiver or a modification of the terms hereof by Landlord or any right it has herein to demand strict compliance with the terms hereof by Tenant. No person has or shall have any authority to waive any provision of this Lease unless such waiver is expressly made in writing and signed by an authorized officer of Landlord.

## IX MISCELLANEOUS PROVISIONS

9.1 Broker. Each party represents and warrants to the other that, no broker, agent, commission salesman, or other person has represented Tenant in the negotiations for and procurement of this Lease and of the Premises and that no commissions, fees, or compensation of any kind are due and payable in connection herewith to any broker, agent, commission salesman, or other person. Tenant agrees to indemnify and hold Landlord harmless from any and all claims, suits, demands, costs, liability, or judgments (including, without limitation, reasonable attorney's fees and court costs incurred in connection with any such claims, suits, or judgments or in the enforcement of this indemnity) for any fees, commissions connected with any claimed agency relationship with Tenant. Tenant further agrees that, in the event (i) this Lease shall terminate prior to the Expiration Date as a result of any default hereunder by Tenant, or (ii) Landlord shall exercise any of Landlord's rights and remedies pursuant to Paragraph 8.1 (b) as a result of Tenant's default, whether or not this Lease is terminated, then in either of such events Tenant shall reimburse Landlord for the amount of any commission owing or paid to any such broker or brokers with respect to this Lease, or any portion of the term hereof, after such default.

9.2 Addresses and Notices. All notices or other communications required or desired to be given with respect to this Lease shall be in writing and shall be delivered by hand or by courier service to the Premises (if to Tenant) or the address hereinafter provided, or sent by registered or certified mail, return receipt requested, bearing adequate postage and properly addressed as hereinafter provided. Each notice given by mail shall be deemed given and received on the date such notice shall have been postmarked by the U.S. Postal Service; each notice delivered by hand or by courier service shall be deemed to have been given and received when actually received by the party intended to receive such notice. In the event of a change of address by either party, such party shall give written notice thereof in accordance with the foregoing, except that such notice of change of address shall be deemed to have been given only when actually received.

a. Landlord: Rollin McKim and Janice McKim



20 Towne Square, PMB 390  
Bluffton, SC 29910

b. Tenant: Dennis Corporation  
5000 Thurmond Mall, Suite 114  
Columbia, South Carolina 29201  
Attention: Daniel R. Dennis, III

Rejection or other refusal to accept or inability to deliver because of changed address or status of which no notice was given shall be deemed to be receipt of the notice sent.

9.3 Entire Agreement and Exhibits. This Lease constitutes and contains the sole and entire agreement of Landlord and Tenant and no prior or contemporaneous oral or written representation or agreement between the parties and affecting the Premises shall have legal effect. The content of each and every exhibit which is referenced in this Lease as being attached hereto is incorporated into this Lease as fully as if set forth in the body of this Lease.

9.4 Subordination and Attornment. This Lease and all rights of Tenant hereunder are and shall be subject and subordinate to the lien of any mortgage, deed to secure debt, deed of trust, or other instrument in the nature thereof which may now or hereafter affect Landlord's fee title to the Premises and to any other instrument encumbering the fee title of the Premises and to any modifications, renewals, consolidations, extensions, or replacements thereof, including, without limitation, any declaration of covenants, conditions, and restrictions, and amendments thereto, that may not or hereafter affect Landlord's fee title to the Premises. The above subordination shall be self-operative, and no further instrument of subordination shall be necessary to evidence such subordination. In confirmation of such subordination, Tenant shall, upon demand, at any time or times, execute, acknowledge, and deliver to Landlord or the holder of any such mortgage, deed to secure debt, deed of trust, or other instrument, without expense, any and all instruments that may be requested by Landlord or such holder to evidence the subordination of this Lease and all rights hereunder to the lien of any such mortgage, deed to secure debt, deed of trust, or other instrument, and each such renewal, modification, consolidation, replacement, and extension thereof, and if Tenant shall fail at any time, within ten (10) days following the giving of a written request therefor, to execute, acknowledge, and deliver any such instrument, Landlord or such holder, in addition to any other remedies available to it in consequence thereof, may execute, acknowledge, and deliver the same as the attorney-in-fact of Tenant and in Tenant's name, place, and stead, and Tenant hereby irrevocably makes, constitutes, and appoints Landlord or such holder, and their respective successors and assigns, such attorney-in-fact for that purpose. Tenant shall, upon demand, at any time or times, execute, acknowledge, and deliver to Landlord or to the holder of any mortgage, deed to secure debt, deed of trust, or other instrument affecting or encumbering the fee title of the Premises, without expense, any and all instruments that may be necessary to make this Lease superior to the lien of any such mortgage, deed to secure debt, deed of trust or other instrument, and each renewal, modification, consolidation, replacement, and extension thereof, and, if Tenant shall fail at any time, within ten (10) days following the giving of a written request therefor, to execute, acknowledge, and deliver any such instrument, Landlord or such holder, in addition to any other remedies available to it in consequence thereof, may execute, acknowledge, and deliver the same as the attorney-in-fact of

Tenant and in Tenant's name, place, and stead, and Tenant hereby irrevocably makes, constitutes, and appoints Landlord or such holder, and their respective successors and assigns, such attorney-in-fact for that purpose. If the holder of any mortgage, deed to secure debt, deed of trust or other instrument affecting or encumbering the fee title of the Premises shall hereafter succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease, Tenant shall, at the option of such holder, attorn to and recognize such successor as Tenant's landlord under this Lease and shall promptly execute and deliver any instrument that may be necessary to evidence such Attornment, and Tenant hereby irrevocably appoints Landlord or such holder the attorney-in-fact of Tenant to execute and deliver such instrument on behalf of Tenant should Tenant refuse and fail to do so within ten (10) days after Landlord or such holder shall have given notice to Tenant requesting the execution and delivery of such instrument. Upon such Attornment, this Lease shall continue in full force and effect as a direct lease between such successor landlord and Tenant, subject to all of the terms, covenants, and conditions of this Lease.

9.5 Estoppel Certificate. At any time and from time to time, Tenant, on or before the date specified in a request therefor made by Landlord, which date shall not be earlier than ten (10) days from the making of such request, shall execute, acknowledge, and deliver to Landlord a certificate evidencing whether or not (i) this Lease is in full force and effect, (ii) this Lease has been amended in any way, (iii) there are any existing defaults on the part of Landlord hereunder to the knowledge of Tenant and specifying the nature of such default, if any, (iv) the date to which rent, and other amounts due hereunder, if any, have been paid, and (v) any other reasonable information pertaining to the Lease or to the Premises that Landlord may request. Each certificate delivered pursuant to this Paragraph may be relied on by any prospective purchaser or transferee of Landlord's interest hereunder or of any part of Landlord's property or by any mortgagee of Landlord's interest hereunder or of any part of Landlord's property or by an assignee of any such mortgagee.

