

THE STATE OF SOUTH CAROLINA
IN THE COURT OF APPEALS

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May 20 2022

SC Court of Appeals

APPEAL FROM GREENVILLE COUNTY
Court of Common Pleas

Alex Kinlaw, Jr., Circuit Court Judge

Appellate Case No. 2021-001151

Greenville Dental Office Management Group, LLC, a limited liability company,
proceeding pursuant to 33-44-1101 by and through its member,
Bhaskar Savani, D.M.D.....Respondent

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.....Appellants

RECORD ON APPEAL

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FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF Greenville
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NO. 2020CP2303922

Bhaskar Savani et al
PLAINTIFF(S)

Jon Julian et al
DEFENDANT(S)

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.
- ☐ **ACTION DISMISSED** (CHECK REASON): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled);
☐ Other
- ☐ **ACTION STRICKEN** (CHECK REASON): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy;
☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award;
☐ Other
- ☐ **STAYED DUE TO BANKRUPTCY**
- ☐ **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:

Upon examination of the arguments of Counsel for both sides, the Court finds that the Plaintiff's Motion to Appoint a Receiver should be granted. A formal order is to follow from Plaintiff's counsel within 10 days from the date of this hearing and is to be submitted to Akinlawj@sccourts.org

ORDER INFORMATION

This order ☐ ends ☒ does not end the case.

☐ See Page 2 for additional information.

For Clerk of Court Office Use Only

This judgment was electronically entered by the Clerk of Court as reflected on the Electronic Time Stamp, and a copy mailed first class to any party not proceeding in the Electronic Filing System on 04/10/2021 .

NAMES OF TRADITIONAL FILERS SERVED BY MAIL

Court Reporter:

E-Filing Note: The date of Entry of Judgment is the same date as reflected on the Electronic File Stamp and the clerk's entering of the date of judgment above is not required in those counties. The clerk will mail a copy of the judgment to parties who are not E-Filers or who are appearing pro se. See Rule 77(d), SCRCP.



Greenville Common Pleas

Case Caption: Greenville Dental Management Office Group LLC , plaintiff, et al vs.
Jon Julian , defendant, et al

Case Number: 2020CP2303922

Type: Order/Electronic Form 4

So Ordered

s/Alex Kinlaw, Jr., #2763

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STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)
Greenville Dental Office Management)
Group, LLC, a limited liability company,)
proceeding pursuant to 33-44-1101 by)
and through its member, Bhaskar Savani,)
D.M.D.,)

Plaintiff,)
v.)

Jon Julian, D.D.S., Blake Julian, D.D.S.,)
Greenville Dental Management Group,)
P.A.,)

Defendants.)

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

ORDER APPOINTING RECEIVER

C.A. No. 2020-CP-23-03922

This matter came before me for a hearing upon Plaintiff Greenville Dental Office Management Group, LLC's Motion for Appointment of Receiver. The motion was heard by the Court on April 8, 2021. Counsel for the parties were present.

Upon reviewing the record, the evidence, and the applicable law and hearing statements and representations of counsel, I find that Plaintiff's Motion for Appointment of Receiver should be granted and a receiver should be appointed with authority as detailed below upon threat of contempt and sanctions by this Court for willful failure to cooperate with the receiver.

PRELIMINARY FINDINGS OF FACT¹

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU”).
2. Pursuant to the MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“the Clinical Company”).
3. Pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Paragraph 4 of the MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.
5. Since May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by the MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.

¹ These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

7. While failing to assign or deliver collections or pay bills from the withheld collections, Defendants Jon Julian and Blake Julian have continued to pay themselves a salary from said collections.

CONCLUSIONS OF LAW

8. The foregoing Findings of Fact are denominated Conclusions of Law to the extent that they constitute the same.
9. A receiver may be appointed before judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code Ann. § 15-65-10(1).
10. Pursuant to the MOU, Plaintiff has an apparent right to the collections of the Clinical Company.
11. The collections of the Clinical Company are in the possession of Defendants and they admit they will not deposit said revenue with Plaintiff as required by the MOU.
12. A portion of the collections of Clinical Company are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU.
13. South Carolina law allows for the appointment of a receiver under the facts of this case.
14. The Court concludes that Plaintiff is entitled to the appointment of a receiver to perform the following:
 - a. Account for all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education

for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC after May 1, 2020 until further order of this Court.

- b. Take possession of all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC after May 1, 2020 until further order of this Court.
- c. Until further order of this Court, apply collections in the following order pursuant to the MOU:
 - i. Pay for the receiver's fees and costs;
 - ii. Pay payroll for Greenville Dental Management Group, P.A. staff where payroll does not include compensation for Bhaskar Savani, Jon Julian, or Blake Julian.
 - iii. Pay expenses of Greenville Dental Office Management Group, LLC.
 - iv. Once Greenville Dental Office Management Group, LLC has three-months' working capital (based upon average monthly overhead/expense/liability of the Clinical Company as determined by the receiver), then pay any unpaid compensation or share of profits owed to Bhaskar Savani, Jon Julian, and Blake Julian pursuant to their respective Dental Director and Service Agreements.

NOW, THEREFORE, based upon the foregoing findings of fact and conclusions of law,
IT IS THEREFORE ORDERED that:

1. Thomas W. Traxler ("Receiver") is hereby appointed as Receiver to perform the duties detailed above.

2. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall surrender and deliver possession of all collections for Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after May 1, 2020 to Receiver.
3. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall deliver documentation to Receiver that, in Receiver's discretion, are necessary to account for the collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after May 1, 2020.
4. Receiver will furnish to the Court and to the parties quarterly statements showing collections received and expenses paid by Receiver. The parties will be entitled to inspect the books and records of Receiver concerning funds held pursuant to this Order at reasonable times and with reasonable notice.
5. Without further Order of the Court, Receiver shall be entitled to payment of professional fees and expenses incurred by Receiver. Receiver's professional fees shall be charged at \$____ per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All fees and expenses of Receiver shall be accounted for in the Quarterly Statement of Operations.

6. Receiver will have such additional powers as are provided by law and as this Court may from time to time direct.
7. No person or entity shall file suit against Receiver for actions taken in compliance with this Order.
8. Receiver may, in its discretion, notify this Court and the parties to this action that the Receivership is not practical, and upon such notice all duties of Receiver shall terminate except with regard to liabilities which arise prior to the date of the notice. The Court, following another hearing, may then appoint a new Receiver to take any and all such other action as it deems appropriate. Receiver shall turn over all of the assets and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.
9. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the Receiver.
10. Receiver and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable Receiver to perform Receiver's duties properly.

IT IS SO ORDERED.

[Electronic signature follows on separate page]



Greenville Common Pleas

Case Caption: Greenville Dental Management Office Group LLC , plaintiff, et al vs.
Jon Julian , defendant, et al

Case Number: 2020CP2303922

Type: Order/Other

So Ordered

s/Alex Kinlaw, Jr., #2763

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	THIRTEENTH JUDICIAL CIRCUIT
COUNTY OF GREENVILLE	)	
	)	
Greenville Dental Office Management	)	
Group, LLC, a limited liability company,	)	AMENDED ORDER
proceeding pursuant to 33-44-1101 by	)	APPOINTING RECEIVER
and through its member, Bhaskar Savani,	)	
D.M.D.,	)	
	)	C.A. No. 2020-CP-23-03922
Plaintiff,	)	
v.	)	
	)	
Jon Julian, D.D.S., Blake Julian, D.D.S.,	)	
Greenville Dental Management Group,	)	
P.A.,	)	
	)	
Defendants.	)	
	)	

This matter initially came before me for a hearing upon Plaintiff Greenville Dental Office Management Group, LLC's Motion for Appointment of Receiver. That motion was heard by the Court on April 8, 2021. Counsel for the parties were present.

On May 12, 2021, I filed an Order Appointing Receiver. On May 24, 2021, Defendants moved to alter and amend this order. On June 3rd and June 30th, I held conference calls regarding this motion. All attorneys of record for Plaintiff and Defendants were present on these conference calls. The Court has now decided that Defendants' Motion to Alter and Amend Order Appointing Receiver should be denied; however, I am modifying and clarifying the receivership plan as detailed below. Therefore, I am filing this Amended Order Appointing Receiver. This Amended Order replaces and supersedes the Order filed May 12, 2021.

Defendant's Motion raises three challenges to this Court's Order:

1. That Plaintiff does not have an apparent right to Defendants' property;

2. That a portion of the property held by Defendants was not subject to waste or dissipation; and
3. That Defendants had no notice or opportunity to be heard on the record regarding the plan for the receivership.

Based on the following, I find that Defendants' challenges are not supported by the law and the facts presented in this case. However, I also find that clarification of the plan for the receivership is warranted.

I. Plaintiff has an apparent right to collections from Defendants pursuant to the parties' agreement.

The appointment of a receiver rests in the sound discretion of the court to which application is made. *Vasiliades v. Vasiliades*, 231 S.C. 366, 98 S.E.2d 810 (1957). A receiver may be appointed before judgment, on the application of either party, when it establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code § 16-65-10. A court is within its discretion to appoint a receiver when one party is in possession of the property and the other party has an apparent right to the rents and profits from said property. *Andrick Dev. Corp. v. Maccaro*, 280 S.C. 103, 311 S.E.2d 95 (Ct. App. 1984).

In *Andrick*, the defendants were in possession of rental property, the ownership of which was disputed. *Id.* at 104, 311 S.E.2d at 96. The plaintiff held title to the property, subject to a demand for specific performance of a contract for sale by the defendants. *Id.* The plaintiff moved for and was granted an order appointing a receiver to take possession of the property and collect

all rents and profits while the case was pending. *Id.* at 105, 311 S.E.2d at 97. The Court of Appeals affirmed the appointment of a receiver. *Id.* at 106-107, 311 S.E.2d at 97.

The facts presented in this case are similar. Defendants admit they executed a Memorandum of Understanding (“the MOU”). Pursuant to the MOU, Defendants assigned all collections for clinical dental services rendered by Greenville Dental Management Group, P.A. (“the Clinical Company”) dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures, and course materials to Plaintiff, Greenville Dental Office Management Group, LLC (“the Management Company”). Similar to the facts in *Andrick*, the documentary evidence shows that Plaintiff has an apparent right to the collections assigned in the MOU. It is not necessary for Plaintiff to have a definite right to the collections, only an apparent right.

Also similar to *Andrick*, where the defendants demanded specific performance, Defendants contest Plaintiff’s right to the collections by alleging that the MOU is no longer effective. However, this dispute is precisely why a receiver is necessary to take possession of the collections while this case is pending. There would never be a need for a receiver in a case where there is no dispute over the parties’ rights to property.

Therefore, I find that Plaintiff has an apparent right to the property.

II. Defendants admitted that a portion of the property was subject to waste or dissipation.

The MOU states: “No party shall take a draw, compensation or share of profits unless Clinical Company/[Management Company] has sufficient funds in excess of three months’ working capital.” Based on the Affidavit of Bhaskar Savani, it is clear that the Management Company does not have sufficient funds in excess of three months’ working capital. Defendants

do not dispute that they have failed to deliver any collections to the Management Company since May 1, 2020. This has caused the Management Company's failure to pay its lease payments and bills.

If the Management Company does not have sufficient funds in excess of three months' working capital, then Defendants are not entitled to any compensation. However, the Affidavit of Jon Julian admits that Defendants Jon and Blake Julian continue to pay their own salaries from the collections of the Clinical Company. This payment of compensation contrary to the parties' agreement constitutes waste and dissipation of the contested property.

Therefore, I find that, absent appointment of a receiver, the property is at risk of loss, impairment, or material injury.

III. Defendants had an opportunity to be heard on the record regarding the plan for receivership.

Defendants cite *Midlands Util., Inc. v. S.C. Dept. of Health & Env'tl. Control*, 301 S.C. 224, 228, 391 S.E.2d 535, 538 (1989), for the proposition that a court may properly deny a request for a receivership where the moving party does not provide a plan relating to the appointment. However, this is an incomplete reading of the holding in *Midlands*. The *Midlands* holding firmly states that granting or denying a request to appoint a receiver is within the discretion of the circuit court judge. *Id.* at 228, 391 S.E.2d at 538 (citing *Kirven v. Lawrence*, 244 S.C. 572, 137 S.E.2d 764 (1964)). The ruling only tangentially mentions that the moving party did not submit a plan for the appointment of a receiver, presumably as something a judge may consider while exercising his or her discretion to appoint or deny a receiver.

Further, Plaintiff did provide a plan for the receivership in its motion and during the motion hearing. Plaintiff requested "the appointment of a receiver to collect, account for, and distribute

all collections for dental services rendered and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials received after June 26, 2017 by or from” several individuals and entities. This language is directly from the MOU and Plaintiff reasserted at the hearing that its request was for a receiver to take control of the collections assigned pursuant to the terms of the MOU. Defendants had the opportunity to and did object to Plaintiff’s plan and their objection was heard on the record.

Therefore, I find that Plaintiff did propose a plan for the receivership and Defendants had an opportunity to be heard regarding this plan. However, I also find that Plaintiff’s proposed plan for the receivership should be modified and clarified as detailed below.

Therefore, upon reviewing the record, the evidence, and the applicable law and hearing statements and representations of counsel, I find that Plaintiff’s Motion for Appointment of Receiver should be granted and a receiver should be appointed with authority as detailed below upon threat of contempt and sanctions by this Court for willful failure to cooperate with the receiver.

PRELIMINARY FINDINGS OF FACT¹

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU”).

¹ These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

2. Pursuant to the MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“the Clinical Company”).
3. Pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Paragraph 4 of the MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. Since May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by the MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.
7. While failing to assign or deliver collections or pay bills from the withheld collections, Defendants Jon Julian and Blake Julian have continued to pay themselves a salary from said collections.

CONCLUSIONS OF LAW

8. The foregoing Findings of Fact are denominated Conclusions of Law to the extent that they constitute the same.
9. A receiver may be appointed before judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which

- is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code Ann. § 15-65-10(1).
10. Pursuant to the MOU, Plaintiff has an apparent right to the collections of the Clinical Company.
 11. The collections of the Clinical Company are in the possession of Defendants and they admit they will not deposit said revenue with Plaintiff as required by the MOU.
 12. A portion of the collections of Clinical Company are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU.
 13. South Carolina law allows for the appointment of a receiver under the facts of this case.
 14. The Court concludes that Plaintiff is entitled to the appointment of a receiver to perform the following:
 - a. Obtain full access to all bank accounts of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC.
 - b. Require the parties:
 - 1) to account for revenue and collections from May 1, 2020 to present;
 - 2) to provide the receiver, with copies to all members of the Plaintiff entity, detailed documentation for their respective dental practices' monthly expenses and payroll since January 1, 2019;
 - 3) to report to the receiver all amounts of revenue collected;

- 4) to report to the receiver any amount to be paid for expenses and payroll no less than ten (10) business days prior to the date of disbursement provided in the report;
 - 5) to provide the receiver and the party who submitted a report as provided a detailed, written notice of any objection to an expense or payroll amount disclosed in the report no less than five (5) business days before the date of disbursement provided in the report;
 - 6) to disburse only those amounts to which no written objection is made until otherwise authorized by the receiver; and
 - 7) to pay over to the receiver within five (5) business days from the end of each month all revenues in excess of the reported disbursements for the preceding month.
- c. The Receiver may set a reasonable amount of compensation to be paid to the Julians for their labor, after taking into account the outstanding expenses of the entities and consistent with the average wages paid to dentists in South Carolina for their labor, during any month in which the Clinical Company does not have at least three (3) months working capital as defined by the MOU.

NOW, THEREFORE, based upon the foregoing findings of fact and conclusions of law,

IT IS THEREFORE ORDERED that:

1. Defendants' Motion to Alter and Amend Order Appointing Receiver is denied.
2. L. Walter Tollison, III ("Receiver") is hereby appointed as Receiver to perform the duties detailed above. The parties shall cooperate with the Receiver and provide any documentation or information requested by the Receiver to perform his duties.

3. Within ten (10) business days following the filing of this Order, the parties shall meet with the Receiver and provide full online and signatory access to all bank accounts listed above to the Receiver.
4. Receiver will furnish to the Court and the parties quarterly statements showing collections received and expenses paid by Receiver. The parties will be entitled to inspect the books and records of Receiver concerning funds held pursuant to this Order at reasonable times and with reasonable notice.
5. Without further Order of the Court, Receiver shall be entitled to payment of professional fees and expenses incurred by Receiver. Receiver's professional fees shall be charged at \$350 per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All fees and expenses of Receiver shall be accounted for in the Quarterly Statement of Operations.
6. Receiver will have such additional powers as are provided by law and as this Court may from time to time direct.
7. No person or entity shall file suit against Receiver for actions taken in compliance with this Order.
8. If any party disagrees with a decision made by the Receiver, then that party may petition me to review the decision of the Receiver and I have the authority to overturn or modify said decision.
9. Receiver may, in its discretion, notify this Court and the parties to this action that the Receivership is not practical, and upon such notice all duties of Receiver shall terminate

except with regard to liabilities which arise prior to the date of the notice. The Court, following another hearing, may then appoint a new Receiver to take any and all such other action as it deems appropriate. Receiver shall turn over all of the assets and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.

10. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the Receiver.
11. Receiver and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable Receiver to perform Receiver's duties properly.

IT IS SO ORDERED.

[Electronic signature follows on separate page]



Greenville Common Pleas

Case Caption: Greenville Dental Management Office Group LLC , plaintiff, et al vs.
Jon Julian , defendant, et al

Case Number: 2020CP2303922

Type: Order/Other

So Ordered

s/Alex Kinlaw, Jr., #2763

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**UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
GREENVILLE DIVISION**

Jon Julian, D.D.S., Blake Julian, D.D.S., and
Greenville Dental Management Group, P.A.

Plaintiffs,

vs.

Bhaskar Savani, D.M.D. and American Dental
Management Group, LLC,

Defendant.

C.A. No.:

COMPLAINT

(DEMAND FOR JURY TRIAL)

The Plaintiffs Jon Julian (“J. Julian”), Blake Julian, D.D.S (“B. Julian” and together with J. Julian, the “Julians”), and Greenville Dental Management Group, PA (the “Group Practice”) (collectively, “Plaintiffs”), complaining of the Defendants Bhaskar Savani, D.M.D. (“Savani”) and American Dental Management Group, LLC (“ADMG”) (collectively, “Defendants”), would respectfully show unto the Court as follows:

PARTIES AND JURISDICTION

1. J. Julian is an individual residing in Greenville County, South Carolina.
2. B. Julian is an individual residing in Greenville County, South Carolina.
3. The Group Practice is a professional services corporation organized and existing under the laws of the State of South Carolina with a principal place of business in Greenville County, South Carolina.
4. Upon information and belief, defendant Savani is an individual residing in Montgomery County, Pennsylvania.

5. Upon information and belief, ADMG is a limited liability company organized and existing under the laws of the State of Pennsylvania with a principal place of business in Montgomery County, Pennsylvania.

6. Savani, J. Julian, and B. Julian are members of Greenville Dental Management Office Group, LLC (the “Management Company”), a limited liability company organized and existing under the laws of the State of South Carolina with a principal place of business in Greenville County, South Carolina.

7. Savani is a managing member of the Management Company.

8. Upon information and belief, Savani is also a managing member and/or officer of ADMG.

9. This Court has personal jurisdiction over Savani arising out of Savani’s contacts with the District of South Carolina, which constitute sufficient minimum contacts such that subjecting him to personal jurisdiction in this forum does not offend traditional notions of fair play and substantial justice. As set forth herein, Savani transacts business, committed tortious acts, caused tortious injuries, and entered into a contract to be performed in whole or in part in South Carolina.

10. This Court has personal jurisdiction over ADMG arising out of ADMG’s contacts with the District of South Carolina, which constitute sufficient minimum contacts such that subjecting it to personal jurisdiction in this forum does not offend traditional notions of fair play and substantial justice. As set forth herein, ADMG transacts business, committed tortious acts, caused tortious injuries, uses real property located in the State, distributes goods used or

consumed in the State, and entered into a contract to be performed in whole or in part in South Carolina.

11. A substantial part of the events or omissions giving rise to the claims asserted in this action occurred in this judicial district.

12. The amount in controversy in this action exceeds the sum of \$75,000.00, exclusive of interest and costs.

13. This Court has personal jurisdiction over the parties hereto, has subject-matter jurisdiction in this action pursuant to 28 U.S.C. §1332 and principles of ancillary and supplemental jurisdiction.

14. Venue is proper in this Court pursuant to 28 U.S.C. §1391.

GENERAL ALLEGATIONS

15. J. Julian is a board certified dentist licensed to practice in South Carolina and Pennsylvania. He has practiced dentistry for more than forty years, operating successful practices in Kansas (where he was formerly licensed) and South Carolina. He is also a well-respected speaker and educator, providing lectures and clinical education to dentists throughout the United States and internationally in the areas of general practice and implant dentistry.

16. B. Julian is a board certified dentist licensed to practice in South Carolina. He has practiced dentistry for more than ten years, operating a successful practice in South Carolina. B. Julian is J. Julian's son.

17. In the fall of 2016, Savani contacted J. Julian regarding J. Julian's willingness to provide dental education to dentists associated with or managed by Savani and his company, ADMG.

18. In the summer of 2017, the Julians and Savani began the process of developing a business relationship wherein J. Julian and B. Julian would continue their practices in South Carolina with management and administrative assistance from Savani and ADMG.

19. Savani promised that his consortium of affiliated dental practices and related businesses, management support systems, and business experience would help the Julians continue to grow and expand their practices, including the promise of cost savings resulting from Savani's access to supply distribution channels and the combined purchasing power of his affiliated businesses. In reliance upon these representations and Savani's assurance of sound, legal, and fair business management, the Julians entered into a Memorandum of Understanding (the "MOU"), dated June 26, 2017.

20. The MOU purports to include the "understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements," including agreements related to the formation of two limited liability companies under South Carolina laws to facilitate the operation and management of the collective dental practices and agreements related to the dental services provided in those practices.

21. Subsequent to the execution of the MOU, the only agreements actually formalized and executed by the parties consisted of two service agreements and three dental director agreements setting forth the parties respective roles in the provision of professional dentistry services by the Group Practice.

22. The Management Company was formed on October 19, 2017, upon filing articles of organization with the South Carolina Secretary of State. The organizers of the Management Company were Savani and J. Julian.

23. The MOU contemplated ownership interests in the Management Company as follows:

J. Julian	Thirty-Six Percent (36%)
B. Julian	Twenty-Four Percent (24%)
Savani	Forty Percent (40%)

24. The MOU further contemplated that, despite having a forty percent ownership interest, Savani would have voting rights equal to the cumulative voting rights of the Julians.

25. However, no formal operating agreements or other governing documents were ever created for the Management Company despite their contemplation in the MOU.

26. The Management Company commenced operations on January 1, 2018, with the parties having membership interests in the entity consistent with the allocation set forth in the MOU.

27. The Group Practice was formed on November 13, 2017, upon filing articles of incorporation with the South Carolina Secretary of State. The organizers of the Group Practice were the Julians.

28. The Group Practice commenced operations on January 1, 2018, with J. Julian and B. Julian each having a fifty percent (50%) interest in the entity. At no time has Savani ever had any interest in the Group Practice.

29. The Group Practice facilitates the clinical practice of dentistry at certain dental office locations in South Carolina, including J. Julian's solely-owned company, The Dental Retreat at Mountain Park, LLC ("The Dental Retreat") and B. Julian's solely-owned company, Signature Smiles, LLC, d/b/a Signature Smiles Family Dentistry ("Signature Smiles").

30. The MOU contemplated that the parties would make capital contributions to the Management Company reflected as: (1) the value of the combined trailing twelve months gross revenue produced by J. Julian's and B. Julian's existing practices, which was approximately \$3,100,000.00 less then outstanding debt of approximately \$100,000.00; and (2) the value of the combined gross revenue derived from practices yet to be acquired by Savani, which annual gross revenue was required to be \$2,000,000.00.

31. Savani, through ADMG, acquired two dental practices in South Carolina, which practically operate under B. Julian's Signature Smiles practice but are not subsidiaries of Signature Smiles.

32. To date, the dental practices acquired by Savani and ADMG have failed to produce the combined gross revenue required to fulfill Savani's capital contribution to secure his interest in the Management Company.

33. The MOU further contemplated that the Management Company would provide business support and administrative services to the various clinical dentistry practices affiliated with the Group Practice and hold certain "tangible assets" of the Group Practice.

34. However, the Management Company has never acquired any tangible assets of the Group Practice and, specifically, does not own or control any assets of The Dental Retreat or Signature Smiles.

35. On or about June 26, 2017, Dr. Julian, B. Julian, and Savani each executed documents titled Dental Director Agreement with the Management Company. The Dental Director Agreements provide that each of J. Julian, B. Julian, and Savani receive compensation in the amount of \$50,000 per year, plus additional lecture fees, provided compliance with the obligations

set forth in the Dental Director Agreements including, *inter alia*, proper licensure in the state of South Carolina.

36. Savani has never met the requirement to obtain licensure in South Carolina.

37. On or about June 26, 2017, J. Julian entered into a document titled Services Agreement with the Management Company under which Dr. Julian agreed to render dentistry services to patients at office locations affiliated with the Management Company in exchange for compensation in the amount of \$600,000 per year payable monthly on or about the 7th working day of each month.

38. On or around June 26, 2017, B. Julian entered into a document titled Services Agreement substantially similar to the one entered into by Dr. Julian with the exception that B. Julian's compensation was set in the amount of \$400,000.00 per year payable monthly on or about the 7th working day of each month.

39. The Services Agreements contain unenforceable noncompetition provisions purporting to restrict the Julians, during the term of the agreement and for an additional period of thirty-six (36) months after voluntary or involuntary termination of the agreement, from owning or having a practice of dentistry, directly or indirectly, within any states where the Management Company or its affiliates operate a dental practice.

40. Because the purpose of the Management Company was supposed to be the provision of business support and administrative services to the Group Practice, the Management Company and Savani, as a managing member of the Management Company, had access to and managed the financial information and accounts of the Group Practice.

41. Savani delegated certain management and administrative tasks to ADMG.

42. The Julians trusted Savani to treat them and the Group Practice fairly, understanding that Savani, as a manager of the Management Company, had a fiduciary responsibility to them. However, Savani has failed to deliver on his promises, failed to honor his duties as a managing member of the Management Company, and caused the Management Company to fail to honor its agreements with the Julians.

43. Savani has saddled the Management Company and the Group Practice with improper expenses to the benefit of other entities owned by Savani, in whole or in part, (the extent of which is still not fully known) and failed to properly manage the Management Company, the Group Practice, and the financial accounts to which Savani has access and control. For example, J. Julian recently learned that Savani has caused the Management Company to pay tens of thousands of dollars of improper expenses for equipment, supplies, and services neither the Management Company nor the Group Practice ever received and a host of other improper transactions including hundreds of thousands of dollars in unexplained funds transfers to ADMG. When J. Julian requested information related to these expenditures, Savani provided financial statements in a convoluted format without supporting documentation such that discovering the extent of improper conduct will require great effort and expense.

44. In addition, Savani has caused the Management Company to breach agreements with the Julians by withholding or misusing (or turning a blind eye to the diversion of) funds necessary to pay the compensation amounts due to them in varying amounts from 2018 through April of 2020 of at least \$150,000 in payments due to J. Julian and at least \$100,000 in payments due to B. Julian.

45. Savani has maintained complete and total control over every aspect of the Management Company, including the management of all financial information and accounts of the Group Practice. Through this control, Savani has blocked Plaintiffs from accessing necessary financial documents and has failed to disclose complete financial records, including records related to Plaintiffs' rightfully owed fees and compensation and amounts paid to entities in which Savani has a financial interest.

46. Upon information and belief, Savani has provided documents misstating or falsely reporting financial information, including debt amounts purportedly owed to Savani, ADMG, or their affiliated entities for services and/or goods neither the Management Company nor the Group Practice ever received.

47. Upon information and belief, Savani has withdrawn, diverted, or redirected (or caused to be withdrawn, diverted, or redirected) funds from the Management Company and the Group Practice for purposes unrelated to those entities in an amount exceeding \$300,000.00.

48. Upon information and belief, Savani has used assets of the Management Company and Group Practice to fund his own private corporate ventures, wholly unrelated to the business and affairs of these entities.

49. Savani had a duty to use the Management Company funds and the Group Practices funds only for the legitimate business purposes of those entities, and to exercise the highest level of care toward Plaintiffs, as a fiduciary. He also had an obligation to take action only within the scope of authority provided to him by the Group Practice.

50. Upon information and belief, Savani has violated his duties, exceeded the limits on his authority, and engaged in the aforementioned wrongful acts, among others, which have

damaged Plaintiffs and undermined the business of the Management Group and the Group Practice.

51. Upon information and belief, Savani has caused the Management Company and/or the Group Practice to record and accrue debts to Savani and his related entities that are not duly owed in an effort to avoid his obligations to make required capital contributions, dilute the value of the Julians' capital contributions, and to deprive the Management Company of funds necessary to pay compensation to the Julians and funds necessary to maintain business operations.

52. Savani has neglected or failed (or caused the Management Company to neglect or fail) to pay vendors for services and goods provided to the Management Company or Group Practice, which payments are now more than six (6) months overdue causing J. Julian to receive collection notices, diminishing the reputation and creditworthiness of the Group Practice and J. Julian, and jeopardizing long-standing vendor relationships.

53. Savani has made material misstatements or failed to disclose material information related to services and/or goods provided to the Group Practice by entities in which he has financial interest, including without limitation:

- a. concealing markups to dental supplies and services provided by those companies,
- b. ordering and incurring expenses for unsuitable supplies and services from those companies,
- c. failing to request refunds owed to the Management Company or Group Practice by those companies,
- d. misrepresenting the condition or prior use of dental supplies and equipment provided by those companies, and
- e. purporting to sell goods and/or services to the Plaintiffs with knowledge that such transactions were improper or invalid.

54. ADMG has made material misstatements or failed to disclose material information related to services and/or goods provided to the Group Practice, including without limitation:

- a. failing to refund amounts owed to the Management Company or Group Practice after receiving notifications that dental supplies and services provided by affiliated companies through ADMG were unsuitable or not as represented at the time of purchase,
- b. selling to or procuring on behalf of the Group Practice dental supplies and equipment with knowledge that the same were unsuitable, or while misrepresenting the condition or prior use of the same.

55. Upon information and belief, ADMG assisted and participated in Savani's withdrawal, diversion, or redirection of funds from the Management Company and the Group Practice with knowledge that such actions were improper, including for improper use by ADMG.

56. Savani has refused Plaintiffs' requests to utilize loan proceeds received by the Management Company and the Group Practice under the federal Payment Protection Program (PPP) and Economic Injury Disaster Loans (EIDL) program to pay employee compensation and other expenses meeting the requirements for forgiveness of such debt, and instead sought to use those funds for other purposes that would have unnecessarily compromised eligibility for forgiveness.

57. Upon information and belief, Savani knowingly and intentionally directed third-party vendors to take actions for the purpose of disrupting or harming the Management Company and the Group Practice including without limitation:

- a. instructing the payroll administrator to withdraw funds from the Group Practice's general operating account instead of the account holding the PPP funds, for the

purpose of negatively impacting Plaintiffs' rights under the PPP program, including their eligibility for forgiveness under the PPP program,

- b. re-routing or redirecting web pages away from the proper servers, and
- c. closing supply accounts and instructing suppliers to not accept supply orders from Plaintiffs.

58. Savani has made false statements to bank officers that the Group Practice, J. Julian, or persons acting at their direction fraudulently or knowingly misrepresented information in the Group Practice's PPP loan application for the purpose of causing harm to the Group Practice and J. Julian.

59. Despite Savani's assurances as to his business management acumen and the alleged expertise of ADMG, Plaintiffs have spent countless hours attempting to correct Savani's and ADMG's accounting, invoicing, inventory management, and insurance documentation errors in an effort to mitigate further damage to the Management Company and Plaintiffs.

60. In managing the Management Company, Savani has proceeded on a systematic and unremitting course of conduct to exclude the Julians from the business and affairs by denying them access to business information and has completely excluded the Julians from any meaningful voice in the affairs of the Management Company, despite the fact that they are members of the Management Company.

61. In managing the Management Company, Savani has engaged in self-dealing, using the accounts of the Management Company and the Group Practice as he pleases and to his own personal advantage, without any authorization by, approval of, or consultation with the Julians.

62. It is abundantly clear that Savani intends to continue his self-dealing, waste of the corporate funds, and oppressive conduct until such time as the Court may intervene and call him to account.

63. The number of times Savani has told the Julians one thing and then done another has left the Julians in the untenable position of having a business partner that is not encumbered by veracity or integrity. Rather than working with the Julians to increase the value of the Management Company and, in turn, the Group Practice, Savani has systematically and surreptitiously drained cash and resources from the entities, thereby limiting the Julians' financial and professional benefits of ownership.

64. Upon information and belief, Savani is further engaged in activities separate and apart from the Management Company and Group Practice, which activities have been the subject of interviews of J. Julian by at least one government agency, that calls into question Savani's fitness to manage or control the finances or accounting for the Management Company and Group Practice.

65. Upon information and belief, Savani has control over Plaintiffs' access to accounts, software, systems, and programs necessary for the continued operation of the Group Practice. The Group Practice would be significantly impacted if access is disrupted or restricted resulting in the potential disruption of patient care.

66. Savani, through his control of the Management Company, purports to control all of the Julians' livelihood and life's work and the same are being mismanaged to Plaintiffs' detriment.

**FOR A FIRST CAUSE OF ACTION
(Judicial Dissolution)**

67. The foregoing allegations are incorporated herein by reference.

68. Upon information and belief, Savani has usurped, misused, or taken funds of the Management Company, ignored instructions and directives from the Julians, ignored and exceeded his authority, and engaged in self-dealing.

69. Savani's actions as described herein have made it not reasonably practical for the Julians to carry on the Management Company's business with Savani.

70. Pursuant to Section 33-44-801 of the Code of Laws of South Carolina, grounds for judicial dissolution exist with respect to the Management Company in that Savani, having controlled the Management Company in the manner hereinabove set forth, has acted and continues to act in a manner that is unlawful, oppressive, fraudulent and unfairly prejudicial to the Julians, who are each minority members of the Management Company.

71. Accordingly, the Julians seek an order of this Court for dissolution of the Management Company, to include the Julians' costs, expenses, and attorneys' and experts' fees.

72. If the Management Company is not dissolved, then Savani should be ordered to purchase the Julians' interest for fair value, with the costs and expert fees associated with determining fair value borne by Savani.

**FOR A SECOND CAUSE OF ACTION
(Accounting by Savani)**

73. The foregoing allegations are incorporated herein by reference.

74. As a member of the Management Company, Savani owes a common law and statutory duties to the Julians.

75. As part of those duties, Savani must account to the Management Company's members for any profit or benefit derived through Savani's use of funds belonging to the Management Company or Plaintiffs (including funds belonging to Plaintiffs by virtue of their

ownership interest in the Group Practice), their assets, or their property, and for any appropriation, misuse, or misapplication of Plaintiffs', the Management Company's, or the Group Practices' funds, assets, properties, or business opportunities.

76. Further, the Julians are entitled under the South Carolina Limited Liability Company Act to an accounting, to enforce their rights under South Carolina law.

77. Plaintiffs, therefore, seek a decree of this Court requiring a full accounting by Savani.

**FOR A THIRD CAUSE OF ACTION
(Breach of Duties and Obligations of Good Faith and Fair Dealing to Plaintiffs by Savani)**

78. The foregoing allegations are incorporated herein by reference.

79. Savani, as a managing member of the Management Company, owed the Julians common-law duties to operate the Management Company fairly and in the Julians' best interests as members.

80. Savani, as a managing member of the Management Company, owed the Julians statutory duties of loyalty, obligations of good faith and fair dealing, and/or other fiduciary duties to operate the Management Company fairly and in the Julians' best interests as members.

81. The Julians placed a special confidence in Savani, to act in the best interests of their joint effort.

82. Savani has breached his duties to the Julians by:

- a. refusing to provide financial information as requested by the Julians,
- b. providing misleading and inaccurate financial records in an effort to misrepresent his investment in the Management Company and conceal his misuse of funds;
- c. withholding compensation due and owing to the Julians,

d. acting in a manner that is unlawful, oppressive, fraudulent, or unfairly prejudicial to the the Julians,

e. converting opportunities, assets, and funds to his own use, and

f. otherwise engaging in wrongful conduct including the other actions set forth in detail above.

83. As a direct and proximate result of Savani's breach of fiduciary duties, the Julians have suffered actual damages including, but not limited to, the loss of compensation and distributions they otherwise would have received from the Management Company, and loss of value of their distributional interests in the Management Company.

84. Upon information and belief, Savani's conduct was sufficiently willful, wanton, reckless, grossly negligent, and outrageous to entitle the Julians to punitive damages.

**FOR A FOURTH CAUSE OF ACTION
(Intentional Interference with Contractual Relations by Savani)**

85. The foregoing allegations are incorporated herein by reference.

86. Pursuant to the Service Agreements and Dental Director Agreements between the Management Company and the Julians, the Julians are entitled to compensation for their services to the Management Company.

87. Savani tortiously interfered with the Julians' agreements with the Management Company by causing the Management Company to fail to pay the Julians the compensation owed under those agreements, thereby resulting a breach of those agreements.

88. Such interference was done with the intent of injuring the Julians, and for an improper purpose and by improper methods as set forth above.

89. As a direct and proximate result of Savani's tortious interference with the agreements, J. Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$150,000.00 and B. Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$100,000.00.

90. Upon information and belief, Savani's conduct was sufficiently willful, wanton, reckless, grossly negligent, and outrageous to entitle the Julians to punitive damages.

**FOR A FIFTH CAUSE OF ACTION
(Defamation by Savani)**

91. The foregoing allegations are incorporated herein by reference.

92. Savani made a false and defamatory statements concerning Plaintiffs application for a loan with the Bank of Travelers Rest.

93. These false and defamatory statements were published to third parties, including individuals at the Bank of Travelers Rest.

94. The statements referred to Plaintiffs specifically, and the statements were understood by those heard them to be about and concerning Plaintiffs.

95. The false and defamatory statements are defamatory on their face. Savani made false statements alleging that Plaintiffs committed misconduct in the course of their trade, profession, or occupation. Savani's false statements implied that Plaintiffs engaged in criminal conduct of moral turpitude. Accordingly, Savani's statements constitute defamation *per se*.

96. The publications of these false and defamatory statements were not privileged.

97. Savani knew that the defamatory statements were false at the time he made them, or else Savani made the statements with reckless disregard of whether they were false or not.

98. Plaintiffs suffered damages due to Savani's defamatory statements and, to the extent Savani committed defamation *per se*, damages may be presumed.

99. Upon information and belief, Savani's conduct was sufficiently willful, wanton, reckless, grossly negligent, and outrageous to entitle Plaintiffs to punitive damages.

**FOR A SIXTH CAUSE OF ACTION
(Quantum Meruit/Unjust Enrichment by all Defendants)**

100. The foregoing allegations are incorporated herein by reference.

101. To the extent that there is no a contract between Plaintiffs and Defendants, Plaintiffs allege a claim for quantum meruit/unjust enrichment.

102. Plaintiffs conferred a benefit on Defendants by providing them access to and use of substantial amounts of money belonging to Plaintiffs, which Defendants have retained use of without any repayment to Plaintiffs.

103. Defendants realized benefits from access to and use of substantial amounts of money belonging to Plaintiffs, including the use of the money to pay Defendants' liabilities or procure assets.

104. Plaintiffs should have been repaid the funds and paid for the use of these funds.

105. Defendants have failed to pay Plaintiffs for any such beneficial use and enjoyment of the funds.

106. By failing to pay Plaintiffs for Defendants' beneficial use and enjoyment of the funds, Defendants enriched themselves under conditions that make it unjust for them to retain those benefits without fully paying Plaintiffs.

**FOR A SEVENTH CAUSE OF ACTION
(Unfair Trade Practices by ADMG)**

107. The foregoing allegations are incorporated herein by reference.

108. In the course of its business and commercial relationship with Plaintiffs, ADMG committed unfair and deceptive acts in or affecting commerce in its conduct of business or trade by concealing material facts and making false representations that had the intended effect of causing Plaintiffs to purchase goods and services that were previously used or otherwise unsuitable for use in their dental practices.

109. ADMG's actions in misleading Plaintiffs regarding the condition of dental supplies and services offends public policy in that the actions are immoral, unscrupulous, substantially injurious, deceptive, unethical, and/or oppressive.

110. ADMG's actions in misleading Plaintiffs regarding the condition of dental supplies and services had an adverse impact on the public interest in that ADMG's actions actually resulted in several patients' use of a device that was malfunctioning or inaccurate due to prior undisclosed use.

111. Upon information and belief, ADMG acted similarly with regard to other dental practices, making it more likely to be repeated again and thus further adversely impacting the public interest.