9.6 Severability. If any clause or provision of this Lease is or becomes illegal, invalid, or unenforceable because of present or future laws or any rule or regulation of any governmental body or entity, effective during its term, the intention of the parties hereto is that the remaining parts of this Lease shall not be affected thereby, unless such invalidity is, in the sole determination of Landlord, essential to the rights of both parties in which event Landlord has the right to terminate this Lease on written notice to Tenant.

9.7 Captions. The captions used in this Lease are for convenience only and do not in any way limit or amplify the terms and provisions hereof.

9.8 Successors and Assigns. The provisions of this Lease shall inure to the benefit of and be binding upon Landlord and Tenant, and their respective successors, heirs, legal representatives, and assigns. It is understood and agreed that the term "Landlord", as used in this Lease, means only the owner(s) from time to time of the Building and/or the land underlying the Building.

9.9 Applicable Law. The laws of the State of South Carolina shall govern the interpretation, validity, performance, and enforcement of this Lease.

9.10 Time is of the Essence. Time is of the essence of this Lease.

9.11 Execution. This lease may be executed in any number of counterparts, each of which shall be deemed an original and any of which shall be deemed to be complete in itself and may be introduced into evidence or used for any purpose without the production of the other counterparts. No modification or amendment of this Lease shall be binding upon the parties unless such modification or amendment is in writing and signed by Landlord and Tenant.

9.12 Force Majeure. Landlord shall be excused for the period of any reasonable delay and shall not be deemed in default with respect to the performance of any of the terms, covenants, and conditions of this Lease when prevented from so doing by a cause or causes beyond the Landlord's control, which shall include, without limitation, all labor disputes, governmental regulations or controls, fire or other casualty, inability to obtain any material services, acts of God, inclement weather or any other cause not within the reasonable control of the Landlord ("Force Majeure").

9.13 Multiple Tenants. If more than one individual or entity comprises and constitutes Tenant, then all individuals and entities comprising Tenant are and shall each be jointly and severally liable for the due and proper performance of Tenant's duties and obligations arising under or in connection with this Lease.

9.14 No Recordation of Lease. This Lease is not in recordable form, and Tenant agrees not to record or permit the recording of this Lease. Landlord agrees, at Tenant's request, to record a Memorandum of Lease memorializing the Lease and setting forth the Tenant's right of first refusal provided for below.

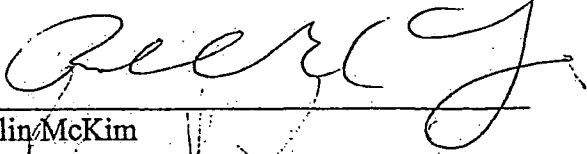
9.15 Right of First Refusal. As additional consideration for the rents paid hereunder, Landlord hereby grants to Tenant a right of first refusal to purchase the Building on the same terms and conditions as any offer presented to Landlord. Prior to any conveyance of the Building by Landlord, Landlord shall submit to Tenant in writing the terms on which Landlord has agreed to sell the Building (the "Offer"). Tenant shall have thirty (30) days (the "Offer Period") from receipt of such written notice to notify Landlord of its election to purchase the Building on the same terms as the Offer. If Tenant notifies Landlord in writing of its election to purchase the Building on the terms set forth in the Offer, Landlord shall sell the Building to Tenant on such terms. Closing shall occur within thirty (30) days of such notice from Tenant to Landlord. Landlord shall be responsible for such closing costs as are customary in Beaufort County, South Carolina for sellers and Tenant shall be responsible for buyer's customary closing costs. In the event that Tenant does not notify Landlord of its intention to purchase the Building within the Offer Period, Tenant shall be deemed to have waived its right of first refusal and Landlord may proceed to sell the Building at the terms set forth in the Offer; provided however, Landlord may not sell the Building on any terms different from those set forth in the Offer.

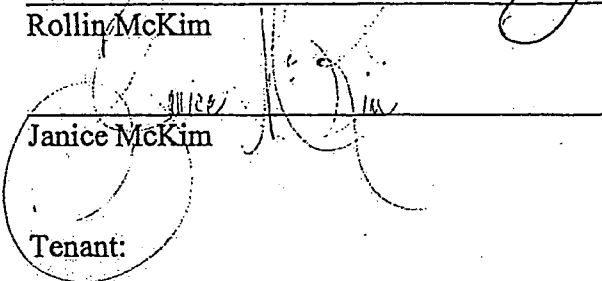
9.16. Publicity/Confidentiality: All notices to third parties (including employees) and other publicity concerning the transaction contemplated by this Lease shall be jointly planned and coordinated by and among the parties hereto. Each party recognizes the need for confidentiality of certain information pertaining both to this transaction. Therefore, each party and their agents and representatives will hold in strict confidence all data and information obtained from the other or any of their officers, agents or representatives pertaining to this Lease; provided however, that nothing contained in this paragraph 9.16 shall prohibit either party from disclosing the terms of this Lease to its respective lender, accountant, attorney, or to any governmental agency which may require a copy.

*Signature page to follow.*

IN WITNESS WHEREOF, the parties hereto have duly executed this instrument in duplicate, individually or through their respective authorized officers, agents, or attorneys-in-fact, as the case may be, causing their respective seals to be affixed hereto, the day and year set forth to the left of their respective executions, the latest of which is and shall be deemed to be the date of this Lease.

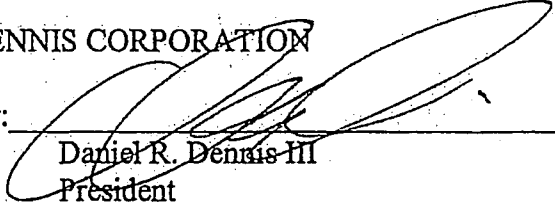
Landlord:

  
\_\_\_\_\_  
Rollin McKim

  
\_\_\_\_\_  
Janice McKim

Tenant:

DENNIS CORPORATION

By:   
\_\_\_\_\_

Daniel R. Dennis III  
President

January 21, 2011

JRC Properties, LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910

Dear Rollin:

Effective January 31, 2011, Dennis Corporation will terminate our lease agreement per paragraph 2.2 of the lease.

If you have any questions, please feel free to contact me at 803.600.3667.

Sincerely,



Daniel R. Dennis, III  
President



Prove Validity of DEBT

S. JAHUE MOORE  
J. MARK TAYLOR\*  
DAVID L. THOMAS†  
C. VANCE STRICKLIN, JR.  
JAMES EDWARD BRADLEY  
SHEILA McNAIR ROBINSON  
ROBERT D. HAZEL  
CHRISTIAN G. SPRADLEY††  
C. DAVID SAWYER, JR.††  
WILLIAM H. EDWARDS  
STANLEY L. MYERS  
JANE H. DOWNEY\*\*  
S. JAHUE MOORE, JR.



1700 SUNSET BOULEVARD (HWY. 378)  
POST OFFICE BOX 5709  
WEST COLUMBIA, SOUTH CAROLINA 29171  
TELEPHONE (803) 796-9160  
FAX (803) 791-3410

July 12, 2011

MELISSA K. MOORE  
WILLIAM B. FORTINO  
R. NICHOLS "NICK" RILEY, JR.  
JONATHAN M. GOODE  
M. BROOKS BIEDIGER

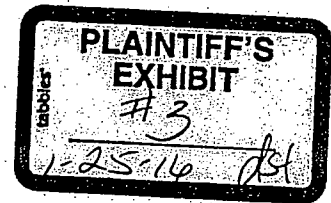
RETIRED:  
BILLY C. COLEMAN††

††SALUDA OFFICE:  
(864) 445-4544 OR (866) 604-4544  
†GREENVILLE OFFICE:  
(864) 271-6371

Rollin E. McKim, Jr.  
JRC Properties, LLC  
20 Towne Drive, PMB 390  
Bluffton, SC 29910

Re: Dennis Corporation

Dear Mr. McKim:



This law firm represents Dennis Corporation. I have in my possession your letter to Mr. Dan Dennis of July 5, 2011.

The purpose of this letter is to try and resolve the matters raised in your letter to Dan.

As you are aware, you performed certain services on the Beaufort County job Dennis Engineering was involved with. Beaufort County did not pay Dan and took the position that some of the work was not up to par. Dennis Corporation was paid some of what was owed, but was not paid all of what was owed. In short, Dennis Corporation was only paid approximately 50% of what was due. Thus, your invoice was not paid.

My client would very much like to pay you. My client would also like to maintain a relationship with your company.

I have been authorized to extend an offer of 50% of the amount of your bill, which would be payable within 90 days. If this proposal is acceptable to you, and I hope it is, I would appreciate your signing the enclosed copy of this letter and returning it to me so that I can forward it on to Dan.

We thank you for your attention to this matter and hopefully we can bring a conclusion to what appears to have been a bad deal for everyone involved.

Yours very truly,

S. Jahue Moore

SJM/mam  
cc: Dan Dennis

STATE OF SOUTH CAROLINA )

COUNTY OF BEAUFORT )

JRC PROPERTIES, LLC, )

Plaintiff )

v. )

DENNIS CORPORATION, a South )  
Carolina Corporation, and DANIEL R. )  
DENNIS, III, )

Defendants. )

IN THE COURT OF COMMON PLEAS  
CASE NO. 2013-CP-07-02131

**AFFIDAVIT OF ATTORNEY'S FEES**



2016 JAN 25 PM 1:16

Personally appeared before me, Sean Michael Bolchoz, Esquire, who, first being duly sworn, deposes and states the following:

1. I am an attorney duly licensed to practice law in the state of South Carolina, a principal of Bolchoz Law Firm, PA, in Bluffton, South Carolina.
2. I am counsel for the Plaintiff in the within case.
3. This action was commenced on or about August 19, 2013, for breach of contract, conversion and violation of the Unfair Trade Practices Act.
4. The Plaintiff is entitled to recovery of its attorney's fees pursuant to the terms of the office lease agreement at issue in this case.
5. The actions of the Defendants have contributed significantly to the fees and costs incurred by the Plaintiff this matter. For example, the Defendants denied a material Request for Admissions (Number 3), then subsequently admitted the request.<sup>1</sup> However, when the Plaintiff moved for summary judgment in 2014 – pointing out to the court that the Defendants' original denial had since been recanted – the presiding judge nevertheless denied summary judgment based on the earlier denial,

<sup>1</sup>Request Number 3 asked the Defendants to admit or deny the following: "That the Defendants made no rental payments to the Plaintiff for the following months: October, November and December of 2010, and January of 2011."



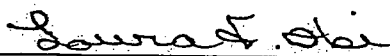
as well as an affidavit from Defendant Dan Dennis, dated February 10, 2015, once again denying that he owed any rent to the Plaintiff.

6. Time records are kept by Bolchoz Law Firm, PA of all services rendered and all costs advanced for each client individually, which records are maintained in the ordinary course of business by Bolchoz Law Firm, PA; time records of all services rendered and all costs advanced have been maintained, as well, for the Plaintiff herein.
7. I am informed and believe the below fees are fair and reasonable in taking into account the applicable standards applied in *Blumberg v. Nealco, Inc.*, 310 S.C. 492, 427 S.E.2d 659 (1993), namely: i) the nature, extent and difficulty of the legal services rendered; ii) the time and labor necessarily devoted to the case; iii) the professional standing of counsel; iv) the contingency of compensation; v) the fee customarily charged in the locality for similar legal services; and vi) the beneficial results obtained.
8. The total amount of attorney's fees and costs that have been incurred by the Plaintiff in connection with this action, as well as anticipated fees and costs due and owing to Bolchoz Law Firm, PA, is Twenty Eight Thousand Eight Hundred Ten and No/100 (\$28,810.00) Dollars.
9. An itemized statement of both actual and estimated attorney's fees is attached hereto as Exhibit "A" and incorporated herein by reference.

**FURTHER SAYETH AFFIANT NOT.**

  
Sean Michael Bolchoz

Sworn to before me this  
25<sup>th</sup> day of January, 2016.