112. Plaintiffs suffered actual injury to their respective businesses as a result of ADMG's unfair and deceptive acts including, without limitation, incurring necessary and duplicative costs to provide patients with working and appropriate devices and injury to Plaintiffs' goodwill.

113. ADMG intentionally and willfully engaged in the aforementioned unfair acts or practices.

114. Based on the foregoing, Plaintiffs are entitled to all relief available under the South Carolina Unfair Trade Practices Act from ADMG for such wrongful violations, including actual damages, recovery of treble damages, costs, interest, and attorneys' fees.

**FOR AN EIGHTH CAUSE OF ACTION
(Aiding and Abetting Breach of Fiduciary Duty by ADMG)**

115. The foregoing allegations are incorporated herein by reference.

116. Savani owed the Julians a fiduciary duty and was consequently bound to act with good faith and due regard to the interest of the Julians.

117. Savani breached his duties to the Julians as described hereinabove.

118. ADMG knowingly or recklessly participated in Savani's breaches including his diversion of funds from the Management Company and concealment of the same, and directly aided and enabled Savani to breach his fiduciary duty to the Julians.

119. As a direct and proximate result of ADMG's actions, the Julians have suffered actual damages.

120. Upon information and belief, ADMG's conduct was sufficiently willful, wanton, reckless, grossly negligent, and outrageous to entitle the Julians to punitive damages.

**FOR A NINTH CAUSE OF ACTION
(Declaratory Judgment)**

121. The foregoing allegations are incorporated herein by reference.

122. The Julians entered into Service Agreements with the Management Company which contain a purported noncompetition provision.

123. There is a genuine dispute between the Julians and Savani over the validity of the noncompetition provision and an actual controversy exists regarding the reasonableness and enforceability of the noncompetition provision of the Service Agreements and respective rights and obligations thereunder.

124. The restrictions imposed by the noncompetition provision are void and unenforceable due to the breaches caused by Savani's conduct including without limitation, failure to pay compensation and other amounts due to the Julians in accordance with the Service Agreement and Dental Director Agreement.

125. The restrictions imposed by the noncompetition provision are unreasonable, broader than necessary to protect any legitimate business interest, and are otherwise unenforceable such that it would prevent the Julians from practicing in the field of dentistry.

126. The noncompetition provision purports to prohibit competition for up to three (3) years, with tolling of that time should the Julians choose to challenge the provision, which is overbroad and unenforceable in length.

127. The noncompetition provision purports to include prohibitions on scope that are also overbroad and unenforceable, preventing the Julians from involvement in the dentistry field in any capacity (not just as an employee performing dental services) within any states where the "Service Recipient" (defined as the Management Company together with any and all affiliated, subsidiary, partner, joint venture, designated, contracted, and/or associated group practices, and/or business corporations affiliated and/or designated practice(s)/business corporation(s) including successor(s) and permitted assignee(s)) or its affiliates operate a dental practice.

128. The term “Service Recipient” could be interpreted in an overly broad manner so as to include Savani, individually, and his company ADMG, which are associated, affiliated, own, or contract with dental practices throughout the continental United States, thereby effectively prohibiting the Julians from engaging in his profession as a dentist in many areas, if not all, of the continental United States. Such restriction is extreme in scope, would seriously impair the Julians’ ability to practice, and creates a limitation covering areas where there would be no conceivable or legitimate competitive effect.

129. J. Julian works primarily at the Dental Retreat location in Travelers Rest, South Carolina, yet the noncompetition provision purports to cover the entire state of South Carolina and beyond.

130. B. Julian works primarily at the Signature Smiles location in Greenville, South Carolina, yet the noncompetition provision purports to cover the entire state of South Carolina and beyond.

131. The Service Agreements recognize that the stated scope of the noncompetition provision is overbroad by purporting to include a provision allowing a court or other body to amend the provision to only cover reasonable and enforceable time, area, scope of activity and other restrictions. However, South Carolina law prohibits such modification.

132. The Julians are entitled to a declaratory judgment that the noncompetition provision in the Service Agreement is unreasonable and unenforceable.

**FOR A TENTH CAUSE OF ACTION
(Injunctive Relief)**

133. The foregoing allegations are incorporated herein by reference.

134. Upon information and belief, Savani currently maintains or manages bank and vendor accounts used in the operations of the Management Company and the Group Practice, to which Plaintiffs have no control or restricted access.

135. Upon information and belief, the accounts constitute property belonging to the Group Practice.

136. The Group Practice is entitled to retain those amounts for the payment of its obligations.

137. Upon information and belief, the accounts will be misused or abused without the issuance of an immediate order prohibiting Savani and persons acting under his direction (to include ADMG) from interfering with the Group Practice's use of and access to those accounts for the purpose of continuing business operations through the pendency of this action.

138. The Group Practice has an immediate need to enjoin Savani or any person acting under his direction (to include ADMG) from misusing or abusing the accounts.

139. Upon information and belief, Savani currently control access to payroll administration account, dental software, and insurance claims filing systems currently in use by the Group Practice for continuing business operations.

140. Upon information and belief, access to the payroll administration account, dental software and insurance claims filing systems will be interrupted without the issuance of an immediate order prohibiting Savani and persons acting under his direction (to include ADMG) from restricting Plaintiffs' and the Group Practice's access thereto.

141. Plaintiffs and the Group Practice have an immediate need to enjoin Savani or any person acting under his direction (to include ADMG) from interfering with or restricting access to the payroll administration account, dental software and insurance claims filing systems.

142. The greater injury will result from refusing to grant the requested preliminary injunction and permanent injunction than by granting it.

143. The issuance of a preliminary injunction and permanent injunction will not substantially harm any other interested persons since the accounts in question are for the benefit of the Group Practice and not for the benefit of Savani and his personal or other business interests.

144. Further, ensuring the dental offices within the Group Practice are able to access and use payroll administration accounts, dental practice software, and insurance systems directly benefits the employees working in those locations and the patients served by those locations.

145. Plaintiffs have a substantial likelihood of prevailing on the merits.

146. The preliminary injunction and permanent injunction Plaintiffs seek are reasonably suited to abate Savani's misconduct.

147. The preliminary injunction and permanent injunction will not adversely affect the public interest.

WHEREFORE, Plaintiffs pray for:

(a) relief as hereinabove set forth, including but not limited to:

- (1) an order of dissolution, including *pendente lite* relief, or such alternative relief as may appear equitable to the Court;
- (2) accounting;
- (3) actual damages in excess of \$75,000, together with compensatory, consequential, and punitive damages, with pre-judgment and post-judgment interest thereon at the highest rate allowed by law;

- (5) attorneys' fees, experts' fees, costs, and other litigation expenses to Plaintiffs,
 - (6) declaration that the noncompetition provision in the Service Agreements is void and/or unenforceable;
 - (7) preliminary injunctive relief, and permanent injunctive relief prohibiting Savani from further interfering with accounts necessary for the continued operations of the Group Practice; and
- (b) such other and further relief as to the Court may appear just, equitable, and proper.

Respectfully submitted,

WYCHE, P.A.

s/ Meliah Bowers Jefferson

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June 12, 2020

Attorneys for Plaintiffs

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Management Office Group,
LLC, a limited liability company, proceeding
pursuant to 33-44-1101 by and through its
member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No.: 2020-CP-23-_____

SUMMONS

To: The Defendant(s) Above Named:

You are hereby summoned and required to answer the Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your answer to the Complaint upon the subscriber at 24 Cleveland Street, Suite 100, Greenville, SC 29601, within thirty (30) days after the service hereof, exclusive of the day of such service. If you fail to answer the Complaint within that time, a judgment by default will be rendered against you for the relief demanded in the Complaint.

BANNISTER, WYATT & STALVEY, LLC

Dated: August 18, 2020

s/Luke A. Burke

Bruce W. Bannister (SC Bar # 15679)

Luke A. Burke (SC Bar # 100033)

24 Cleveland Street, Suite 100 (29601)

P. O. Box 10007 (29603)

Greenville, South Carolina

Ph: (864) 298-0084; Fax: (864) 298-0146

Attorneys for the Plaintiff

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Management Office Group, LLC, a limited liability company, proceeding pursuant to 33-44-1101 by and through its member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No.: 2020-CP-23-_____

VERIFIED COMPLAINT

Plaintiff, Greenville Dental Management Office Group, LLC (“Plaintiff”) bringing this derivative shareholder action by and through its member, Bhaskar Savani, D.M.D. against Defendants, Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A., (collectively “Defendants”) alleges as follows:

JURISDICTION AND VENUE

1. Greenville Dental Management Office Group, LLC (“Management Company”) is a limited liability company organized pursuant to the laws of South Carolina with its principle place of business in Greenville County, South Carolina.

2. Bhaskar Savani (“Savani”), Jon Julian (“Jon”), and Blake Julian (“Blake”) are the only three members of Management Company.

3. Greenville Dental Management Group, P.A. (“Clinical Company”) is a corporation incorporated pursuant to the laws of South Carolina with its principle pace of business in Greenville, South Carolina.

4. Upon information and belief, Jon and Blake are the only shareholders of Clinical Company.

5. Upon information and belief, Jon Julian, D.D.S., is a citizen and resident of Greenville County, South Carolina.

6. Upon information and belief, Blake Julian, D.D.S., is a citizen and resident of Greenville County, South Carolina.

7. All events complained of herein occurred in Greenville County, South Carolina.

8. Accordingly, this Court has subject matter jurisdiction over the matters alleged herein and personal jurisdiction over the parties, and venue is proper in the Court of Common Pleas for Greenville County.

FACTUAL BACKGROUND

9. On June 26, 2017, Savani, Jon, and Blake, along with other associated parties, executed a Memorandum of Understanding (“the MOU”), attached as **Exhibit A**.

10. Clinical Company and Management Company were created pursuant to the MOU.

11. Management Company was formed to own all tangible assets of Clinical Company including business assets of Jon and Blake. These tangible assets incorporated Jon’s and Blake’s contributions to Management Company.

12. As Savani’s contribution to Management Company, he was required to commit active dental practices acquired by Savani in the region that would have a direct clinical directorship commitment by either Jon or Blake.

13. Defendants have breached the MOU as detailed more fully below.

14. On June 26, 2017, Jon executed a Service Agreement for Independent Contractor (“Service Agreement”), attached as **Exhibit B**, to provide services to Management Company.

15. On June 26, 2017, Blake executed a similar Service Agreement with Management Company, attached as **Exhibit C**.

16. Jon and Blake have breached their respective Service Agreements as detailed more fully below.

17. Savani owns 40%, Jon owns 36%, and Blake owns 24% of Management Company.

18. On August 12, 2020, by letter from Savani's counsel to counsel for Defendants, Savani requested assurance that Defendants would fulfill their duties and obligations under the MOU and Service Agreements.

19. On August 17, 2020, Defendants responded by letter that Jon and Blake will not fulfill their duties and obligations under their respective Service Agreements and that the Defendants refuse to fulfill their obligations under the MOU.

20. Based on the ownership interest and management structure of Management Company, it is not possible to secure initiation of this action without Jon's or Blake's consent. Therefore, it is necessary to bring this action as a derivative action.

FOR A FIRST CAUSE OF ACTION AS TO ALL DEFENDANTS
BREACH OF CONTRACT

21. Plaintiff re-alleges and incorporates all paragraphs above as if set forth fully herein.

22. The parties to the MOU created Management Company and intended for it to be a third-party beneficiary of the MOU.

23. Paragraph 4 of the MOU states:

Clinical Company shall assign to [Management Company] all collections for clinical services rendered by Clinical Company dental professionals and all revenues derived from dental related

sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to [Management Company]. All other related expenses shall be paid by [Management Company] and net profits, if any, shall be distributed to members of [Management Company] in accordance with this MOU and the Operating Agreement of [Management Company].

24. Since at least April 1, 2020, Defendants have not been depositing revenues with Management Company pursuant to Paragraph 4 of the MOU.

25. Since June 27, 2017, Defendants have not deposited all revenues from professional education seminars, lectures and course materials with Management Company.

26. Paragraph 11(b) of the MOU states:

[Management Company] will enter into an exclusive Business Services Agreement with Clinical Company pursuant to which [Management Company] will provide substantially all non-clinical management services, all administrative services and vendor selection for lab, equipment, billing software, hardware and supply (dental and office) to Clinical Company as well as doing the billing and collections and providing the dental software (Dentaweb). [Management Company] will pay all non-payroll related expenses of Clinical Company and provide revenue cycle management services. It is understood and agreed that [Management Company] will engage Dentaweb services for billing and revenue cycle management software at an initial rate of five percent (5%) of gross collections and corporate services from ADMG (and/or its affiliated or designated entities) at an initial rate of three and one-half percent (3.5%) of gross collections. [Management Company] shall retain Dentaweb and ADMG (and/or its affiliated or designated entities) for the above-mentioned services for as long as Savani has an equity interest in Clinical Company and/or [Management Company]. [Management Company] will also use other preferred vendors, if Clinical Company requests in writing that a vendor be substituted for a preferred vendor, [Management Company] will review overall pricing of that vendor and determine whether that vendor is more satisfactory in price and service than the preferred vendor of [Management Company]. [Management Company] shall have the option to match the price of any other vendors for comparable items. Clinical Company shall not engage in business at any other locations without the express written

consent of [Management Company]. Clinical Company will pay to [Management Company] service fees on a monthly basis to [Management Company] up to the maximum fees, based upon total collection/revenue minus office level payroll and doctor compensation, as further defined in the Business Service Agreement to be entered into between Clinical Company and [Management Company].

27. Since June 27, 2017, Defendants have not complied with the fees and costs required by Paragraph 11(b).

28. Since at least April 1, 2020, Defendant have refused to allow Management Company to provide management and administrative services pursuant to Paragraph 11(b).

29. Until Defendants wrongfully appropriated management services, Management Company performed its obligations pursuant to the MOU.

30. Defendants' actions constitute a breach of the MOU.

31. Defendants' breach of the MOU has caused substantial damage to Plaintiff.

32. Plaintiff has been damaged by Defendants' breach of the MOU in an amount to be determined at trial.

FOR A SECOND CAUSE OF ACTION AS TO DEFENDANTS
JON JULIAN AND BLAKE JULIAN
BREACH OF CONTRACT

33. Plaintiff re-alleges and incorporates all paragraphs above as if set forth fully herein.

34. Management Company is the Service Recipient in both Jon's and Blake's Services Agreements.

35. Jon and Blake are the Contractor in their respective Service Agreement.

36. Paragraph 16 of both Service Agreements states:

Contractor shall provide services as long as he remains an equity holder of the Service Recipient and any and all affiliated

companies/professional corporations. Provided, however, that in the event of a substantial sale of Service Recipient and its affiliated companies/professional corporations. Contractor shall, if required by purchaser, continue to provide services hereunder for a reasonable period of time, subject to negotiations with purchaser.

37. Jon and Blake continue to be members and equity holders of Management Company; and, therefore, the term of their Service Agreements remains in effect.

38. Paragraph 8 of both Service Agreements states:

Contractor hereby assigns and transfers all right, title and interest in all income, receivables and charges for the Services to Service Recipient subject to Contractor's right to receive compensation from Service Recipient as set forth in Section 9 below. Contractor expressly authorizes and assigns to Service Recipient the right to payment from patients and third party payors and authorizes the deposit of receipts received either from patients or third party payors into Service Recipient's bank account. In the event that payment is made directly to Contractor or his or her affiliated entities for Services rendered on behalf of Service Recipient pursuant to this Agreement, Contractor shall assign these proceeds by endorsement of checks or by electronic transfer of funds to Service Recipient's account within seven (7) days of the receipt. Failure to remit shall be deemed as a material breach of this Agreement and any Compensation due Contractor shall be subject to set-off or withholding pursuant to this Agreement.

39. Since at least April 1, 2020, Jon and Blake have not been assigning or transferring proceeds received by them to Management Company.

40. Paragraph 1 of both Service Agreements states:

Subject to the terms and conditions of this Agreement, Service Recipient hereby retains and engages Contractor, and Contractor accepts this engagement with Service Recipient to render general dentistry services, including but not limited to preventative dentistry, restorative dentistry, endodontics, oral surgery, orthodontics, periodontics, and any other relevant dental services, to the patients of Service Recipient (collectively, the "Services"). Contractor acknowledges that he or she will be providing the Services at offices owned or leased by Service Recipient. Contractor shall perform the Services at such locations affiliated and/or contracted with Service Recipient as may be reasonably

required from time to time.

41. Paragraph 2 of both Service Agreements states:

Contractor acknowledges that he or she is in control of his or her schedule and agrees to provide the Services pursuant to this Agreement during normal business days and hours, consistent with the needs of the Service Recipient and subject to participating insurance company's policy on emergency and continuation of care coverage.

42. There are four dental offices affiliated and/or contracted with Management Company: (1) Travelers Rest, (2) Greenville, (3) Taylors, and (4) Columbia-Brown.

43. Jon and Blake are required to “render general dentistry services, including but not limited to preventative dentistry, restorative dentistry, endodontics, oral surgery, orthodontics, periodontics, and any other relevant dental services, to the patients” at these offices.

44. There is no dentist or staff rendering these services at the Taylors office and, according to Defendants, the staffing at the Columbia-Brown office is “tenuous at best.”

45. However, Jon and Blake have refused to render services required by their Service Agreements.

46. Jon’s and Blake’s actions constitute a breach of their respective Service Agreements.

47. Jon’s and Blake’s breach of their respective Service Agreements has caused substantial damage to Plaintiff.

48. Plaintiff has been damaged by Jon’s and Blake’s breach of their respective Service Agreements in an amount to be determined at trial.

WHEREFORE, Plaintiff respectfully requests the following relief:

- 1) Judgment against Defendants for actual damages;

- 2) Judgment against Defendants for attorneys' fees and costs;
- 3) Judgment against Defendants for pre-judgment interest; and
- 4) Such other and further relief as this Court may deem proper.

BANNISTER, WYATT & STALVEY, LLC

Dated: August 18, 2020

s/Luke A. Burke
Bruce W. Bannister (SC Bar # 15679)
Luke A. Burke (SC Bar # 100033)
24 Cleveland Street, Suite 100 (29601)
P. O. Box 10007 (29603)
Greenville, South Carolina
Ph: (864) 298-0084; Fax: (864) 298-0146
Attorneys for the Plaintiff

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management Group,
LLC, a limited liability company, proceeding
pursuant to 33-44-1101 by and through its
member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No.: 2020-CP-23-03922

AMENDED SUMMONS

To: The Defendant(s) Above Named:

You are hereby summoned and required to answer the Amended Complaint in this action, a copy of which is herewith served upon you, and to serve a copy of your answer to the Amended Complaint upon the subscriber at 24 Cleveland Street, Suite 100, Greenville, SC 29601, within thirty (30) days after the service hereof, exclusive of the day of such service. If you fail to answer the Amended Complaint within that time, a judgment by default will be rendered against you for the relief demanded in the Amended Complaint.

BANNISTER, WYATT & STALVEY, LLC

Dated: August 27, 2020

s/Luke A. Burke

Bruce W. Bannister (SC Bar # 15679)

Luke A. Burke (SC Bar # 100033)

24 Cleveland Street, Suite 100 (29601)

P. O. Box 10007 (29603)

Greenville, South Carolina

Ph: (864) 298-0084; Fax: (864) 298-0146

Attorneys for the Plaintiff

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management Group, LLC, a limited liability company, proceeding pursuant to 33-44-1101 by and through its member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No.: 2020-CP-23-03922

VERIFIED AMENDED COMPLAINT

Plaintiff, Greenville Dental Office Management Group, LLC (“Plaintiff”) bringing this derivative shareholder action by and through its member, Bhaskar Savani, D.M.D. against Defendants, Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A., (collectively “Defendants”) alleges as follows:

JURISDICTION AND VENUE

1. Greenville Dental Office Management Group, LLC (“Management Company”) is a limited liability company organized pursuant to the laws of South Carolina with its principle place of business in Greenville County, South Carolina.

2. Bhaskar Savani (“Savani”), Jon Julian (“Jon”), and Blake Julian (“Blake”) are the only three members of Management Company.

3. Greenville Dental Management Group, P.A. (“Clinical Company”) is a corporation incorporated pursuant to the laws of South Carolina with its principle pace of business in Greenville, South Carolina.

4. Upon information and belief, Jon and Blake are the only shareholders of Clinical Company.

5. Upon information and belief, Jon Julian, D.D.S., is a citizen and resident of Greenville County, South Carolina.

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12. As Savani’s contribution to Management Company, he was required to commit active dental practices acquired by Savani in the region that would have a direct clinical directorship commitment by either Jon or Blake.