  
Notary Public for South Carolina

My Commission Expires: 9-12-2021

H:\H to M Clients\McKim, Rollin - BL006\Trial Prep\affidavit - attorney fees.wpd

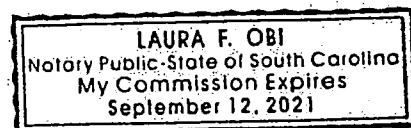


**EXHIBIT "A"**

**ITEMIZED STATEMENT OF ATTORNEY'S FEES AND COSTS**

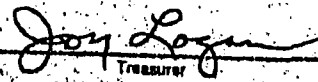
---

ATTORNEY'S FEES INCURRED: \$29,735.00

ESTIMATED FUTURE FEES:  
(Seven Hours @ \$300.00 per hour) \$2,100.00

COSTS & EXPENSES \$275.00

**TOTAL FEES AND COSTS: \$32,110.00**

|  <b>Beaufort County</b><br>Post Office Drawer 1228<br>Beaufort, South Carolina 29901-1228<br>(843) 265-2280<br>BEAUFORT COUNTY |            | First Citizens Bank<br>87-148<br>634                                                                          | Check Number <b>69900</b>                                                                                                                                                 |              |            |              |      |            |              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------|--------------|------|------------|--------------|
| *****508,327 DOLLARS AND 08 CENTS*****<br>Pay To The Order Of <b>DENNIS CORPORATION</b><br><b>1800 HUGER ST.</b><br><b>COLUMBIA SC 29201</b>                                                                    |            | Void After 90 Days                                                                                            | <table border="1"> <tr> <th>Check Number</th> <th>Check Date</th> <th>Check Amount</th> </tr> <tr> <td>9722</td> <td>01/19/2011</td> <td>\$503,327.08</td> </tr> </table> | Check Number | Check Date | Check Amount | 9722 | 01/19/2011 | \$503,327.08 |
| Check Number                                                                                                                                                                                                    | Check Date | Check Amount                                                                                                  |                                                                                                                                                                           |              |            |              |      |            |              |
| 9722                                                                                                                                                                                                            | 01/19/2011 | \$503,327.08                                                                                                  |                                                                                                                                                                           |              |            |              |      |            |              |
|                                                                                                                                                                                                                 |            | <br>Joy Logan<br>Treasurer |                                                                                                                                                                           |              |            |              |      |            |              |

⑈699001⑈ ⑆053201487⑆ 290003894001⑈





Beaufort County

Post Office Drawer 1228

Beaufort South Carolina 29901-1228

(843) 255-2200

ADMINISTRATIVE

\*\*\*212,000 DOLLARS AND NO CENTS

Pay To The

Order Of

DENNIS CORPORATION

1800 NUGER ST

COLUMBIA

SC 29201

First Citizens Bank

67-148  
832

Check  
Number

70326

VOID  
Void After  
90 Days

Vendor No. 9722

Check Date

05/20/2011

Check Amount

\$212,000.00

Joy Logan  
Treasurer

⑈703263⑈ ⑆053201487⑆290003894001⑈

DC000420

**From:** Dennis, Dan <ddennis@denniscorporation.com>  
**To:** 'remartantiques@aol.com' <remartantiques@aol.com>  
**Subject:** Re: Fw: Meeting  
**Date:** Tue, Feb 8, 2011 4:27 pm

---

Rollin,

Lad's email address is [lhowell@bcgov.net](mailto:lhowell@bcgov.net)

His secretary's email address is [jhendrickson@bcgov.net](mailto:jhendrickson@bcgov.net)

I would send it to both of them.

Sincerely,

Dan

---

**From:** REMARTANTIQUES@aol.com <REMARTANTIQUES@aol.com>  
**To:** Dennis, Dan  
**Sent:** Tue Feb 08 14:06:17 2011  
**Subject:** Re: Fw: Meeting

Hello, Dan ~

Thanks for contacting me yesterday, and for the meeting and explanation.

I am continuing to get numbers collected and hope to have them all by tomorrow, at which time I will get off an email and/or phone call to Lad per our discussion.

I presume I am contacting Ladson Howell c/o [jhendrickson@bcgov.net](mailto:jhendrickson@bcgov.net). Please send correction only if wrong.

Sincerely,

Rollin McKim  
JRC Properties LLC  
970-391-0640



**From:** REMARTANTIQUES <REMARTANTIQUES@aol.com>  
**To:** lhowell <lhowell@bcgov.net>; jhendrickson <jhendrickson@bcgov.net>  
**Cc:** ddennis <ddennis@denniscorporation.com>  
**Subject:** Dennis Corp. Balance owing JRC Properties LLC  
**Date:** Thu, Feb 10, 2011 1:15 pm

---

Dear Mr. Howell:

I met Monday with Dan Dennis to discuss the balance that Dennis Corp owes JRC Properties LLC as Landlord at #6 Buckingham Plantation Drive, Bluffton.

Dan gave me every assurance he would make good on this balance. He explained his problem was twofold: the county still owes him about \$500,000, and the county has not approved invoices for distributions of monies paid or remaining to be paid him.

We all know these are difficult times, although we've seen no consideration of that in the property taxes we pay; our values and our rents have sunk, our property taxes have risen. Now the county has dismissed our tenant "for convenience" and he explains the county hinders his fulfilling his obligation to us.

We would petition you and the county to meet and settle with Dennis Corp. favorably to our full balance due.

Dennis Corp. owes us \$24,452.25 total at present. This derives from \$21,709.40 in unpaid rent, late fees and interest, \$7421.60 in damages to the premises beyond normal wear and tear, less the security deposit of \$4678.75.

Our normal wear and tear standard is we absorb professional cleaning of the carpet (new when Dennis moved in) and touch-up or one-coat painting (new when Dennis moved in) to include plugging small picture and pin holes. Holes in the walls like those which supported the Beaufort County logo sign, requiring mudding, sanding, priming and painting, are beyond normal wear and tear. Severe scuff burns to the carpet which will not steam out but require partial new carpet are beyond normal wear and tear (carpet has already been cleaned, did not remove or hide scuff burns at all). Mr. Dennis has seen these damages. They do require more than "normal" to prepare for the next tenant. We have a thorough photo documentation available by disc (photo size too dense for easy emailing).

A full detailing of rents, late fees and interest, and damages to include copies of various bids to repair, is available upon request.

I thank you for your attention to our claims and again ask you to assist and expedite the county settlement with Dennis Corp., hence his fulfillment with us.

Sincerely,

Rollin McKim  
JRC Properties LLC



**From:** Howell, Ladson <lhowell@bcgov.net>  
**To:** REMARTANTIQUES <REMARTANTIQUES@aol.com>  
**Subject:** RE: Dennis Corp, 5 Buckingham Plantation Drive  
**Date:** Fri, May 27, 2011 10:17 am

---

Dear Mr. McKim:

Lad is out today, but thought I would give you the status of this matter. We are putting the finishing touches on the Settlement Agreement now and believe there is a good probability that it can be signed and a check given to Dennis Corporation by the end of next week.

Hope that is helpful,

Janet

*Janet Hendrickson*

Administrative Assistant to Staff Attorney  
Beaufort County Legal Department  
P. O. Drawer 1228  
Beaufort, SC 29901-1228  
Tel.: (843) 255-2055  
Fax: (843) 255-9414



**From:** REMARTANTIQUES@aol.com [mailto:REMARTANTIQUES@aol.com]  
**Sent:** Thursday, May 26, 2011 9:55 PM  
**To:** Howell, Ladson  
**Cc:** ddennis@denniscorporation.com; Jgmckim@aol.com  
**Subject:** Dennis Corp, 5 Buckingham Plantation Drive

Dear Mr. Howell:

Dennis Corporation leased their premises from us, at #6 Buckingham Plantation Drive. Bluffton.

They have a residual due us, and explain that they are awaiting final settlement from the county to pay us.

They have copied several of your communications to me in the past, and I have written you supporting Dan's need for settlement.