13. Defendants have breached the MOU as detailed more fully below.

14. On June 26, 2017, Jon executed a Service Agreement for Independent Contractor (“Service Agreement”), attached as **Exhibit B**, to provide services to Management Company.

15. On June 26, 2017, Blake executed a similar Service Agreement with Management Company, attached as **Exhibit C**.

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consent of [Management Company]. Clinical Company will pay to [Management Company] service fees on a monthly basis to [Management Company] up to the maximum fees, based upon total collection/revenue minus office level payroll and doctor compensation, as further defined in the Business Service Agreement to be entered into between Clinical Company and [Management Company].

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29. Until Defendants wrongfully appropriated management services, Management Company performed its obligations pursuant to the MOU.

30. Defendants' actions constitute a breach of the MOU.

31. Defendants' breach of the MOU has caused substantial damage to Plaintiff.

32. Plaintiff has been damaged by Defendants' breach of the MOU in an amount to be determined at trial.

FOR A SECOND CAUSE OF ACTION AS TO DEFENDANTS
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companies/professional corporations. Provided, however, that in the event of a substantial sale of Service Recipient and its affiliated companies/professional corporations. Contractor shall, if required by purchaser, continue to provide services hereunder for a reasonable period of time, subject to negotiations with purchaser.

37. Jon and Blake continue to be members and equity holders of Management Company; and, therefore, the term of their Service Agreements remains in effect.

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required from time to time.

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44. There is no dentist or staff rendering these services at the Taylors office and, according to Defendants, the staffing at the Columbia-Brown office is “tenuous at best.”

45. However, Jon and Blake have refused to render services required by their Service Agreements.

46. Jon’s and Blake’s actions constitute a breach of their respective Service Agreements.

47. Jon’s and Blake’s breach of their respective Service Agreements has caused substantial damage to Plaintiff.

48. Plaintiff has been damaged by Jon’s and Blake’s breach of their respective Service Agreements in an amount to be determined at trial.

WHEREFORE, Plaintiff respectfully requests the following relief:

- 1) Judgment against Defendants for actual damages;

- 2) Judgment against Defendants for attorneys' fees and costs;
- 3) Judgment against Defendants for pre-judgment interest; and
- 4) Such other and further relief as this Court may deem proper.

BANNISTER, WYATT & STALVEY, LLC

Dated: August 27, 2020

s/Luke A. Burke
Bruce W. Bannister (SC Bar # 15679)
Luke A. Burke (SC Bar # 100033)
24 Cleveland Street, Suite 100 (29601)
P. O. Box 10007 (29603)
Greenville, South Carolina
Ph: (864) 298-0084; Fax: (864) 298-0146
Attorneys for the Plaintiff

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding ("MOU") made this 26 day of June, 2017, by, between and among **Dr. Jon Julian** and his solely owned professional corporations, including: **The Dental Retreat at Mountain Park, LLC; the business formerly known as Northstar Dental Education for Dental Professionals** (collectively and individually referred to as "J. Julian"); **Dr. Blake Julian** and his solely owned professional corporations, including: **Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry** (collectively and individually referred to as "B. Julian"); **Dr. Bhaskar M. Savani** or his designated entity (collectively and individually referred to as "Savani"); and **American Dental Management Group, LLC, a Pennsylvania Limited Liability Company** and its affiliated entities (collectively "ADMG"). The parties hereto, memorialize their understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements and provide as follows:

1. BACKGROUND. Greenville Dental Office Management Group, LLC, or such other entity name as shall be agreed to by the parties, ("Clinical Company") is being formed to provide the clinical practice of dentistry at dental office locations in the Greenville- Spartanburg, South Carolina and any other mutually agreed area locations (the "region"), including the existing practice locations known as The Dental Retreat at Mountain Park, 125 Botanical Circle, Travelers Rest, South Carolina 29690; Signature Smiles Family Dentistry, 6 Cleveland Court, #B, Greenville, South Carolina, 29607, and such other locations as shall be agreed by the parties (collectively the "Practice") as well as the business owned by J. Julian and formerly known as Northstar Dental Education for Dental Professionals ("Northstar"). The ownership interest of the Clinical Company shall be divided as follows:

J. Julian: thirty six percent (36%)
B. Julian: twenty four percent (24%)
Savani: forty percent (40%)

Each of the above members shall be the Dental Directors of the Clinical Company. Greenville Dental Management Group, LLC (GDMG) shall be formed to own all the tangible assets of the Clinical Company including business assets of J. Julian and B. Julian, ("Julian Contribution") including, but not limited to, the furniture and equipment and the rights to the patient lists and patients' information, but not the patients' charts which shall remain the property of the Clinical Company. Savani shall commit to GDMG active dental practices acquired by Savani in the region that will have direct clinical directorship commitment by either J. Julian or B. Julian ("Savani Contribution") with verified Practice Gross Revenues that when combined with verified Practice Gross Revenue of the Julian Contribution calculated over the trailing twelve months ("TTM") shall equal a maximum of forty percent (40%) of the total Julian and Savani Contributions, in accordance with the formula set forth in **"EXHIBIT-A"**. When Savani acquires first practice in the region, all practice assets of the Julian and Savani Contributions will be transferred to GDMG. The equity interest and profit sharing of GDMG shall be allocated as follows: J. Julian, thirty-six percent (36%); B. Julian twenty-four percent (24%); and Savani forty percent (40%). The corporate office of GDMG shall be located at 401 Commerce Drive, Suite 108, Fort Washington, PA 19034. At all times Savani shall be a Managing Member of GDMG and shall have equal voting rights to the

combined voting rights of J. Julian and B. Julian, regardless of their respective equity interests. The parties desire to define and restrict the transfer of ownership of the Clinical Company and GDMG; to set forth the understanding as to professional services and compensation for services rendered by J. Julian and B. Julian; and the share of profits and the contribution and participation of the parties as equity holders in the Clinical Company and GDMG.

2. TYPE OF ENTITIES. Greenville Dental Office Management Group, LLC to be formed as a South Carolina Professional Limited Liability Company doing business as The Dental Retreat at Mountain Park and Signature Smiles Family Dentistry. Greenville Dental Management Group, LLC to be formed as a South Carolina Limited Liability Company. American Dental Management Group, LLC, is a Pennsylvania Limited Liability Company.

3. OPERATING AGREEMENTS. The parties shall enter into Operating Agreements ("Operating Agreements") for both the Clinical Company and GDMG. The Operating Agreements will impose mutual transfer restrictions and rights of first refusal. No party will be permitted to sell or assign any portion of his/its interest in Clinical Company or in GDMG without the express written unanimous consent of the members of GDMG. If mutually agreed by all parties, and if a party wishes to sell his/its interest and has a qualified purchaser, the selling member shall give the right of first refusal to the other members on the same terms and conditions given to qualified purchaser. Provided, however, that unless the members otherwise agree, no offer made by a qualified purchaser shall be considered unless it is eight (8) times the Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") for the trailing twelve month period. Selling member shall give the other member(s) the right of first refusal ("ROFR") and shall also be required to offer the other member(s) the option of selling his/its shares to the qualified purchaser on the same terms and conditions ("tag-along rights"). Said options shall expire if not accepted within thirty (30) days from the date of full disclosure of the offer.

In the event J. Julian or B. Julian terminates his professional services to Clinical Company or fails to provide reasonable dental and/or management services to Clinical Company or fails to cooperate in the transition of Clinical Company in the event of a merger or sale, or if he desires to relinquish his interest voluntarily ('disqualified member'), and GDMG is, within a reasonable period of time, unable to transition the Practice and its insurance contracts to another qualified dentist who can operate the Practice in substantially the same manner, then Savani or his designee shall have the right to purchase the disqualified member's interest in Clinical Company for One Dollar (\$1.00) and disqualified member's interest in GDMG for an amount equal to the balance of the disqualified member's capital contribution. This right to purchase shall not however be triggered upon death or disability. In the event of the death or disability, the buy-out amount shall be based upon the book value of the Clinical Company and GDMG as determined by an independent appraiser selected by an unbiased third party or by mutual agreement of the interested parties. GDMG shall have six (6) months to pay the buy-out amount. Provided, however, that the member shall not be relieved from any liability to GDMG by reason of his indebtedness to GDMG or damages incurred by GDMG as a result of his voluntarily or involuntarily termination. Any buy-out amount, including for death or disability, to which a member may be entitled would first have to be applied to the member's share of liability for any outstanding loans/borrowing owed by GDMG and the

remaining balance shall be distributed in accordance with the member's proportionate share.

Unanimous consent of the members of GDMG shall be required for following:

- (i) Sale or merger of Clinical Company/GDMG or substantially all of Clinical Company's/GDMG's assets
- (ii) Opening or closing any offices of Clinical Company
- (iii) Incurring any debt (other than accounts payable in the ordinary course of business)
- (iv) Issuing or redeeming any membership interest.

4. **ASSIGNMENT OF COLLECTIONS.** Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. **LEASE AND EQUIPMENT.** GDMG shall secure leases for the initial Practice locations and future locations and sublet the Practice location to Clinical Company at current market rates. GDMG shall provide to Clinical Company, as part of its lease arrangement, all the dental office "fit-out", equipment, furniture, fixtures, tools and supplies (collectively "Practice assets") necessary to operate the Practice. All of the Practice assets shall remain the property of GDMG.

6. **WORKING CAPITAL.** GDMG shall at all times maintain three-months' working capital (based upon average monthly overhead/expense/liability of Clinical Company) in operating the Practice. No party shall take a draw, compensation or share of profits unless Clinical Company/GDMG has sufficient funds in excess of three months' working capital.

7. **PRACTICE CAPITALIZATION, DEBT, AND ADDITIONAL BORROWING.**

(a) **Practice Capitalization:** GDMG and its members shall use their best efforts to borrow from a bank or other financial institution to secure the funds as needed to fully capitalize the project for future acquisitions.

(b) **Savani Commitment:** The Parties acknowledge that Savani's contribution is contingent upon his ability to utilize current lines of credit to acquire dental practices in the region. If he is unable to secure that financing within six months, he shall have the option to withdraw or to continue to participate in proportion to the equity contributed by him or as the parties shall agree.

8. **PROFITS AND LOSSES.** Each party who is a member shall be entitled to a proportionate share of the Net Profits or deduction for losses per year, as permitted by law and in accordance with the provisions of this MOU. "Net Profits" shall be as defined in **"EXHIBIT-B"** attached hereto. Net Profits shall be calculated on a quarterly basis. The parties agree to reserve at least five percent (5%) of gross annual revenues for future expansion and acquisition of additional Practice locations prior to calculation and/or distribution of the profits.

9. **SERVICE AGREEMENTS.** J. Julian and B. Julian as a Dental Director of Clinical Company will be subject to non-solicitation provisions pertaining to customers and vendors and the non-compete provisions as more specifically set forth in the Service Agreement. The Service Agreement will include confidentiality provisions and other standard protections regarding trade secrets. In the event of a sale or merger of the Practice, and if required by the purchaser or successor, either J. Julian, B. Julian or both will remain as Dental Director until such time as the patients and the insurance contracts have been transitioned to the successor. The Service Agreement shall be in the form marked **"EXHIBIT-C"** attached hereto. J. Julian will receive a maximum compensation of Six Hundred Thousand Dollars (\$600,000.00) per annum for full-time professional dental services and educational training seminars. B. Julian will receive a maximum compensation of Four Hundred Thousand Dollars (\$400,000.00) per annum for full-time professional dental services.

10. **RESTRICTIVE COVENANTS (NON-COMPETE).** During the time that J. Julian or B. Julian is a Dental Director and/or member of Clinical Company he or they will not practice outside of GDMG affiliated practices and also abide by the conditions imposed during exit or separation.

11. **MANAGEMENT AGREEMENTS-ADMG/GDMG**

(a) **Project Manager.** ADMG (and/or its affiliated or designated entities) will be the project manager and purchasing agent for the construction project for future projects of the GDMG. It is understood that the cost for completion of the work at the Practice location will be fair and reasonable (at wholesale prices) and shall be paid to ADMG by Clinical Company/GDMG. Any future improvement or new construction required by Clinical Company shall be offered to ADMG. If requested in writing by GDMG, ADMG shall submit a proposal for the cost of thereof. GDMG shall have the option to get competitive bids/quotes for equivalent materials and equipment (matching brand and specifications). ADMG shall have option to meet any competitive bids/quotes, which are equal to or less than ADMG's proposal, and to perform the work.

(b) **Management Agreement.** GDMG will enter into an exclusive Business Services Agreement with Clinical Company pursuant to which GDMG will provide substantially all non-clinical management services, all administrative services and vendor selection for lab, equipment, billing software, hardware and supply (dental and office) to Clinical Company as well as doing the billing and collections and providing the dental software (Dentaweb). GDMG will pay all non-payroll related expenses of Clinical Company and provide revenue cycle management services. It is understood and agreed that GDMG will engage

Dentaweb services for billing and revenue cycle management software at an initial rate of five percent (5%) of gross collections and corporate services from ADMG (and/or its affiliated or designated entities) at an initial rate of three and one-half percent (3.5%) of gross collections. GDMG shall retain Dentaweb and ADMG (and/or its affiliated or designated entities) for the above-mentioned services for as long as Savani has an equity interest in Clinical Company and/or GDMG. GDMG will also use other preferred vendors, if Clinical Company requests in writing that a vendor be substituted for a preferred vendor, GDMG will review overall pricing of that vendor and determine whether that vendor is more satisfactory in price and service than the preferred vendor of GDMG. GDMG shall have the option to match the price of any other vendors for comparable items. Clinical Company shall not engage in business at any other locations without the express written consent of GDMG. Clinical Company will pay to GDMG service fees on a monthly basis to GDMG up to the maximum fees, based upon total collection/revenue minus office level payroll and doctor compensation, as further defined in the Business Service Agreement to be entered into between Clinical Company and GDMG.

(c) **Marketing.** GDMG shall provide marketing services to the Clinical Company provided, however, that Clinical Company must unanimously approve group-marketing expenses that exceed \$10,000.00 per year charged to Clinical Company. Web based marketing including but not limited to web search engine optimization and website design & creation, maintenance and central referral services such as referrals from myfamilydentalcare.com or central call center shall not be considered as a group-marketing and cost shall be borne independently by the Clinical Company.

12. **PARTICIPATION IN DENTAL PLANS.** Clinical Company agrees that if requested by GDMG, Clinical Company shall accept dental plans including but not limited to Blue Shield, Delta, Aetna, United Concordia, Guardian, MetLife, HMO, DMO, Government Funded Plans, Plans run by Local Unions, Discount Dental Plans (including PresiDental Plan) and any other plans that Clinical Company agrees to comply with all the regulatory requirements including but not limited to providing credentialing updates to the insurance companies. While GDMG may assist in obtaining proper credentialing, Clinical Company agrees that it is solely responsible for obtaining credentialing and for informing GDMG as to the rendering provider's name for billing purposes. Clinical Company acknowledges that the credentialing process may be delayed by the dental plan in which Clinical Company seeks participation, GDMG shall have no responsibility whatsoever for any delay in credentialing process. Until such time any other doctors get fully credentialed and/or is able to bill under the dental plan and to the extent permitted under the applicable insurance contract or by law, J. Julian and B. Julian authorize the Clinical Company to bill for services under his name as the rendering provider/supervising dentist if credentialed and he shall be responsible to supervise any doctors who are undergoing credentialing process and working at Practice so that the continuation of patient care can be maintained. If J. Julian or B. Julian or his professional corporation is a contracting provider and is participating with an insurance or other dental plan at Practice location, he assigns to Clinical Company all insurance proceeds, capitation credits, patient and third-party payments attributable to services performed under this or any other Service Agreement entered into by the parties and authorizes

Clinical Company to deposit all funds in Clinical Company's account for disbursement in accordance with the Business Service Agreement.

13. ABSENCE OF PRIOR TRADE SECRET AND COMPETITION RESTRICTIONS. Each party represents that he is under no restrictions relevant to the fulfillment of his duties to the Clinical Company, whether by virtue of former employment, business dealings or otherwise, with regard to trade secrets he may possess or anti-competition restrictions to which he may be subject. Should he be required to defend or be joined in any claim or litigation, occurred on or after the effective date of this agreement, concerning alleged anti-competitive restrictions upon him or the Clinical Company, the Clinical Company shall provide the defense of all such claims and shall be reimbursed and indemnified by him thereafter.

14. NO ASSIGNMENT. This Agreement may not be assigned without the written consent of all parties.

15. AMENDMENTS AND WAIVERS. This Agreement represents the exclusive statement of the entire Agreement between the parties concerning the subject matter hereof and may not be amended, or revoked in whole or in part, except by written agreement of the parties hereto. Any waiver of any provision of this Agreement must be in writing, signed by the party to be charge therewith, and a waiver on any occasion shall not be construed as a bar or waiver of any such right or remedy on any future occasion unless the waiver specifically provides otherwise.

16. SPECIFIC AMENDMENTS CONTROL. It is understood that the parties shall enter into specific agreements and that this MOU sets forth the general understanding of the parties. The terms and provisions of the specific agreements shall be deemed controlling unless stated otherwise.

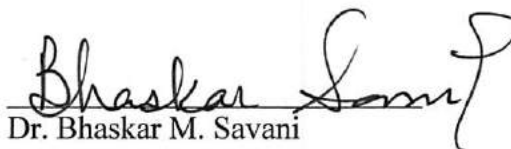
17. ARBITRATION. Any controversy or claim arising out of or relating to this MOU shall be resolved by a mutually agreed upon mediator and if the parties cannot agree upon a mediator, the dispute shall be submitted to arbitration by a single arbitrator administered by the American Arbitration Association or a mutually agreed upon Alternative Dispute Resolution.

(End of Text Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.



Dr. Jon Julian, individually and on behalf of The Dental Retreat at Mountain Park, LLC and Northstar Dental Education for Dental Professionals, LLC



Dr. Bhaskar M. Savani



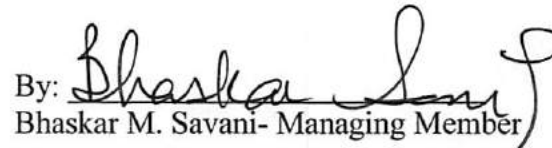
Dr. Blake Julian, individually and on behalf of Signature Smiles, LLC

American Dental Management Group, LLC

Witness:

By:

Name



Bhaskar M. Savani- Managing Member

"EXHIBIT-A"**PRACTICE VALUATION**

The Practice Valuation shall be based upon following agreed formula and conditioned upon Jon Julian and Blake Julian providing banking documentation subject to verification and due diligence as required by Savani's accountant.

Trailing twelve months (TTM) Gross Revenue from Julians' combined dental practices and professional education business less outstanding business debt = Practice Valuation

Savani's commitment shall be to acquire and contribute active dental practices in the region with combined gross revenues which shall be the equivalent of forty percent (40%) of the Total Julian Practice Valuation when combined with the Savani practice contribution.

For Example:

Gross Revenue (TTM):

J. Julian dental practice.....\$2,000,000.00

J. Julian professional education.....100,000.00

B. Julian dental practice.....1,000,000.00

TOTAL GROSS REVENUE.....\$3,100,000.00

Less: Outstanding Business Debt.....-100,000.00

TOTAL JULIAN PRACTICE VALUATION.....\$3,000,000.00

SAVANI PRACTICE CONTRIBUTION @ 40%.....\$2,000,000.00

\$3,000,000.00 divided by .60 = \$5,000,000.00 (Total Combined Contribution)

\$5,000,000.00 multiplied by .40 = \$2,000,000.00 (Savani Contribution)

“EXHIBIT-B”

Net Profit of GDMG shall be calculated as below:

Net Profit: Total Collection – Total expense

Total Collection:

Total collection by the office towards the dental services includes:

- Payment received from the dental insurance companies and any third party reimbursement including financial institution such as Care Credit etc.,
- Payment received from the patient

Total Expenses:

Total expense for the office includes but not limited to the following:

- Payment to professionals for the services to the office (through Clinical Company expense account)
- Payment for the rent/lease etc.
- Employees payroll and benefits (through Clinical Company expense account)
- Marketing and advertising
- Legal fees
- ADMG corporate expense (currently at 3.5% of gross revenue/collection)
- Software and Data Management services by Dentaweb (Currently at 5% of gross revenue/collection)
- Interest on loan
- Office debt any and all
- Office utilities
- Maintenance and repairs
- Office furniture, equipment etc.
- Dental supplies, office supplies etc.
- All other relevant office expenses to run the practice efficiently
- Any and all mutually agreed expenses.