I know I am not in the pipeline between Dan and the County, but could I at least ask when this might be settled?

Sincerely,

Rollin McKim  
JRC Properties LLC  
970-391-0640

or

Janice Graves McKim

[jgmckim@aol.com](mailto:jgmckim@aol.com)

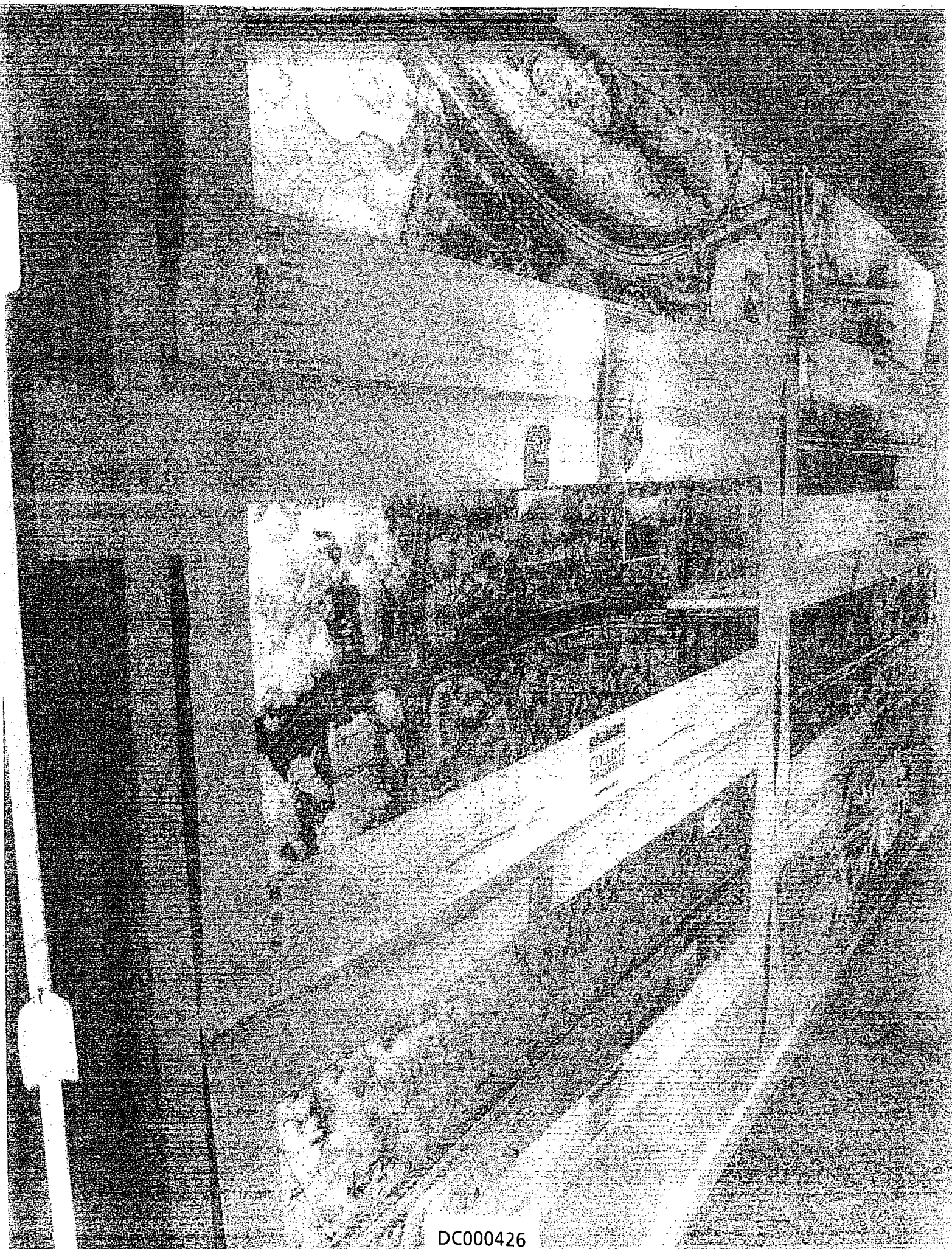
JRC Properties LLC

970-689-0980

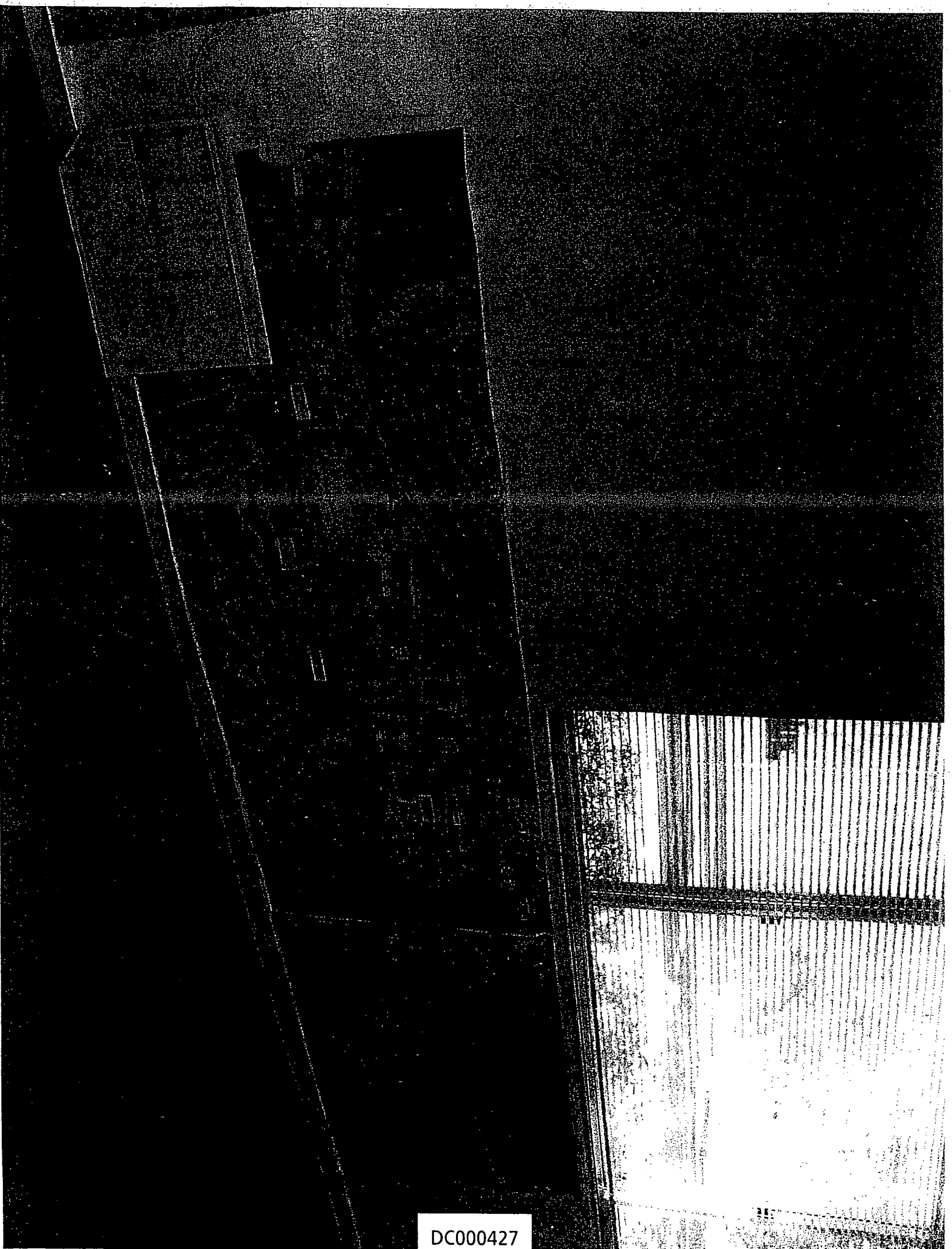


DC000425





DC000426



DC000427

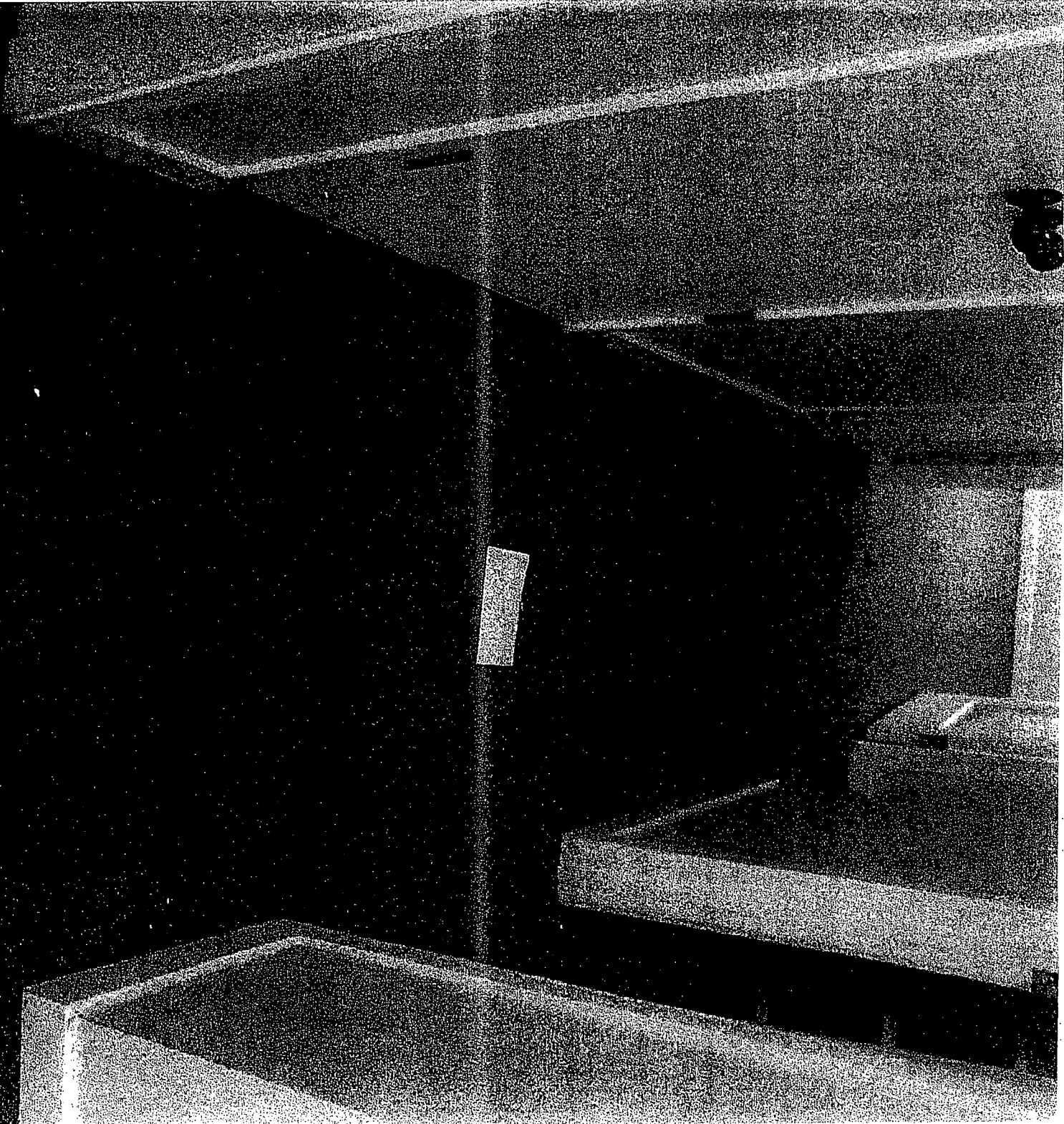
US Route 278 Widening  
Public Hearing March 31, 2009