EXHIBIT B
SERVICE AGREEMENT
FOR
INDEPENDENT CONTRACTOR

This Service Agreement (as it may be amended from time to time, this "Agreement") is made and entered into this 26 day of June, 2017, and made effective on 26 day of June 2017 (the "Commencement Date") by and between **Dr. Jon Julian** (hereinafter referred to as "**Contractor**" which expression shall mean and include his or her dental professional corporation and permitted assignee(s)) and **Greenville Dental Office Management Group LLC**, a South Carolina professional limited liability company, (together with any and all affiliated, subsidiary, partner, joint venture, designated, contracted, and/or associated group practices and/or business corporations affiliated and/or designated practice(s)/business corporation(s), collectively the "**Service Recipient**" which expression shall mean and include its successor(s) and permitted assignee(s) of the Service Recipient) with its principal office located at 125 Botanic Circle, Travelers Rest, SC 29690.

RECITALS

- A. Service Recipient contracts with licensed dentists and other personnel to provide dental treatment services.
- B. Service Recipient desires to retain and engage the services of Contractor pursuant to the terms and conditions set forth in this Agreement.
- C. Contractor is a licensed practicing dentist, who is qualified, duly licensed and in good standing under the applicable state laws, or will be so qualified and licensed as of the Commencement Date of this Agreement, who desires to accept the engagement described herein and shall provide dental services to the general public pursuant to the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Services. Subject to the terms and conditions of this Agreement, Service Recipient hereby retains and engages Contractor, and Contractor accepts this engagement with Service Recipient to render general dentistry services, including but not limited to preventative dentistry, restorative dentistry, endodontics, oral surgery, orthodontics, periodontics, and any other relevant dental services, to the patients of Service Recipient (collectively, the "Services"). Contractor acknowledges that he or she will be providing the Services at offices owned or leased by Service Recipient. Contractor shall perform the Services at such locations affiliated and/or contracted with Service Recipient as may be reasonably required from time to time.
2. Coverage. Contractor acknowledges that he or she is in control of his or her schedule and agrees to provide the Services pursuant to this Agreement during normal business days and

Contractor  Service Recipient  1
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hours, consistent with the needs of the Service Recipient and subject to participating insurance company's policy on emergency and continuation of care coverage.

3. License to Practice; Performance Standards. Contractor warrants that he or she is duly qualified and licensed to practice dentistry, or shall be as of the Commencement Date of this Agreement, under the laws of the applicable state(s), and that there are no pending actions against Contractor that would affect his or her license to practice. Contractor covenants and agrees that he or she will remain validly licensed during the term of this Agreement. Contractor further covenants and agrees that he or she will act in accordance with all applicable state and federal statutes and regulations at all times while performing the Services under this Agreement. Nothing herein contained shall be construed to create an employment relationship between Service Recipient and Contractor, it being expressly acknowledged by the parties that Contractor shall be free to perform the professional duties and services required under this Agreement in his or her discretion and that neither Service Recipient nor its office managers or employees shall have any control whatsoever over the professional services/work/skill and determination of Contractor. The Contractor agrees that in performing the duties under this Agreement, Contractor shall perform the highest quality services in the best, professional, and responsible manner and to the extent permitted by the applicable state(s) and the applicable rules of professional ethics as from time to time amended. Contractor's professional duties shall include, but not be limited to, providing competent and satisfactory dental services to Service Recipient's patients. Contractor shall treat all patients, regardless of race, religion, ethnic background, national origin, type of insurance, ability to pay or physical or mental handicap, unless such physical or mental handicap directly interferes with the delivery of appropriate dental treatment. Service Recipient may use third party dental director or compliance monitoring service to monitor the standard of care. Contractor shall agree and abide by Service Recipient's policy and protocol for third party compliance program, policy for independent contractor including but not limited to HIPAA, OSHA, billing etc. Contractor acknowledges that such business policy and protocol implemented by Service Recipient shall not constitute any employment relationship between Contractor and Service Recipient.

4. Office Support; Dental Supplies; Tools & Equipment. Service Recipient will provide Contractor with such office support, equipment and services (such as, without limitation, telephone, heat, light, bookkeeping, and billing and collection) as may be deemed necessary by Service Recipient for the efficient management of the practice. Service Recipient shall, upon request of Contractor, provide dental supplies and tools reasonably necessary to provide dental treatment to patients. Contractor acknowledges that all supplies, tools, and equipment shall remain at all times the exclusive property of Service Recipient and must remain on Service Recipient's premises. Service Recipient shall not assume any liability whatsoever for personal property of Contractor.

5. Support Staff. Service Recipient shall provide to Contractor dental assistants, front desk personnel, receptionists and regular dental assistant ("Auxiliary Personnel"). Any use of expanded function dental assistants and/or dental hygienists ("Dental Professionals") shall be subject to a mutual agreement ("Dental Professionals", and together with "Auxiliary Personnel", are collectively called "Support Staff") to help Contractor accomplish the dental treatment of patients. Such Support Staff may be an employee or independent contractor of Service Recipient; however, Contractor agrees to control, supervise, and be responsible for all services rendered by such Support Staff, and to be responsible for overall clinical training and performance evaluation of such Support Staff. Contractor shall at all times use his or her

independent professional judgment in the treatment of patients and shall be solely responsible for the treatment plan and services rendered under his or her direction. Service Recipient may use third party software for data management and billing services. Contractor shall be solely responsible for the accuracy of all entries made on the charts including, but not limited to, treatment plans and notes, x-rays, insurance coding, log-in and log-out (including routinely changing password), monitoring the data and limiting the personnel who have access to the data. Contractor shall save and hold harmless Service Recipient and its designee(s) from any liability whatsoever arising out of such dental services of Support Staff. Contractor shall be responsible for overall clinical training, supervision and performance evaluation of all dental Support Staff.

6. Billing and Collection. Service Recipient may use third party software for data and billing management services. Service Recipient and their designated agency(ies) shall be Contractor's agent for the purpose of billing, collection and recovery of payments related to the Services performed by Contractor on the premises, and all of the foregoing billing, collection and payments shall be done through the third party agency or employees of Service Recipient and under Service Recipient's group participation accounts and/or Contractor's participation account, such authority to bill and collect payment shall continue after termination of this Agreement for period of time as deemed necessary by Service Recipient for all pending billing. Contractor shall abide by the billing policies and vendor of Service Recipient. Contractor acknowledges and agrees that Service Recipient may utilize the services of a collection agency or retain an attorney for collection purposes on any account that is in default, and Contractor agrees to cooperate in any such collection effort. Service Recipient in its sole discretion shall choose data and practice management software. Contractor agrees to fully cooperate in order to recover billing for Services performed by Contractor, such cooperation shall include providing testimony in a court of law or other forum for dispute resolution. During the term of this Agreement and any extensions thereof, Contractor shall be authorized to access his or her account and to be responsible for verifying and acknowledging entries made into his or her account on a daily, weekly, monthly and yearly basis.

7. Recordkeeping.

(a) Contractor shall keep accurate and timely records, and shall enter patient treatment notes under his or her individual login ID and password for electronic charts/records and signed or initialed for PDF or other paper copies of the charts/records within 24 hours of providing Services. Contractor shall maintain all notes, records, reports, claims, correspondence, and electronic data received from and given to other dentists, dental specialists, physicians, and/or medical professionals relating to care or treatment for a patient of Service Recipient in compliance with applicable healthcare law and regulations. All such records, reports, claims, correspondence, and electronic data shall be entered in the patient chart or data software provided by Service Recipient, and all non-electronic data shall be given to office management staff to be scanned into data software provided by Service Recipient and monitored by Contractor to ensure that data/forms has been properly uploaded, updated and verified as stored in the software by Contractor. Subject to applicable healthcare laws and regulations, all information concerning patients of Service Recipient shall belong to and remain the property of Service Recipient, and shall remain on the premises or data server of Service Recipient.

(b) All patient records are subject to HIPAA, HITECH and State Privacy Laws and regulations. Contractor shall comply with all applicable laws pertaining to the

confidentiality of patient medical and personal records. Contractor authorizes Service Recipient to duplicate patient records and submit any and all records to requesting authorities on behalf of Contractor. Contractor, with written consent of Service Recipient, may have access to any patient records required to render his or her professional services or in connection with a judicial proceeding(s) relating to a patient, during the Service Recipient's normal business hours. All records, reports, claims, correspondence and electronic data shall belong exclusively to the Service Recipient and must remain on the Service Recipient's premises, network and server. Any duplication of patient records and/or electronic data by Contractor shall require the express written consent of Service Recipient and the cost of reproduction shall be borne solely by Contractor for any requesting authorities representing Contractor.

8. Assignment of Income. Contractor hereby assigns and transfers all right, title and interest in all income, receivables and charges for the Services to Service Recipient subject to Contractor's right to receive compensation from Service Recipient as set forth in Section 9 below. Contractor expressly authorizes and assigns to Service Recipient the right to payment from patients and third party payors and authorizes the deposit of receipts received either from patients or third party payors into Service Recipient's bank account. In the event that payment is made directly to Contractor or his or her affiliated entities for Services rendered on behalf of Service Recipient pursuant to this Agreement, Contractor shall assign these proceeds by endorsement of checks or by electronic transfer of funds to Service Recipient's account within seven (7) days of the receipt. Failure to remit shall be deemed as a material breach of this Agreement and any Compensation due Contractor shall be subject to set-off or withholding pursuant to this Agreement.

9. Compensation. Effective as of the Commencement Date, Contractor shall receive annual compensation of **Six Hundred Thousand Dollars (\$600,000.00)** payable on a monthly basis, on or about the 7th working day of each month, provided, however, that Service Recipient has sufficient working capital available to pay three (3) months of ordinary expenses and payroll expenses. Contractor understands and agrees that Service Recipient shall make no withholding of any kind from his or her compensation for tax purposes. Contractor agrees to execute any document needed to confirm his or her reporting status as an independent contractor for tax purposes.

10. Nature of a Relationship. The parties agree and acknowledge that Contractor is associated with Service Recipient only for the purposes and the extent set forth herein, and Contractor's relation to Service Recipient during the Term (as defined below) shall be that of an independent contractor. This Agreement shall not be construed as an agreement of employment or the creation of a partnership or any other form of business entity. Contractor shall not be considered under the provisions of this Agreement, or otherwise, as having an employee status or as being entitled to participate in any employee benefit or welfare plans, arrangements, distributions or other similar benefits which may be provided by Service Recipient to its regular employees. Contractor shall be solely responsible for the means and methods used to perform his or her obligations to Service Recipient. Nothing in this Agreement is intended to or shall be construed to create a joint venture, agency, partnership, employer/employee relationship or any legal or equitable relationship other than that of client and independent contractor. No party hereto, nor the respective agents, members, or employees of such party shall be required to assume or bear any responsibility for the acts or omissions, or any consequence thereof, of the other party or its' agents, members, or employees of such party, except as set forth herein.

Contractor



Service Recipient



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Further, except as otherwise expressly provided in this Agreement, no party hereto, nor the respective agents, members or employees of such party, shall be liable to any third party for any act or omission of the other party in the performance of their respective responsibilities under this Agreement. Each party shall be solely responsible for and shall comply with all state and federal laws pertaining to employment taxes, income withholding, unemployment compensation contributions, and other employment related laws applicable to that party. In the event that Contractor claims employee status in order to benefit from any applicable state or federal laws, Contractor shall indemnify and hold harmless Service Recipient for all charges, expenses and legal fees incurred by Service Recipient in defending any and all claims brought by Contractor.

11. Tax Indemnity. Contractor hereby agrees to indemnify, save and hold harmless Service Recipient and its officers and directors from and against any and all losses, damages, costs, penalties, liabilities and expenses including but not limited to court costs and reasonable attorney's fees, to the extent caused by Contractor's failure to pay federal income taxes or social security taxes, including but not limited to, any unpaid employee withholding taxes, employer payroll taxes or insurance, or interest, penalties or assessments attributable to Contractor's compensation for Services rendered under this Agreement.

12. Insurance. Contractor agrees that he or she will carry professional liability insurance at his or her own expense, in the sum of not less than One Million (\$1,000,000) dollars per claim and Three Million (\$ 3,000,000) dollars in aggregate, covering his or her dental practice under this Agreement. Contractor expressly acknowledges that only he or she and not Service Recipient, is responsible for obtaining at his or her own expense, general liability and disability insurance for the benefit of Contractor. Contractor agrees to add the name of Service Recipient and Service Recipient's business entities as additional insureds, on his or her professional liability insurance policy. Contractor further agrees to provide evidence of professional liability insurance to Service Recipient with the name of Service Recipient's business entities and locations where Service Recipient has provided dental treatment as additional insureds. In the event that Contractor's services under this Agreement are terminated for any reason, Contractor shall continue to provide professional liability insurance to cover claims made after termination against Contractor and/or Service Recipient's business entities, which relate to services, performed by Contractor at the practice locations during the term of this Agreement. If Contractor does not secure and maintain the insurance set forth herein or if Contractor shall not be insurable at the limits set forth, such status may be a basis for immediate termination of this Agreement by Service Recipient. Contractor further confirms that no lawsuit(s) pertaining to Contractor and other lawsuit(s) including any criminal action is/are pending against him or her at present. Contractor agrees that he or she will be responsible for any damages or expenses of any kind arising out of lawsuit(s) not covered under the policy of insurance provided by the Contractor and shall hold Service Recipient and its designee(s) harmless from any and all claims or expenses arising out of any lawsuit resulting from Contractor's action.

13. Participation in Dental Plans. Contractor agrees that if requested by Service Recipient, he or she and/or his or her professional corporation or association will become a participating provider in dental insurances and/or plans including but not limited to Blue Shield, Horizon Health, HealthPlex, Delta, Aetna, United Concordia, Guardian, MetLife, HMO, DMO, Government Funded Plans, Plans run by Local Unions, Discount Dental Plans and any other plans in which Service Recipient may participate from time to time and/or Service Recipient may ask Contractor and/or his or her professional corporation, LLC, or association to participate directly in any plan/insurance as a contracting provider. Contractor agrees to comply with all the

regulatory and contractual requirements of such participation including, but not limited to, providing credentialing updates to the insurance companies. Contractor agrees to provide the Service Recipient in a timely manner with his or her credentials, including, original or certified copies (as required) of all items required by the Service Recipient to verify such credentials. Contractor further agrees to fully cooperate with the Service Recipient's efforts to document and verify Contractor's credentials including, but not limited to, providing the Service Recipient with names, addresses, and telephone numbers of references; promptly completing forms and authorizations as required; providing complete information concerning all claims made against Contractor based upon allegations of professional malpractice; and, if applicable, providing complete information regarding any instance in which Contractor's license to practice dentistry or other professional license, permit, registration, membership, or authorization was revoked, suspended, or otherwise limited. Contractor represents and warrants that all of the information provided by him or her to the Service Recipient regarding his or her credentials, experience, or other qualifications for the position which is the subject of this Agreement, is true and complete to the best of his or her knowledge. Contractor acknowledges that the credentialing process may be delayed by the dental plan in which he or she seeks participation. Contractor agrees that until such time as he or she is fully credentialed and/or is able to bill under the dental plan, he or she authorizes the Service Recipient to bill for his or her services under the name of the participating corporation or the supervising dentist who is credentialed to participate at that location or Service Recipient may, at its discretion, assign or reassign patients to any other participating Contractor or Employee dentist. Until such time as other dentists become fully credentialed, Contractor agrees to act as the supervising dentist and authorizes Service Recipient to bill for dental services under Contractor's name as service provider if Service Recipient deems it necessary for continuation of patient care and in order to provide uninterrupted dental care to the patients of Service Recipient. If Contractor or his or her professional corporation, LLC or association is a contracting provider and is participating with an insurance or other dental plan at Service Recipient's location, Contractor assigns to Service Recipient all insurance proceeds, capitation credits, patient and third-party payments attributable to services performed under this or any other Service Agreement entered into by the parties and authorizes Service Recipient to deposit all funds in Service Recipient's account for disbursement in accordance with Paragraph 9 of this Service Agreement. Contractor shall abide by the terms and conditions of dental plans/insurances including but not limited to continuation of patient care during and after termination in accordance with the termination clause and notice period requirement of said plan or insurance. In the event that the notice period requirement is greater than the notice period set forth in this Agreement, the notice period required by the dental plans/insurances, if greater, shall control.

14. Participation in Marketing Program. Contractor agrees to participate in any marketing program deemed necessary by Service Recipient. Contractor further authorizes the use of his or her name and image(s)/picture(s), logos, and/or that of any corporate or other entity under his or her control, for the duration of the marketing program entered into by Service Recipient or on behalf of Service Recipient. Any marketing program which is specifically created for the purpose of promoting Contractor and/or Contractor's Associate shall be subject to mutual agreement of Contractor and/or Contractor's Associate and Service Recipient and the cost of same shall be allocated among the parties as mutually agreed.

15. Confidentiality. Contractor agrees to keep confidential and not to disclose to others at any time, except as expressly permitted in writing by Service Recipient or by law, any secrets, proprietary or financial information, confidential technology and or process methodology, patient lists or trade secrets of Service Recipient or its employees, or any matter or information

ascertained by Contractor through his or her relationship with Service Recipient, the use or disclosure of which might be construed to be contrary to the best interests of Service Recipient, its shareholders, officers, directors, employees, affiliates and dentists (collectively, the "Confidential Information"). For purposes of this Agreement, the term Confidential Information shall not include information that (i) is or becomes generally available to the public other than a result of a disclosure under this Agreement, (ii) is available to Contractor on a non-confidential basis, or (iii) becomes available to Contractor from a person who Contractor reasonably believes is not otherwise bound by a confidentiality agreement with Service Recipient. Contractor further agrees that upon termination of this Agreement, Contractor will neither take nor retain, without the prior written consent of Service Recipient, any papers, slides, data, records, patient lists, files, computer discs, research data, business plans and marketing studies or other demographic analysis, information regarding payor contracts entered or under consideration by Service Recipient or other documents or copies thereof or other Confidential Information of any kind belonging to Service Recipient pertaining to its business, customers, patients, financial condition or activities. Contractor acknowledges that a remedy at a law for any breach by Contractor of this provision will be inadequate, and Contractor hereby agrees that Service Recipient shall be entitled, without the necessity of posting a bond of cash or otherwise, in injunctive relief in case of any breach in addition to all other relief that may be available to Service Recipient.

16. Term. Contractor shall provide services as long as he remains an equity holder of the Service Recipient and any and all affiliated companies/professional corporations. Provided, however, that in the event of a substantial sale of Service Recipient and its affiliated companies/professional corporations, Contractor shall, if required by purchaser, continue to provide services hereunder for a reasonable period of time, subject to negotiations with purchaser.

17. Contractor's Representations. Contractor represents and warrants that (i) he or she is authorized to reside and work in the United States and has all required rights, authorizations or visas necessary therefore; (ii) this Agreement is not prohibited by or subject to the terms of any non-competition or employment agreement between Contractor and any other person or entity; and (iii) that he or she has no lawsuits of any type pending or threatened against him or her at present.

18. Trade Secrets of Others. Contractor agrees that the terms of this Agreement and his or her retention by Service Recipient do not and will not breach any agreement with a previous employer of Contractor or any agreement to keep in confidence proprietary information, knowledge or data acquired by Contractor in confidence or in trust prior to retention by Service Recipient. Contractor will not disclose to Service Recipient or induce Service Recipient to use any confidential or proprietary information or material belonging to anyone other than its advisors.

19. Restrictive Covenants.

(a) Non-Competition. Contractor agrees that during the term of this Agreement and any extension thereof, and for an additional period of thirty-six (36) months, or such period of time as a court shall deem reasonable, after Contractor's voluntary or involuntary termination, he or she shall not directly or indirectly, own or have a practice of dentistry, as defined in Section 1 herein, within any states where Service Recipient or its affiliates operate a dental practice.

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(b) Reasonableness. Contractor acknowledges that the restraints set forth in the above paragraph are reasonable and necessary for the protection of legitimate business interests of Service Recipient and that this covenant on the part of the Contractor shall be construed as an independent agreement. It is agreed by Service Recipient and Contractor that if any portion of this restrictive covenant is held to be unreasonable, arbitrary or against public policy, these covenants shall be considered to be diminishable both as to time and geographical area, and each month for the specific period shall be deemed a separate period of time and each square mile shall be deemed a separate geographical area and shall remain effective so long as the same is not otherwise unreasonable, arbitrary or against public policy.

(c) Injunctive Relief. The existence of any claim or cause of action by Contractor shall not constitute a defense to the enforcement by Service Recipient of this covenant. Contractor further understands that this covenant may be enforced by the entering of a temporary or permanent injunction.

(d) Governing Law. The laws of the State of South Carolina shall control the interpretation of this restrictive covenant and the parties agree that the courts of South Carolina shall have jurisdiction over the enforcement of this restrictive covenant.

(e) Tolling of Period of Restrictive Covenant. In the event that Service Recipient or its successors in interest shall make application to a court of competent jurisdiction for injunctive relief, then and in that event, the period of the covenants contained herein shall be tolled for a period of time from the commencement of the acts by the Contractor which created the claim for injunctive relief and terminating with the date of final adjudication of the claim for injunctive relief, if granted.

(f) Survival of Covenant. It is further agreed that the applicable above-described covenants and restrictions contained in this Section and all provisions relating thereto shall survive the termination of this Agreement in accordance with and subject to the express terms and conditions of this Agreement.

20. Work Product Assignment. Contractor hereby assigns to Service Recipient all of his or her right, title and interest in and to, and shall disclose promptly to Service Recipient, any and all Work Product. The parties hereto understand that the term Work Product includes, but is not limited to, all work product developed, discovered, improved, authored, derived, invented or acquired by Contractor that: (A) incorporates or reflects any Confidential Information of Service Recipient; (B) is to any extent developed utilizing any computer equipment or software of or licensed to Service Recipient or any supplies, equipment or facilities of or provided by Service Recipient; (C) relates to the business of Service Recipient or Service Recipient's actual or anticipated research and development, client information, or other Confidential Information; or (D) results from any work performed by Contractor for Service Recipient. Contractor shall not use any information, data, Work Product in any form of presentation or publication without express written consent of Service Recipient.

21. Indemnification. Contractor shall indemnify, defend, and reimburse Service Recipient, its directors, officers, employees and any other dentist or dental services entity/entities designated by Service Recipient to perform services at practice locations at which Contractor is the contracting dental provider ("Designee(s)"), and hold them and each of them harmless at all times from all claims, actions, liabilities, judgments, damages, expenses (including without limitation reasonable legal fees and expenses), costs, fees, and losses of any nature incurred by Service Recipient, its directors, officers, employees, or Designees (the "Indemnified Loses"), to the extent such Indemnified Losses arise out of or are attributable to the acts or omissions of

Contractor in the performance of his or her Services under this Agreement or to Contractor's breach of this Agreement.

22. General.

(a) Invalid Provision. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect by a judicial body, such holding shall not affect the validity and enforceability of any other provisions hereof. If the removal of the provisions rendered invalid, unenforceable or void materially alters the obligations of either party in such a manner as to cause serious financial hardship to a party, or causes a party to act in violation of its charter, bylaws, or other governing documents, or in violation of applicable federal, state or local laws or regulations, the party so affected shall have the right to terminate this Agreement upon thirty (30) days prior written notice to the other party. The affected party shall make all reasonable efforts, if requested by the other party, to negotiate amendments to this Agreement that will abrogate the undesirable effects of such statute, regulation or judicial decision. Further, should any provisions within this Agreement ever be reformed or rewritten by judicial body, such provisions as so rewritten shall be binding upon the parties hereto.

(b) Parties Bound. This Agreement shall inure to the benefit of and be binding upon the parties hereto and upon their respective successors in interest of any kind whatsoever.

(c) Notices. All notices required or permitted by this Agreement shall be made in writing and delivered: (a) either by personal delivery or via telecopier of the notice to the parties entitled thereto, or (b) by the mailing of the notice in the United States mail to the last known address of the parties entitled thereto by certified or registered mail, return receipt requested. The notice shall be deemed received in case (a) on the date of its actual receipt by the parties entitled thereto and in case (b) on the date of the return receipt.

(d) Waiver of Breach. The waiver by any party thereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party. No covenant, condition, duty, obligation or undertaking that is part of this Agreement shall be waived, except by the written consent of the party giving such waiver.

(e) Assignment. Service Recipient shall have the right to assign this Agreement and its rights and obligations thereunder to its affiliates, successors, assigns and designee(s), and Contractor agrees to be bound by this Agreement in the event of such assignment. Contractor may not assign or delegate its rights or obligations under this Agreement without the express written consent of Service Recipient or its successor or assign.

(f) Modification. This Agreement supersedes any and all other Agreements, oral or written, between the parties hereto with respect to the matters contained herein and it shall not be modified except in writing and executed by the parties hereto. However, the liabilities, if any, of the Contractor and restrictive covenants under any earlier Agreement shall continue to survive under this Agreement.

(g) Construction; Jurisdiction and Venue.

(i) Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the state courts of the State of South Carolina sitting in Greenville County and to the jurisdiction of the United States District Court for the District of South Carolina for the purpose of any action arising out of or relating to this Agreement, and each of the parties hereto irrevocably agrees that all claims in respect to such action may be heard and determined exclusively in a South Carolina state court sitting in Greenville County or federal court sitting in the State of South Carolina. Each of the parties hereto agrees that a

final judgment in any action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(ii) Each of the parties hereto irrevocably consents to the service of any summons and complaint and any other process in any other action relating to this Agreement or the transactions contemplated hereby, on behalf of itself or its property, by the personal delivery of copies of such process to such party and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action brought in any such court has been brought in an inconvenient forum. Nothing in this Section 23 (g) shall affect the right of any party hereto to serve legal process in any other manner permitted by law.

(iii) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED AGREEMENTS OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF AND THEREOF.

(h) Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original and all of which shall contribute but one and the same instrument. Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission will be deemed the same as delivery of an original. At the request of any party, the parties will confirm facsimile transmission by signing a duplicate original document.

(i) Headings; Interpretation. Paragraph headings used in this Agreement are intended for convenience only and are not intended to alter the meaning of the paragraphs themselves. The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting either gender or neuter forms shall include both genders and the neuter form as the context requires. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning. Unless specifically indicated otherwise, the word "or" is used in the inclusive sense of "and/or" and not the exclusive sense of "either/or."

(j) Survival. Sections 6, 8, 11, 12, 14, 15, 16, 18, 19, 20, 21, and 22, of this Agreement shall survive the termination of the Agreement regardless of the cause giving rise to such termination.

23. Compliance with Laws and Regulations. Each party hereby represents and warrants that, to the best of its knowledge and understanding, all obligations pertaining to and benefits derived under this Agreement are in full compliance with applicable state and federal laws and regulations, including but not limited to all regulations pertaining to the Medicare, Medicaid and other federal or state payors. Each party covenants and agrees to maintain compliance with such applicable laws and regulations, as presently exist and as hereafter are amended, throughout the Term.

24. Force Majeure. No failure or omission of either Contractor or Service Recipient in the performance of any obligation under this Agreement shall be deemed a breach nor create any liability for damages or other relief if the same shall arise from any cause or causes beyond the reasonable control of such party, including acts of God, floods, fires, explosions, storms, earthquakes, acts of public enemy, terrorist acts, wars, rebellions, insurrections, riots, sabotage, invasions, epidemics, quarantines, strikes, lockouts, labor disputes or other industrial

disturbances; or any order, rule, act, action or the withholding of necessary action by any governmental agency; or transportation embargoes or delays, or the reduction or unavoidable delays in deliveries of any product or material; or causes of similar nature. In the event such failure or omission cannot be remedied within thirty (30) days, the party awaiting performance shall have the right, but not the obligation, to terminate this Agreement.

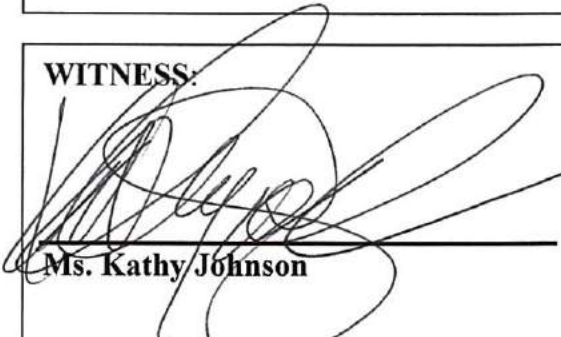
25. Addendum. Additional terms and conditions relating particularly to Contractor's provision of Services under this Agreement are set forth in Addendum A hereto, which is hereby referenced and incorporated into this Agreement as if fully set forth herein.

27. **ACKNOWLEDGMENT.** CONTRACTOR ACKNOWLEDGES THAT THE TERMS OF THIS AGREEMENT HAVE BEEN NEGOTIATED AT ARMS' LENGTH. CONTRACTOR REPRESENTS THAT HE OR SHE HAS READ THE COVENANTS AND RESTRICTIONS CONTAINED IN THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO REVIEW THEM WITH LEGAL COUNSEL, UNDERSTANDS THE FULL EXTENT AND IMPLICATION OF THE TERMS OF THIS AGREEMENT AND KNOWINGLY AND VOLUNTARILY AGREES TO BE BOUND BY SUCH TERMS.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

Contractor:

Dr. Jon Julian

WITNESS:

Ms. Kathy Johnson

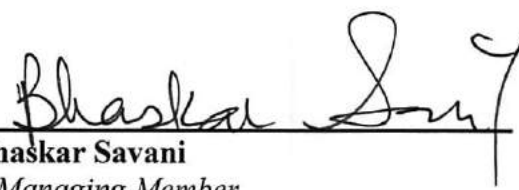
Service Recipient:
**Greenville Dental Office Management
 Group LLC,**
 BY: 
Dr. Bhaskar Savani
Title: Managing Member

EXHIBIT C
SERVICE AGREEMENT
FOR
INDEPENDENT CONTRACTOR

This Service Agreement (as it may be amended from time to time, this "Agreement") is made and entered into this 26 day of June, 2017, and made effective on _____ day of _____ 2017 (the "Commencement Date") by and between **Dr. Blake Julian** (hereinafter referred to as "**Contractor**") which expression shall mean and include his or her dental professional corporation and permitted assignee(s)) and **Greenville Dental Office Management Group LLC, a South Carolina professional limited liability company**, (together with any and all affiliated, subsidiary, partner, joint venture, designated, contracted, and/or associated group practices and/or business corporations affiliated and/or designated practice(s)/business corporation(s), collectively the "**Service Recipient**" which expression shall mean and include its successor(s) and permitted assignee(s) of the Service Recipient) with its principal office located at 125 Botanic Circle, Travelers Rest, SC 29690.

RECITALS

- A. Service Recipient contracts with licensed dentists and other personnel to provide dental treatment services.
- B. Service Recipient desires to retain and engage the services of Contractor pursuant to the terms and conditions set forth in this Agreement.
- C. Contractor is a licensed practicing dentist, who is qualified, duly licensed and in good standing under the applicable state laws, or will be so qualified and licensed as of the Commencement Date of this Agreement, who desires to accept the engagement described herein and shall provide dental services to the general public pursuant to the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Services. Subject to the terms and conditions of this Agreement, Service Recipient hereby retains and engages Contractor, and Contractor accepts this engagement with Service Recipient to render general dentistry services, including but not limited to preventative dentistry, restorative dentistry, endodontics, oral surgery, orthodontics, periodontics, and any other relevant dental services, to the patients of Service Recipient (collectively, the "Services"). Contractor acknowledges that he or she will be providing the Services at offices owned or leased by Service Recipient. Contractor shall perform the Services at such locations affiliated and/or contracted with Service Recipient as may be reasonably required from time to time.
2. Coverage. Contractor acknowledges that he or she is in control of his or her schedule and agrees to provide the Services pursuant to this Agreement during normal business days and

hours, consistent with the needs of the Service Recipient and subject to participating insurance company's policy on emergency and continuation of care coverage.

3. License to Practice; Performance Standards. Contractor warrants that he or she is duly qualified and licensed to practice dentistry, or shall be as of the Commencement Date of this Agreement, under the laws of the applicable state(s), and that there are no pending actions against Contractor that would affect his or her license to practice. Contractor covenants and agrees that he or she will remain validly licensed during the term of this Agreement. Contractor further covenants and agrees that he or she will act in accordance with all applicable state and federal statutes and regulations at all times while performing the Services under this Agreement. Nothing herein contained shall be construed to create an employment relationship between Service Recipient and Contractor, it being expressly acknowledged by the parties that Contractor shall be free to perform the professional duties and services required under this Agreement in his or her discretion and that neither Service Recipient nor its office managers or employees shall have any control whatsoever over the professional services/work/skill and determination of Contractor. The Contractor agrees that in performing the duties under this Agreement, Contractor shall perform the highest quality services in the best, professional, and responsible manner and to the extent permitted by the applicable state(s) and the applicable rules of professional ethics as from time to time amended. Contractor's professional duties shall include, but not be limited to, providing competent and satisfactory dental services to Service Recipient's patients. Contractor shall treat all patients, regardless of race, religion, ethnic background, national origin, type of insurance, ability to pay or physical or mental handicap, unless such physical or mental handicap directly interferes with the delivery of appropriate dental treatment. Service Recipient may use third party dental director or compliance monitoring service to monitor the standard of care. Contractor shall agree and abide by Service Recipient's policy and protocol for third party compliance program, policy for independent contractor including but not limited to HIPAA, OSHA, billing etc. Contractor acknowledges that such business policy and protocol implemented by Service Recipient shall not constitute any employment relationship between Contractor and Service Recipient.

4. Office Support; Dental Supplies; Tools & Equipment. Service Recipient will provide Contractor with such office support, equipment and services (such as, without limitation, telephone, heat, light, bookkeeping, and billing and collection) as may be deemed necessary by Service Recipient for the efficient management of the practice. Service Recipient shall, upon request of Contractor, provide dental supplies and tools reasonably necessary to provide dental treatment to patients. Contractor acknowledges that all supplies, tools, and equipment shall remain at all times the exclusive property of Service Recipient and must remain on Service Recipient's premises. Service Recipient shall not assume any liability whatsoever for personal property of Contractor.

5. Support Staff. Service Recipient shall provide to Contractor dental assistants, front desk personnel, receptionists and regular dental assistant ("Auxiliary Personnel"). Any use of expanded function dental assistants and/or dental hygienists ("Dental Professionals") shall be subject to a mutual agreement ("Dental Professionals", and together with "Auxiliary Personnel", are collectively called "Support Staff") to help Contractor accomplish the dental treatment of patients. Such Support Staff may be an employee or independent contractor of Service Recipient; however, Contractor agrees to control, supervise, and be responsible for all services rendered by such Support Staff, and to be responsible for overall clinical training and performance evaluation of such Support Staff. Contractor shall at all times use his or her

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independent professional judgment in the treatment of patients and shall be solely responsible for the treatment plan and services rendered under his or her direction. Service Recipient may use third party software for data management and billing services. Contractor shall be solely responsible for the accuracy of all entries made on the charts including, but not limited to, treatment plans and notes, x-rays, insurance coding, log-in and log-out (including routinely changing password), monitoring the data and limiting the personnel who have access to the data. Contractor shall save and hold harmless Service Recipient and its designee(s) from any liability whatsoever arising out of such dental services of Support Staff. Contractor shall be responsible for overall clinical training, supervision and performance evaluation of all dental Support Staff.

6. Billing and Collection. Service Recipient may use third party software for data and billing management services. Service Recipient and their designated agency(ies) shall be Contractor's agent for the purpose of billing, collection and recovery of payments related to the Services performed by Contractor on the premises, and all of the foregoing billing, collection and payments shall be done through the third party agency or employees of Service Recipient and under Service Recipient's group participation accounts and/or Contractor's participation account, such authority to bill and collect payment shall continue after termination of this Agreement for period of time as deemed necessary by Service Recipient for all pending billing. Contractor shall abide by the billing policies and vendor of Service Recipient. Contractor acknowledges and agrees that Service Recipient may utilize the services of a collection agency or retain an attorney for collection purposes on any account that is in default, and Contractor agrees to cooperate in any such collection effort. Service Recipient in its sole discretion shall choose data and practice management software. Contractor agrees to fully cooperate in order to recover billing for Services performed by Contractor, such cooperation shall include providing testimony in a court of law or other forum for dispute resolution. During the term of this Agreement and any extensions thereof, Contractor shall be authorized to access his or her account and to be responsible for verifying and acknowledging entries made into his or her account on a daily, weekly, monthly and yearly basis.

7. Recordkeeping.

(a) Contractor shall keep accurate and timely records, and shall enter patient treatment notes under his or her individual login ID and password for electronic charts/records and signed or initialed for PDF or other paper copies of the charts/records within 24 hours of providing Services. Contractor shall maintain all notes, records, reports, claims, correspondence, and electronic data received from and given to other dentists, dental specialists, physicians, and/or medical professionals relating to care or treatment for a patient of Service Recipient in compliance with applicable healthcare law and regulations. All such records, reports, claims, correspondence, and electronic data shall be entered in the patient chart or data software provided by Service Recipient, and all non-electronic data shall be given to office management staff to be scanned into data software provided by Service Recipient and monitored by Contractor to ensure that data/forms has been properly uploaded, updated and verified as stored in the software by Contractor. Subject to applicable healthcare laws and regulations, all information concerning patients of Service Recipient shall belong to and remain the property of Service Recipient, and shall remain on the premises or data server of Service Recipient.

(b) All patient records are subject to HIPAA, HITECH and State Privacy Laws and regulations. Contractor shall comply with all applicable laws pertaining to the

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confidentiality of patient medical and personal records. Contractor authorizes Service Recipient to duplicate patient records and submit any and all records to requesting authorities on behalf of Contractor. Contractor, with written consent of Service Recipient, may have access to any patient records required to render his or her professional services or in connection with a judicial proceeding(s) relating to a patient, during the Service Recipient's normal business hours. All records, reports, claims, correspondence and electronic data shall belong exclusively to the Service Recipient and must remain on the Service Recipient's premises, network and server. Any duplication of patient records and/or electronic data by Contractor shall require the express written consent of Service Recipient and the cost of reproduction shall be borne solely by Contractor for any requesting authorities representing Contractor.

8. Assignment of Income. Contractor hereby assigns and transfers all right, title and interest in all income, receivables and charges for the Services to Service Recipient subject to Contractor's right to receive compensation from Service Recipient as set forth in Section 9 below. Contractor expressly authorizes and assigns to Service Recipient the right to payment from patients and third party payors and authorizes the deposit of receipts received either from patients or third party payors into Service Recipient's bank account. In the event that payment is made directly to Contractor or his or her affiliated entities for Services rendered on behalf of Service Recipient pursuant to this Agreement, Contractor shall assign these proceeds by endorsement of checks or by electronic transfer of funds to Service Recipient's account within seven (7) days of the receipt. Failure to remit shall be deemed as a material breach of this Agreement and any Compensation due Contractor shall be subject to set-off or withholding pursuant to this Agreement.

9. Compensation. Effective as of the Commencement Date, Contractor shall receive annual compensation of **Four Hundred Thousand Dollars (\$400,000.00)** payable on a monthly basis, on or about the 7th working day of each month, provided, however, that Service Recipient has sufficient working capital available to pay three (3) months of ordinary expenses and payroll expenses. Contractor understands and agrees that Service Recipient shall make no withholding of any kind from his or her compensation for tax purposes. Contractor agrees to execute any document needed to confirm his or her reporting status as an independent contractor for tax purposes.

10. Nature of a Relationship. The parties agree and acknowledge that Contractor is associated with Service Recipient only for the purposes and the extent set forth herein, and Contractor's relation to Service Recipient during the Term (as defined below) shall be that of an independent contractor. This Agreement shall not be construed as an agreement of employment or the creation of a partnership or any other form of business entity. Contractor shall not be considered under the provisions of this Agreement, or otherwise, as having an employee status or as being entitled to participate in any employee benefit or welfare plans, arrangements, distributions or other similar benefits which may be provided by Service Recipient to its regular employees. Contractor shall be solely responsible for the means and methods used to perform his or her obligations to Service Recipient. Nothing in this Agreement is intended to or shall be construed to create a joint venture, agency, partnership, employer/employee relationship or any legal or equitable relationship other than that of client and independent contractor. No party hereto, nor the respective agents, members, or employees of such party shall be required to assume or bear any responsibility for the acts or omissions, or any consequence thereof, of the other party or its' agents, members, or employees of such party, except as set forth herein.

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Further, except as otherwise expressly provided in this Agreement, no party hereto, nor the respective agents, members or employees of such party, shall be liable to any third party for any act or omission of the other party in the performance of their respective responsibilities under this Agreement. Each party shall be solely responsible for and shall comply with all state and federal laws pertaining to employment taxes, income withholding, unemployment compensation contributions, and other employment related laws applicable to that party. In the event that Contractor claims employee status in order to benefit from any applicable state or federal laws, Contractor shall indemnify and hold harmless Service Recipient for all charges, expenses and legal fees incurred by Service Recipient in defending any and all claims brought by Contractor.