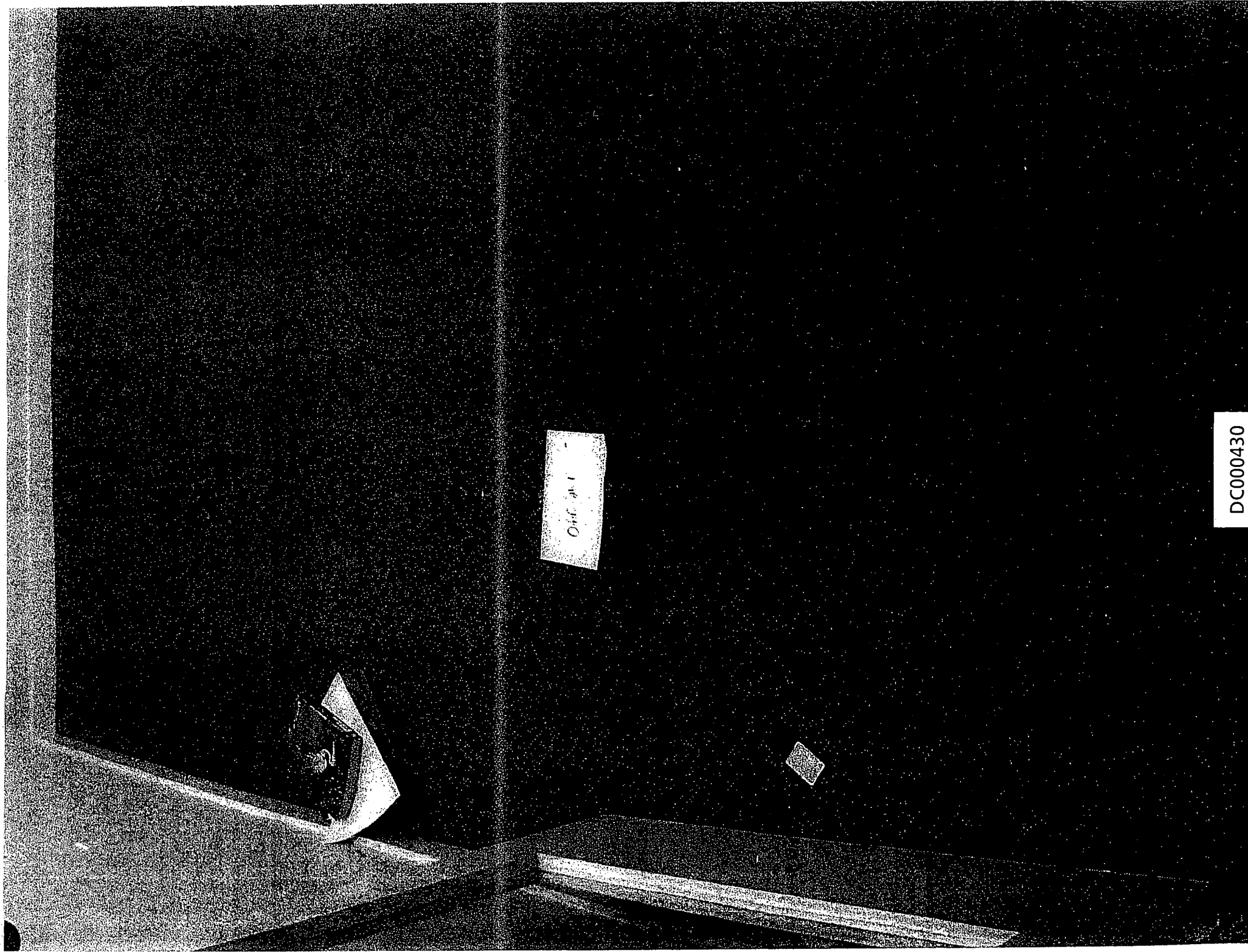
US Route 278 Widening  
Public Hearing March 31,

013  
DC000428



DC000429



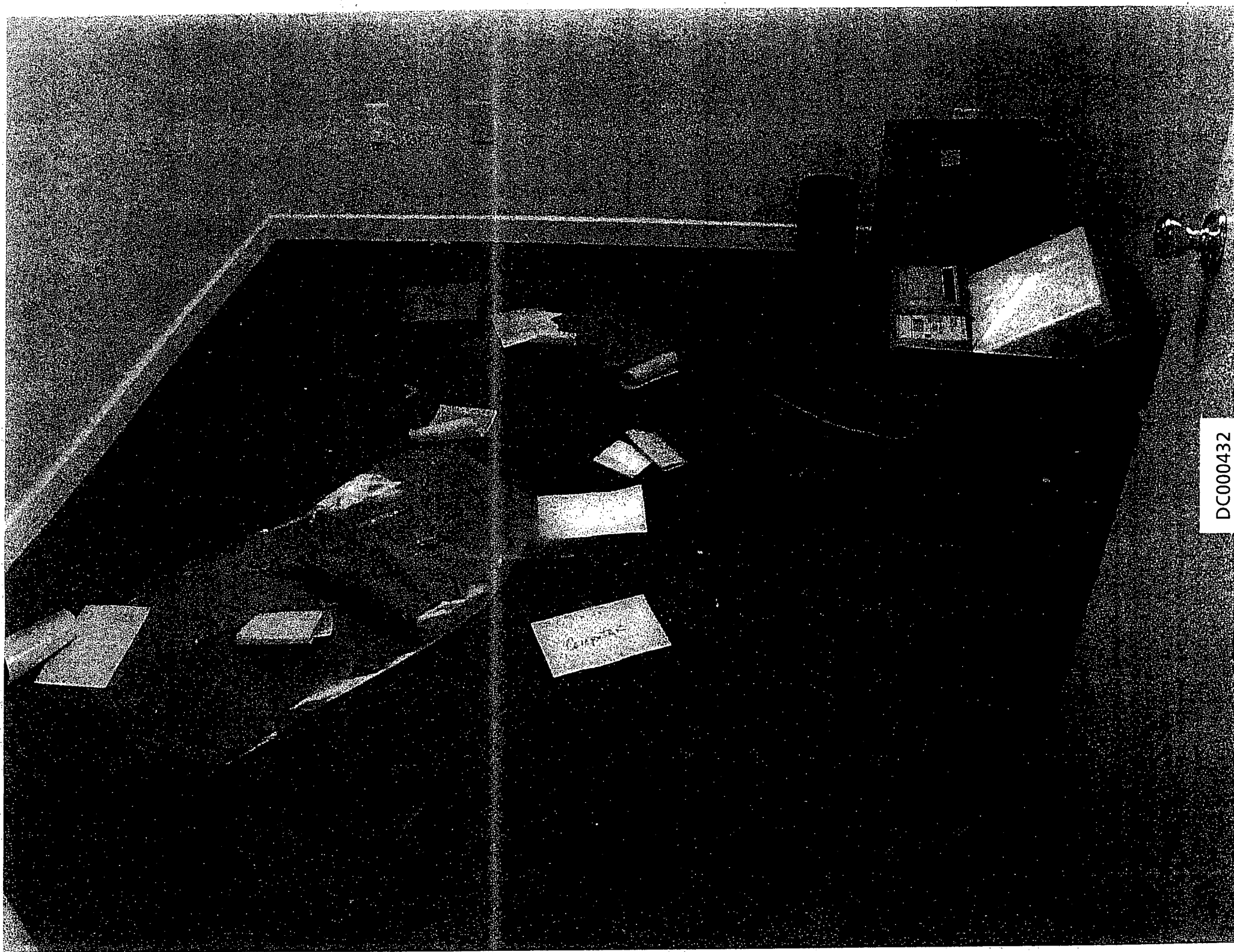


DC000430

DC000431

OFFICE

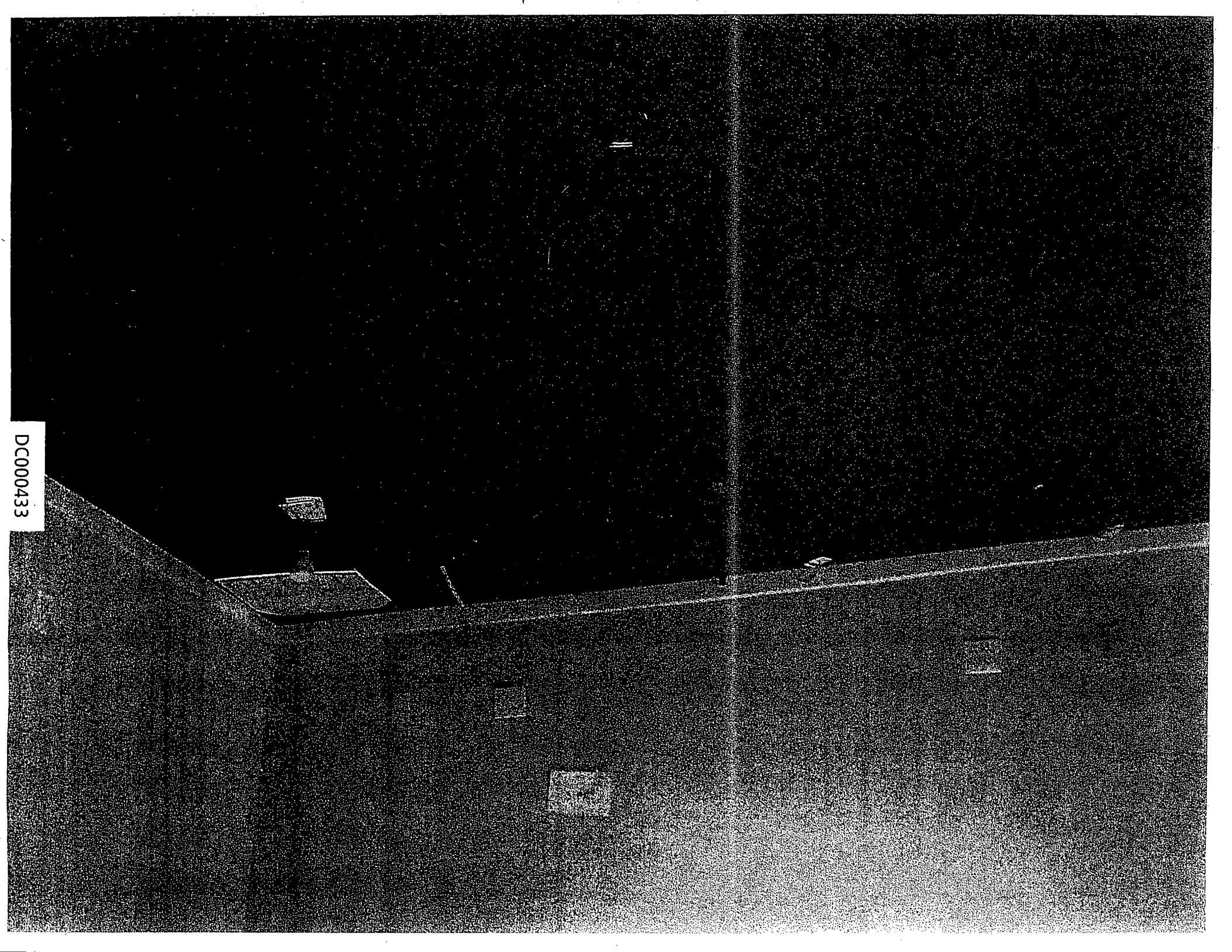
OFFICE



DC000432

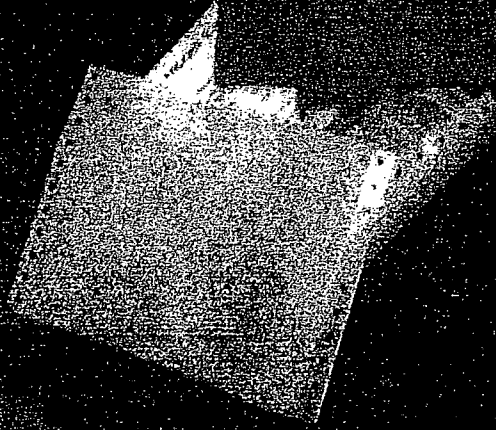


DC000433



DC000434

DC000435



Computer



STATE OF SOUTH CAROLINA

COUNTY OF BEAUFORT

JRC PROPERTIES, LLC,

Plaintiff

v.

DENNIS CORPORATION, a South  
Carolina Corporation, and DANIEL R.  
DENNIS, III,

Defendants.

IN THE COURT OF COMMON PLEAS  
CASE NO. 2012-CP-07-3120

**PLAINTIFF'S FIRST REQUEST  
FOR ADMISSIONS**

TO: THE ABOVE-NAMED DEFENDANTS, AND ATTORNEY:

Please take notice that the Plaintiff, by and through its undersigned attorney, hereby serves the following request for admissions upon you pursuant to Rule 36 of the South Carolina Rules of Civil Procedure:

**ADMIT OR DENY THE FOLLOWING:**

1. That the letter signed by Defendant Daniel R. Dennis, III and dated January 21, 2011, a copy of which is attached hereto as Exhibit "A", is genuine and authentic.
2. That the Defendants informed Beaufort County on February 8, 2011 that the parties' lease was terminated on January 31, 2013.
3. That the Defendants made no rental payments to the Plaintiff for the following months: October, November and December of 2010, and January of 2011.
4. That the letter from Plaintiff to Defendant Dennis Corporation and dated February 11, 2011, a copy of which is attached hereto as Exhibit "B", is genuine and authentic.
5. That Defendant Daniel R. Dennis, III accompanied Plaintiff's representative on an inspection of the leased premises and reviewed physical damage to the leased premises during such inspection.

**BOLCHOZ LAW FIRM, PA**

By: 

Sean Michael Bolchoz

Attorney for Plaintiff

6 Buckingham Plantation Drive, Suite B

P.O. Box 828

Bluffton, SC 29910

(843) 836-3033

Bluffton, South Carolina

January 3<sup>rd</sup>, 2014

\\Seanbolchoz-pc\H to M Clients\McKim, Rollin - BL006request - to admit.wpd

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

IN THE COURT OF COMMON PLEAS

JRC Properties, LLC,

Plaintiff,

vs.

Dennis Corporation, as South Carolina  
Corporation, and Daniel R. Dennis, III,

Defendants.

C.A. No.: 2012-CP-07-3120

**RESPONSE TO REQUEST TO ADMIT**

1. Admit.
2. Denied.
3. Denied.
4. It is admitted that this letter was sent from the Plaintiff to Defendant.
5. Denied.

MOORE TAYLOR LAW FIRM, P.A.

BY:

S. Jahne Moore  
1700 Sunset Boulevard  
P. O. Box 5709  
West Columbia, SC 29171  
(803) 796-9160

ATTORNEY FOR THE DEFENDANTS

West Columbia, South Carolina  
January 14, 2014