11. Tax Indemnity. Contractor hereby agrees to indemnify, save and hold harmless Service Recipient and its officers and directors from and against any and all losses, damages, costs, penalties, liabilities and expenses including but not limited to court costs and reasonable attorney's fees, to the extent caused by Contractor's failure to pay federal income taxes or social security taxes, including but not limited to, any unpaid employee withholding taxes, employer payroll taxes or insurance, or interest, penalties or assessments attributable to Contractor's compensation for Services rendered under this Agreement.

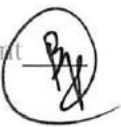
12. Insurance. Contractor agrees that he or she will carry professional liability insurance at his or her own expense, in the sum of not less than One Million (\$1,000,000) dollars per claim and Three Million (\$ 3,000,000) dollars in aggregate, covering his or her dental practice under this Agreement. Contractor expressly acknowledges that only he or she and not Service Recipient, is responsible for obtaining at his or her own expense, general liability and disability insurance for the benefit of Contractor. Contractor agrees to add the name of Service Recipient and Service Recipient's business entities as additional insureds, on his or her professional liability insurance policy. Contractor further agrees to provide evidence of professional liability insurance to Service Recipient with the name of Service Recipient's business entities and locations where Service Recipient has provided dental treatment as additional insureds. In the event that Contractor's services under this Agreement are terminated for any reason, Contractor shall continue to provide professional liability insurance to cover claims made after termination against Contractor and/or Service Recipient's business entities, which relate to services, performed by Contractor at the practice locations during the term of this Agreement. If Contractor does not secure and maintain the insurance set forth herein or if Contractor shall not be insurable at the limits set forth, such status may be a basis for immediate termination of this Agreement by Service Recipient. Contractor further confirms that no lawsuit(s) pertaining to Contractor and other lawsuit(s) including any criminal action is/are pending against him or her at present. Contractor agrees that he or she will be responsible for any damages or expenses of any kind arising out of lawsuit(s) not covered under the policy of insurance provided by the Contractor and shall hold Service Recipient and its designee(s) harmless from any and all claims or expenses arising out of any lawsuit resulting from Contractor's action.

13. Participation in Dental Plans. Contractor agrees that if requested by Service Recipient, he or she and/or his or her professional corporation or association will become a participating provider in dental insurances and/or plans including but not limited to Blue Shield, Horizon Health, HealthPlex, Delta, Aetna, United Concordia, Guardian, MetLife, HMO, DMO, Government Funded Plans, Plans run by Local Unions, Discount Dental Plans and any other plans in which Service Recipient may participate from time to time and/or Service Recipient may ask Contractor and/or his or her professional corporation, LLC, or association to participate directly in any plan/insurance as a contracting provider. Contractor agrees to comply with all the

regulatory and contractual requirements of such participation including, but not limited to, providing credentialing updates to the insurance companies. Contractor agrees to provide the Service Recipient in a timely manner with his or her credentials, including, original or certified copies (as required) of all items required by the Service Recipient to verify such credentials. Contractor further agrees to fully cooperate with the Service Recipient's efforts to document and verify Contractor's credentials including, but not limited to, providing the Service Recipient with names, addresses, and telephone numbers of references; promptly completing forms and authorizations as required; providing complete information concerning all claims made against Contractor based upon allegations of professional malpractice; and, if applicable, providing complete information regarding any instance in which Contractor's license to practice dentistry or other professional license, permit, registration, membership, or authorization was revoked, suspended, or otherwise limited. Contractor represents and warrants that all of the information provided by him or her to the Service Recipient regarding his or her credentials, experience, or other qualifications for the position which is the subject of this Agreement, is true and complete to the best of his or her knowledge. Contractor acknowledges that the credentialing process may be delayed by the dental plan in which he or she seeks participation. Contractor agrees that until such time as he or she is fully credentialed and/or is able to bill under the dental plan, he or she authorizes the Service Recipient to bill for his or her services under the name of the participating corporation or the supervising dentist who is credentialed to participate at that location or Service Recipient may, at its discretion, assign or reassign patients to any other participating Contractor or Employee dentist. Until such time as other dentists become fully credentialed, Contractor agrees to act as the supervising dentist and authorizes Service Recipient to bill for dental services under Contractor's name as service provider if Service Recipient deems it necessary for continuation of patient care and in order to provide uninterrupted dental care to the patients of Service Recipient. If Contractor or his or her professional corporation, LLC or association is a contracting provider and is participating with an insurance or other dental plan at Service Recipient's location, Contractor assigns to Service Recipient all insurance proceeds, capitation credits, patient and third-party payments attributable to services performed under this or any other Service Agreement entered into by the parties and authorizes Service Recipient to deposit all funds in Service Recipient's account for disbursement in accordance with Paragraph 9 of this Service Agreement. Contractor shall abide by the terms and conditions of dental plans/insurances including but not limited to continuation of patient care during and after termination in accordance with the termination clause and notice period requirement of said plan or insurance. In the event that the notice period requirement is greater than the notice period set forth in this Agreement, the notice period required by the dental plans/insurances, if greater, shall control.

14. Participation in Marketing Program. Contractor agrees to participate in any marketing program deemed necessary by Service Recipient. Contractor further authorizes the use of his or her name and image(s)/picture(s), logos, and/or that of any corporate or other entity under his or her control, for the duration of the marketing program entered into by Service Recipient or on behalf of Service Recipient. Any marketing program which is specifically created for the purpose of promoting Contractor and/or Contractor's Associate shall be subject to mutual agreement of Contractor and/or Contractor's Associate and Service Recipient and the cost of same shall be allocated among the parties as mutually agreed.

15. Confidentiality. Contractor agrees to keep confidential and not to disclose to others at any time, except as expressly permitted in writing by Service Recipient or by law, any secrets, proprietary or financial information, confidential technology and or process methodology, patient lists or trade secrets of Service Recipient or its employees, or any matter or information

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ascertained by Contractor through his or her relationship with Service Recipient, the use or disclosure of which might be construed to be contrary to the best interests of Service Recipient, its shareholders, officers, directors, employees, affiliates and dentists (collectively, the "Confidential Information"). For purposes of this Agreement, the term Confidential Information shall not include information that (i) is or becomes generally available to the public other than a result of a disclosure under this Agreement, (ii) is available to Contractor on a non-confidential basis, or (iii) becomes available to Contractor from a person who Contractor reasonably believes is not otherwise bound by a confidentiality agreement with Service Recipient. Contractor further agrees that upon termination of this Agreement, Contractor will neither take nor retain, without the prior written consent of Service Recipient, any papers, slides, data, records, patient lists, files, computer discs, research data, business plans and marketing studies or other demographic analysis, information regarding payor contracts entered or under consideration by Service Recipient or other documents or copies thereof or other Confidential Information of any kind belonging to Service Recipient pertaining to its business, customers, patients, financial condition or activities. Contractor acknowledges that a remedy at a law for any breach by Contractor of this provision will be inadequate, and Contractor hereby agrees that Service Recipient shall be entitled, without the necessity of posting a bond of cash or otherwise, in injunctive relief in case of any breach in addition to all other relief that may be available to Service Recipient.

16. Term. Contractor shall provide services as long as he remains an equity holder of the Service Recipient and any and all affiliated companies/professional corporations. Provided, however, that in the event of a substantial sale of Service Recipient and its affiliated companies/professional corporations, Contractor shall, if required by purchaser, continue to provide services hereunder for a reasonable period of time, subject to negotiations with purchaser.

17. Contractor's Representations. Contractor represents and warrants that (i) he or she is authorized to reside and work in the United States and has all required rights, authorizations or visas necessary therefore; (ii) this Agreement is not prohibited by or subject to the terms of any non-competition or employment agreement between Contractor and any other person or entity; and (iii) that he or she has no lawsuits of any type pending or threatened against him or her at present.

18. Trade Secrets of Others. Contractor agrees that the terms of this Agreement and his or her retention by Service Recipient do not and will not breach any agreement with a previous employer of Contractor or any agreement to keep in confidence proprietary information, knowledge or data acquired by Contractor in confidence or in trust prior to retention by Service Recipient. Contractor will not disclose to Service Recipient or induce Service Recipient to use any confidential or proprietary information or material belonging to anyone other than its advisors.

19. Restrictive Covenants.

(a) Non-Competition. Contractor agrees that during the term of this Agreement and any extension thereof, and for an additional period of thirty-six (36) months, or such period of time as a court shall deem reasonable, after Contractor's voluntary or involuntary termination, he or she shall not directly or indirectly, own or have a practice of dentistry, as defined in Section 1 herein, within any states where Service Recipient or its affiliates operate a dental practice.

(b) Reasonableness. Contractor acknowledges that the restraints set forth in the above paragraph are reasonable and necessary for the protection of legitimate business interests of Service Recipient and that this covenant on the part of the Contractor shall be construed as an independent agreement. It is agreed by Service Recipient and Contractor that if any portion of this restrictive covenant is held to be unreasonable, arbitrary or against public policy, these covenants shall be considered to be diminishable both as to time and geographical area, and each month for the specific period shall be deemed a separate period of time and each square mile shall be deemed a separate geographical area and shall remain effective so long as the same is not otherwise unreasonable, arbitrary or against public policy.

(c) Injunctive Relief. The existence of any claim or cause of action by Contractor shall not constitute a defense to the enforcement by Service Recipient of this covenant. Contractor further understands that this covenant may be enforced by the entering of a temporary or permanent injunction.

(d) Governing Law. The laws of the State of South Carolina shall control the interpretation of this restrictive covenant and the parties agree that the courts of South Carolina shall have jurisdiction over the enforcement of this restrictive covenant.

(e) Tolling of Period of Restrictive Covenant. In the event that Service Recipient or its successors in interest shall make application to a court of competent jurisdiction for injunctive relief, then and in that event, the period of the covenants contained herein shall be tolled for a period of time from the commencement of the acts by the Contractor which created the claim for injunctive relief and terminating with the date of final adjudication of the claim for injunctive relief, if granted.

(f) Survival of Covenant. It is further agreed that the applicable above-described covenants and restrictions contained in this Section and all provisions relating thereto shall survive the termination of this Agreement in accordance with and subject to the express terms and conditions of this Agreement.

20. Work Product Assignment. Contractor hereby assigns to Service Recipient all of his or her right, title and interest in and to, and shall disclose promptly to Service Recipient, any and all Work Product. The parties hereto understand that the term Work Product includes, but is not limited to, all work product developed, discovered, improved, authored, derived, invented or acquired by Contractor that: (A) incorporates or reflects any Confidential Information of Service Recipient; (B) is to any extent developed utilizing any computer equipment or software of or licensed to Service Recipient or any supplies, equipment or facilities of or provided by Service Recipient; (C) relates to the business of Service Recipient or Service Recipient's actual or anticipated research and development, client information, or other Confidential Information; or (D) results from any work performed by Contractor for Service Recipient. Contractor shall not use any information, data, Work Product in any form of presentation or publication without express written consent of Service Recipient.

21. Indemnification. Contractor shall indemnify, defend, and reimburse Service Recipient, its directors, officers, employees and any other dentist or dental services entity/entities designated by Service Recipient to perform services at practice locations at which Contractor is the contracting dental provider ("Designee(s)"), and hold them and each of them harmless at all times from all claims, actions, liabilities, judgments, damages, expenses (including without limitation reasonable legal fees and expenses), costs, fees, and losses of any nature incurred by Service Recipient, its directors, officers, employees, or Designees (the "Indemnified Loses"), to the extent such Indemnified Losses arise out of or are attributable to the acts or omissions of

Contractor 

Service Recipient 

Contractor in the performance of his or her Services under this Agreement or to Contractor's breach of this Agreement.

22. General.

(a) Invalid Provision. If any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect by a judicial body, such holding shall not affect the validity and enforceability of any other provisions hereof. If the removal of the provisions rendered invalid, unenforceable or void materially alters the obligations of either party in such a manner as to cause serious financial hardship to a party, or causes a party to act in violation of its charter, bylaws, or other governing documents, or in violation of applicable federal, state or local laws or regulations, the party so affected shall have the right to terminate this Agreement upon thirty (30) days prior written notice to the other party. The affected party shall make all reasonable efforts, if requested by the other party, to negotiate amendments to this Agreement that will abrogate the undesirable effects of such statute, regulation or judicial decision. Further, should any provisions within this Agreement ever be reformed or rewritten by judicial body, such provisions as so rewritten shall be binding upon the parties hereto.

(b) Parties Bound. This Agreement shall inure to the benefit of and be binding upon the parties hereto and upon their respective successors in interest of any kind whatsoever.

(c) Notices. All notices required or permitted by this Agreement shall be made in writing and delivered: (a) either by personal delivery or via telecopier of the notice to the parties entitled thereto, or (b) by the mailing of the notice in the United States mail to the last known address of the parties entitled thereto by certified or registered mail, return receipt requested. The notice shall be deemed received in case (a) on the date of its actual receipt by the parties entitled thereto and in case (b) on the date of the return receipt.

(d) Waiver of Breach. The waiver by any party thereto of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party. No covenant, condition, duty, obligation or undertaking that is part of this Agreement shall be waived, except by the written consent of the party giving such waiver.

(e) Assignment. Service Recipient shall have the right to assign this Agreement and its rights and obligations thereunder to its affiliates, successors, assigns and designee(s), and Contractor agrees to be bound by this Agreement in the event of such assignment. Contractor may not assign or delegate its rights or obligations under this Agreement without the express written consent of Service Recipient or its successor or assign.

(f) Modification. This Agreement supersedes any and all other Agreements, oral or written, between the parties hereto with respect to the matters contained herein and it shall not be modified except in writing and executed by the parties hereto. However, the liabilities, if any, of the Contractor and restrictive covenants under any earlier Agreement shall continue to survive under this Agreement.

(g) Construction; Jurisdiction and Venue.

(i) Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the state courts of the State of South Carolina sitting in Greenville County and to the jurisdiction of the United States District Court for the District of South Carolina for the purpose of any action arising out of or relating to this Agreement, and each of the parties hereto irrevocably agrees that all claims in respect to such action may be heard and determined exclusively in a South Carolina state court sitting in Greenville County or federal court sitting in the State of South Carolina. Each of the parties hereto agrees that a

Contractor

Service Recipient

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final judgment in any action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(ii) Each of the parties hereto irrevocably consents to the service of any summons and complaint and any other process in any other action relating to this Agreement or the transactions contemplated hereby, on behalf of itself or its property, by the personal delivery of copies of such process to such party and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action brought in any such court has been brought in an inconvenient forum. Nothing in this Section 23 (g) shall affect the right of any party hereto to serve legal process in any other manner permitted by law.

(iii) EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY RELATED AGREEMENTS OR THE ACTIONS OF SUCH PARTY IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT HEREOF AND THEREOF.

(h) Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original and all of which shall contribute but one and the same instrument. Facsimile transmission of any signed original document and/or retransmission of any signed facsimile transmission will be deemed the same as delivery of an original. At the request of any party, the parties will confirm facsimile transmission by signing a duplicate original document.

(i) Headings; Interpretation. Paragraph headings used in this Agreement are intended for convenience only and are not intended to alter the meaning of the paragraphs themselves. The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting either gender or neuter forms shall include both genders and the neuter form as the context requires. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning. Unless specifically indicated otherwise, the word "or" is used in the inclusive sense of "and/or" and not the exclusive sense of "either/or."

(j) Survival. Sections 6, 8, 11, 12, 14, 15, 16, 18, 19, 20, 21, and 22, of this Agreement shall survive the termination of the Agreement regardless of the cause giving rise to such termination.

23. Compliance with Laws and Regulations. Each party hereby represents and warrants that, to the best of its knowledge and understanding, all obligations pertaining to and benefits derived under this Agreement are in full compliance with applicable state and federal laws and regulations, including but not limited to all regulations pertaining to the Medicare, Medicaid and other federal or state payors. Each party covenants and agrees to maintain compliance with such applicable laws and regulations, as presently exist and as hereafter are amended, throughout the Term.

24. Force Majeure. No failure or omission of either Contractor or Service Recipient in the performance of any obligation under this Agreement shall be deemed a breach nor create any liability for damages or other relief if the same shall arise from any cause or causes beyond the reasonable control of such party, including acts of God, floods, fires, explosions, storms, earthquakes, acts of public enemy, terrorist acts, wars, rebellions, insurrections, riots, sabotage, invasions, epidemics, quarantines, strikes, lockouts, labor disputes or other industrial

disturbances; or any order, rule, act, action or the withholding of necessary action by any governmental agency; or transportation embargoes or delays, or the reduction or unavoidable delays in deliveries of any product or material; or causes of similar nature. In the event such failure or omission cannot be remedied within thirty (30) days, the party awaiting performance shall have the right, but not the obligation, to terminate this Agreement.

25. Addendum. Additional terms and conditions relating particularly to Contractor's provision of Services under this Agreement are set forth in Addendum A hereto, which is hereby referenced and incorporated into this Agreement as if fully set forth herein.

27. **ACKNOWLEDGMENT.** CONTRACTOR ACKNOWLEDGES THAT THE TERMS OF THIS AGREEMENT HAVE BEEN NEGOTIATED AT ARMS' LENGTH. CONTRACTOR REPRESENTS THAT HE OR SHE HAS READ THE COVENANTS AND RESTRICTIONS CONTAINED IN THIS AGREEMENT, HAS HAD THE OPPORTUNITY TO REVIEW THEM WITH LEGAL COUNSEL, UNDERSTANDS THE FULL EXTENT AND IMPLICATION OF THE TERMS OF THIS AGREEMENT AND KNOWINGLY AND VOLUNTARILY AGREES TO BE BOUND BY SUCH TERMS.

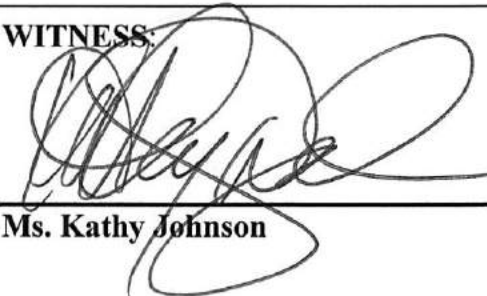
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals as of the day and year first above written.

Contractor:



Dr. Blake Julian

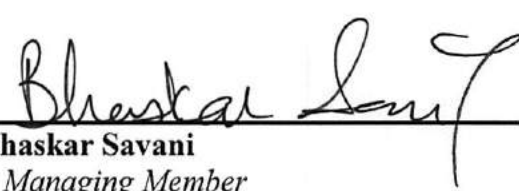
WITNESS:



Ms. Kathy Johnson

Service Recipient:

**Greenville Dental Office Management
Group LLC,**

BY:  _____
Dr. Bhaskar Savani
Title: Managing Member

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management Group,
LLC, a limited liability company, proceeding
pursuant to 33-44-1101 by and through its
member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No.: 2020-CP-23-03922

**VERIFICATION TO VERIFIED
AMENDED COMPLAINT**

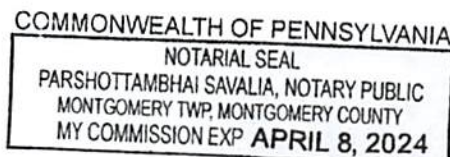
PERSONALLY appeared before me Greenville Dental Office Management Group, LLC, a limited liability company, proceeding pursuant to 33-44-1101 by and through its member, Bhaskar Savani, D.M.D., who, on oath, deposes and states: that Greenville Dental Office Management Group, LLC is the Plaintiff in the foregoing action; that the undersigned has read the attached **Verified Amended Complaint** and all matters alleged therein are true and correct of his/its own knowledge, with the exception of matters alleged upon information and belief, and as to those he/it believes them to be true.

**Greenville Dental Office Management Group, LLC, a
limited liability company, proceeding pursuant to 33-44-
1101 by and through its member, Bhaskar Savani,
D.M.D.**

Bhaskar Savani
By: Bhaskar Savani, D.M.D., Member

SWORN to and subscribed before me
this 26 day of August, 2020

PM Summish
Notary Public for Pennsylvania
Print Name: Parshottambhai Savalia
My Commission Expires: 04/08/2024



STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management
Group, LLC, a limited liability company,
proceeding pursuant to 33-44-1101 by and
through its member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS

THIRTEENTH JUDICIAL CIRCUIT

2020-CP-23-03922

**DEFENDANTS' ANSWER AND
COUNTERCLAIMS**

Defendants Jon Julian, D.D.S., Blake Julian, D.D.S. and Greenville Dental Management Group, P.A. (collectively "Defendants") by and through undersigned counsel, hereby submit their Answer, Affirmative Defenses and Counterclaim in response to the Amended Complaint filed by Plaintiff Greenville Dental Office Management Group, LLC (Bhaskar Savani, D.M.D.) (collectively "Plaintiff"). Defendants answer and aver as set forth below. Except as expressly admitted herein, Defendants deny each and every allegation contained in Plaintiff's Complaint. Defendants specifically deny that Plaintiff is entitled to any relief whatsoever from Defendants.

FOR A FIRST DEFENSE - GENERAL DENIAL

1. Defendants admit the allegations contained in paragraphs 1 and 2 of the Amended Complaint.
2. In response to paragraph 3 of the Amended Complaint, Defendants admit that the Clinical Company is a corporation incorporated pursuant to the laws of South Carolina with its principle place of business in Greenville County, South Carolina.

3. In response to paragraph 4 of the Amended Complaint, Defendants admit that the organizers and sole owners of the Clinical Company are Jon Julian and Blake Julian, each of whom have a fifty percent (50%) interest in the company.

4. Defendants admit the allegations contained in paragraphs 5 and 6 of the Amended Complaint.

5. Defendants admit the allegations contained in paragraph 7 of the Amended Complaint.

6. Paragraph 8 of the Amended Complaint contains legal conclusions to which no response is required.

7. In response to paragraph 9 of the Amended Complaint, Defendants admit that the document attached as Exhibit A to Plaintiff's Amended Complaint is a Memorandum of Understanding dated June 26, 2017, and signed by Savani, Jon Julian, and Blake Julian. Defendants deny any remaining allegations in paragraph 9.

8. Defendants deny the allegations contained in paragraph 10 of the Amended Complaint

9. In response to paragraph 11 of the Amended Complaint, Defendants admit that Management Company was formed on October 19, 2017, upon filing articles of incorporation with the South Carolina Secretary of State. Defendants further admit that the MOU contemplated that Management Company would provide business support and administrative services to the various clinical dentistry practices affiliated with the Clinical Company and contemplated that the Management Company hold certain "tangible assets" of the Clinical Company upon the satisfaction of several conditions. Defendants state, however, that Management Company has never acquired ownership or any other interest in any tangible assets of the Clinical Company and,

specifically, does not own or control any assets of The Dental Retreat or Signature Smiles. Defendants deny the remaining allegations of paragraph 11 of the Amended Complaint.

10. In response to paragraph 12 of the Amended complaint, Defendants admit that the MOU contemplated that the parties would each make capital contributions to the Management Company, and that Bhaskar Savani's contribution is reflected in the MOU as the value of gross revenue derived from practices yet to be acquired by Savani, which annual gross revenue was required to be \$2,000,000.00. Defendants further state that Savani has failed to fulfill his capital contribution requirements to secure his interest in the Management Company. Defendants deny the remaining allegations of paragraph 12 of the Amended Complaint.

11. Defendants deny the allegations in paragraph 13 of the Amended Complaint.

12. In response to Paragraph 14 of the Amended Complaint, Defendants admit that the Service Agreement attached as Exhibit B to Plaintiff's Amended Complaint is dated June 26, 2017, and that Defendant Jon Julian is a signatory. Defendants further state that the allegations of paragraph 14 crave reference to the document referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the document, and all other allegations are also denied.

13. In response to Paragraph 15 of the Amended Complaint, Defendants admit that the Service Agreement attached as Exhibit C to Plaintiff's Amended Complaint is dated June 26, 2017, and that Defendant Blake Julian is a signatory. Defendants further state that the allegations of paragraph 15 crave reference to the document referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the document, and all other allegations are also denied.

14. Defendants deny the allegations in paragraph 16 of the Amended Complaint.

15. In response to Paragraph 17 of the Amended Complaint, Defendants admit that the MOU contemplated ownership in the Management Company as follows: 40% to Savani, 36% to Jon Julian, and 24% to Blake Julian. Defendants further state that Savani has failed to fulfill his capital contribution requirements to secure his interest in the Management Company.

16. In response to Paragraph 18 of the Amended Complaint, Defendants state that the allegations of paragraph 18 crave reference to the document referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the document, and all other allegations are also denied.

17. In response to paragraph 19 of the Amended Complaint, Defendants state that the allegations of paragraph 19 crave reference to the document referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the document, and all other allegations are also denied.

18. Paragraph 20 of the Amended Complaint contains legal conclusions to which no response is required. To the extent any response is required, Defendants deny these allegations.

19. In response to paragraph 21 of the Amended Complaint, Defendants reallege and incorporate paragraphs 1 through 18 above.

20. In response to paragraph 22 of the Amended Complaint, Defendants admit that the Julians and Savani created the Management Company. Defendants deny the remaining allegations in paragraph 22 of the Amended Complaint.

21. Defendants state that the allegations of paragraph 23 of the Amended Complaint crave reference to the document referenced therein, the terms and provisions of which speak for themselves and are inaccurately quoted in the Amended Complaint. Defendants deny all allegations inconsistent with the documents, and all other allegations are also denied.

22. In response to paragraph 24 of the Amended Complaint, Defendants admit that they terminated Savani's and the Management Company's authority to manage the business affairs of the Clinical Company due to Savani's breach of his fiduciary duties, which breach is the subject of a prior filed lawsuit currently pending in the United States District Court for the District of South Carolina. Defendants further state that they were and are under no obligation to deposit any such revenues in accounts solely controlled by Savani pursuant to the MOU.

23. In response to paragraph 25 of the Amended Complaint, Defendants state that the Management Company did not start operations until January 1, 2018, at which time Savani had and retained sole control of all financial matters and accounts until notice of revocation of his authority in June 2020. Defendants further state that they were and are under no obligation to deposit any such revenues in accounts solely controlled by Savani pursuant to the MOU.

24. Defendants state that the allegations of paragraph 26 of the Amended Complaint crave reference to the document referenced therein, the terms and provisions of which speak for themselves and are inaccurately quoted in the Amended Complaint. Defendants deny all allegations inconsistent with the documents, and all other allegations are also denied.

25. In response to paragraphs 27 and 28 of the Amended Complaint, Defendants state that the allegations contained therein are vague and ambiguous and that Defendants cannot reasonably formulate a response. Specifically, the term "paragraph 11(b)" is not defined. Therefore, Defendants are without knowledge or information sufficient to form a belief as to the truth of these allegations and, on that basis, denies, generally and specifically, each and every allegation contained in paragraph 27 and 28 of the Amended Complaint. Defendants further state that the Management Company did not start operations until January 1, 2018, at which time Savani had and retained sole control of all financial matters and accounts until notice of revocation of his

authority in June 2020. Furthermore, to the extent “paragraph 11(b)” refers to the MOU, Defendants further state that such document is not a legally binding agreement, and, to the extent that it is determined to be a legally binding agreement, Plaintiff has materially breached or caused a material breach of the same, such that Defendants are not obligated to pay Plaintiff any amount, nor are they required to allow Management Company to provide management and/or administrative services, pursuant to the MOU, during the timeframes referenced in paragraphs 27 and 28.

26. Defendants deny the allegations in paragraphs 29 – 32 of the Amended Complaint, demand strict proof thereof, and state that Plaintiff is not entitled to any damages whatsoever from Defendants.

27. In response to paragraph 33 of the Amended Complaint, Defendants reallege and incorporate paragraphs 1 through 26 above.

28. In response to paragraph 34 of the Amended Complaint, Defendants admit that “Greenville Dental Office Management Group, LLC” is listed as the “Service Recipient” in both Exhibit B and Exhibit C to the Amended Complaint. Defendants deny any remaining allegations in paragraph 34 of the Amended Complaint.

29. In response to paragraph 35 of the Amended Complaint, Defendants admit that Jon Julian is listed as the “Contractor” in Exhibit B to the Amended Complaint, and that Blake Julian is listed as the “Contractor” in Exhibit C to the Amended Complaint. Defendants deny any remaining allegations in paragraph 35 of the Amended Complaint.

30. Defendants state that the allegations of paragraph 36 of the Amended Complaint crave reference to the documents referenced therein, the terms and provisions of which speak for

themselves. Defendants deny all allegations inconsistent with the documents, and all other allegations are also denied.

31. In response to paragraph 37 of the Amended Complaint, Defendants admit that Jon Julian and Blake Julian are members of the Management Company. Defendants deny the remaining allegations in paragraph 37 of the Amended Complaint.

32. Defendants state that the allegations of paragraph 38 of the Amended Complaint crave reference to the documents referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the documents, and all other allegations are also denied.

33. Defendants deny so much of paragraph 39 as alleges that they have any legally binding obligation to assign or transfer proceeds received by them to the Management Company, and further state that they were and are under no obligation to deposit any such revenues in accounts solely controlled by Savani.

34. Defendants state that the allegations of paragraphs 40 and 41 of the Amended Complaint crave reference to the documents referenced therein, the terms and provisions of which speak for themselves. Defendants deny all allegations inconsistent with the documents, and all other allegations are also denied.

35. In response to paragraph 42 of the Amended Complaint, Defendants admit that the Management Company was responsible for managing certain aspects of four dental offices: the dental offices owned by Savani, which offices are located in Columbia and Taylors, SC; the dental office owned by Jon Julian, which office is located in Travelers Rest, SC; and the dental office owned by Blake Julian, which office is located in Greenville, SC. Defendants deny the remaining allegations in the Amended Complaint.

36. Defendants state that the allegations of paragraph 43 are vague and ambiguous in the sense that they purport to include a quotation without citation to any document, agreement, or provision, and that Defendants thus cannot formulate a response to such allegation. Therefore, Defendants are without knowledge or information sufficient to form a belief as to the truth of these allegations and, on that basis, denies, generally and specifically, each and every allegation contained in paragraph 43 of the Amended Complaint. Defendants specifically deny that they are obligated to perform any kind of dentistry or administrative services at any dentistry office located in Taylors, SC or Columbia, SC.

37. Defendants state that the allegations of paragraph 44 are vague and ambiguous in the sense that they purport to include a quotation without citation to any document, agreement, or provision, and that Defendants thus cannot formulate a response to such allegation. Therefore, Defendants are without knowledge or information sufficient to form a belief as to the truth of these allegations and, on that basis, denies, generally and specifically, each and every allegation contained in paragraph 44 of the Amended Complaint. Defendants further state that the dentists previously working at Savani's offices in Columbia and Taylors, SC have resigned and Savani has not hired any dentists to provide services at those offices. Defendants deny any remaining allegations contained in paragraph 44 of the Amended Complaint.

38. Defendants deny the allegations in paragraph 45 of the Amended Complaint.

39. Defendants deny the allegations in paragraphs 46 -- 48 of the Amended Complaint, demand strict proof thereof, and state that Plaintiff is not entitled to any damages whatsoever from Defendants.

AFFIRMATIVE DEFENSES**FOR A SECOND DEFENSE**

40. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

41. Plaintiff has failed to state a claim upon which relief can be granted pursuant to Rule 12(b)(6) of the South Carolina Rules of Civil Procedure and other applicable law.

FOR A THIRD DEFENSE

42. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

43. Plaintiff's Amended Complaint is barred by the doctrine of unclean hands.

FOR A FOURTH DEFENSE

44. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

45. Plaintiff's claims against Defendants are barred by the fact that any damages it incurred, which damages are denied and acknowledged solely for purposes of this defense, were incurred due to Plaintiff's own prior material breaches of contract or the breaches of others, which breaches effectively terminated the respective agreements referenced in the Amended Complaint and the Defendants thereafter had and have no further obligations to Plaintiff under the referenced agreements, and are not liable to Plaintiff for any sum whatsoever.

FOR A FIFTH DEFENSE

46. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

47. Plaintiff's damages, which damages are denied and acknowledged solely for purposes of this defense, were directly and proximately caused by intervening and superseding

acts or omissions of negligence and/or willfulness of parties and/or non-parties other than Defendants.

FOR A SIXTH DEFENSE

48. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

49. Plaintiff has failed to mitigate its damages and has incurred damages that were unnecessary or unreasonable in amount. Plaintiff is, therefore, barred in whole or in part from recovery in this case.

FOR AN SEVENTH DEFENSE

50. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

51. The MOU does not constitute a contract between the parties, and is only a non-binding, preliminary memorandum of understanding, so that plaintiff's claims are barred, in whole or in part, by the applicable statutes of frauds.

FOR A EIGHTH DEFENSE

52. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

53. To the extent that the MOU is determined to be a contract, which is denied and acknowledged solely for purpose of this defense, any such contract was subject to certain condition(s) which were condition(s) precedent or condition(s) subsequent and which were not fulfilled, such that the parties never came to a meeting of the minds on the material terms of a business relationship(s) and therefore Defendants have no obligation to Plaintiff under the MOU. Therefore, the necessary conditions for a contract outlined in the MOU never occurred, and Plaintiff's claims are thus barred, in whole or in part.

FOR A NINTH DEFENSE

54. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

55. To the extent that Defendants failed to comply with one or more of the agreements referenced in the Amended Complaint, which any failure to comply is denied and referenced solely for purposes of this defense, such failure was the result of a bona fide dispute over Defendants' obligations under the agreement(s) and therefore the Amended Complaint should be dismissed, in whole or in part.

FOR AN TENTH DEFENSE

56. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

57. Plaintiff's claims are barred by the doctrine of acquiescence.

FOR A ELEVENTH DEFENSE

58. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

59. The alleged breaches relied upon by Plaintiff were caused by the misconduct of Plaintiff and/or other parties.

FOR A TWELFTH DEFENSE

60. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

61. Plaintiff's claims are barred by the doctrines of waiver and/or estoppel.

FOR A THIRTEENTH DEFENSE

62. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

63. Plaintiff's Amended Complaint is barred by the applicable statutes of limitations and/or the doctrine of laches.

FOR A FOURTEENTH DEFENSE

64. Defendants incorporate herein by reference the foregoing paragraphs of this Answer to the extent not inconsistent herewith.

65. Plaintiff's claims against Defendants are barred by the business judgment rule.

FOR A FIFTEENTH DEFENSE AND BY WAY OF COUNTERCLAIM

(Intentional Interference with Contractual Relations)

66. The foregoing allegations are incorporated herein by reference.

67. On or about June 26, 2017, Doctors Jon Julian and Blake Julian (the "Julians"), as well as Bhaskar Savani ("Savani"), each executed documents titled "Dental Director Agreement." The Dental Director Agreements provide that the Julians and Savani receive compensation in the amount of \$50,000.00 per year, plus additional lecture fees, provided compliance with the obligations set forth in the Dental Director Agreements including, inter alia, proper licensure in the state of South Carolina.

68. On or about June 26, 2017, the Julians also entered into two respective documents titled "Services Agreement" under which the Julians each agreed to render dentistry services in exchange for compensation in the amount of \$600,000.00 per year for Dr. Jon Julian, and \$400,000.00 per year for Dr. Blake Julian, payable monthly on or about the 7th working day of each month.

69. Pursuant to the Service Agreements and Dental Director Agreements the Julians are entitled to compensation for their services rendered.

70. While each Dental Director Agreement and Services Agreement lists "Greenville Dental Office Management Group, LLC" as a party, Greenville Dental Management Group, PA,

not the Management Company, is the intended and actual “Service Recipient” under these agreements.

71. The Management Company, by and through its member Savani, and as a result of Savani’s mismanagement, tortiously interfered with the Julians’ Dental Director and Services Agreements by causing the failure of payment of the compensation owed to the Julians under those agreements, for the purpose of Savani’s personal gain.

72. Such interference was done with the intent of injuring the Julians, and for an improper purpose and by improper methods.

73. As a direct and proximate result of the Plaintiff’s tortious interference with the agreements, Jon Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$150,000.00 and Blake Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$150,000.00.

74. Upon information and belief, Plaintiff’s conduct was sufficiently willful, wanton, reckless, grossly negligent, and outrageous to entitle the Julians to punitive damages.

FOR A SIXTEENTH DEFENSE AND BY WAY OF COUNTERCLAIM

(In the Alternative, Breach of Contract)

75. The foregoing allegations are incorporated herein by reference.

76. In the alternative, in the case that the Court finds that Management Company was the intended party to the Dental Director and Services Agreements, which Defendants deny. Defendants allege that the Management Company breached and/or caused the Clinical Company to breach the agreements by failing to provide the Julians with compensation and other payments, and otherwise denying the Julians their rights under the agreements.

77. The Management Company's wrongful conduct have caused the Julians actual damages such that the Julians are entitled to recover from it the total amount of compensation and other payments that have not been fully paid.

78. Due to the Management Company's wrongful conduct, Jon Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$150,000.00 and Blake Julian has suffered damages including, but not limited to, the loss of compensation in excess of the amount of \$150,000.00.

79. The Management Company withheld and is withholding the compensation owed to the Julians with willful disregard for the Julians' rights under the agreements and the law.

80. The Management Company's wrongful actions effectively terminated the agreements and the Julians thereafter had and have no further obligations under the agreements.

RESERVATION OF DEFENSES

Defendants reserve the right to rely on any additional affirmative defenses as may become available or apparent during discovery, and thus reserve the right to amend this Answer to assert such additional defenses, or otherwise to rely on additional or other defenses during this case or at the time of trial.

PRAYER FOR RELIEF

WHEREFORE, Defendant prays for judgment as follows:

1. That Plaintiff takes nothing by way of the Amended Complaint;
2. That the Amended Complaint be dismissed with prejudice and judgment entered in favor of Defendants;
3. That judgment be entered against Plaintiff in favor of Defendants' counterclaims in the amount of actual and punitive damages as proven and determined at trial;

4. That Defendants be awarded their costs, disbursements and attorneys' fees in this action, as appropriate; and

5. For such other and further relief as this Court deems just and proper.

Defendants demand a trial by jury on all claims so triable as a matter of right.

s/McKinley Haskin Hyman

Meliah Bowers Jefferson (SC Bar No. 74064)

McKinley Haskin Hyman (SC Bar No. 102730)

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Attorneys for Defendants

February 1, 2021

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE DISTRICT OF SOUTH CAROLINA
GREENVILLE DIVISION

Jon Julian, D.D.S., Blake Julian, D.D.S., and
Greenville Dental Management Group, P.A.,

Plaintiffs,

vs.

Bhaskar Savani, D.M.D. and American Dental
Management Group, LLC,

Defendants.

Case Number: 6:20-cv-02229-JD

**ANSWER AND COUNTERCLAIM
(JURY TRIAL DEMANDED)**

Defendants Bhaskar Savani, D.M.D. (“Savani”) and American Dental Management Group, LLC, (“ADMG”) (collectively “Defendants”) by and through their undersigned attorneys, respectfully submit this Answer to Plaintiffs’ Complaint and Counterclaim. Each and every allegation not specifically admitted in this Answer is denied.

**FOR A FIRST DEFENSE
(Motion to Dismiss – Rule 12(b)(6) FRCP)**

1. Plaintiffs fails to state a cause of action against Defendants upon which relief can be granted.
2. Therefore, Plaintiffs’ Complaint should be dismissed.

**FOR A SECOND DEFENSE
(Motion to Dismiss – Rule 12(b)(7) FRCP)**

3. Defendants respectfully incorporate and reserve their Motion to Dismiss filed July 14, 2020 (ECF No. 9).

**FOR A THIRD DEFENSE
(General Denial)**

Parties and Jurisdiction

4. Defendants admit the allegations of Paragraphs 1 – 6 of the Complaint.

5. Responding to Paragraph 7, Defendants admit that Savani is a member of the Management Company but denies the remaining allegations of this paragraph.

6. Responding to Paragraph 8, Defendants admit that Savani is a member of ADMG.

7. Defendants admit the allegations of Paragraph 9, except Defendants deny Savani committed tortious acts or caused tortious injuries in South Carolina.

8. Defendants admit the allegations of Paragraph 10, except Defendants deny ADMG committed tortious acts or caused tortious injuries in South Carolina.

9. Defendants admit the allegations of Paragraph 11 inasmuch as a substantial part of the events between the parties took place in this judicial district but deny the remaining allegations of this paragraph.

10. Defendants admit the allegations of Paragraphs 12 – 14.

General Allegations

11. Defendants admit the allegations of Paragraphs 15 – 18.

12. Defendants admit the allegations of Paragraph 19 inasmuch as the parties entered into a Memorandum of Understanding (“MOU”) dated June 26, 2017 but deny the remaining allegations of this paragraph.

13. Responding to Paragraph 20, Defendants admit that MOU includes the “understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements,” including agreements related to the formation of two limited liability companies under South Carolina laws to facilitate the operation and management of the collective dental practices and agreements related to the dental services provided in those practices.

14. Defendants admit the allegations of Paragraphs 21 – 28.

15. Defendants admit the allegations of Paragraph 29; however, Defendants assert that the Group Practice is also responsible for facilitating the clinical practice of dentistry at all other dental office locations created pursuant to MOU.

16. Responding to Paragraph 30, Defendants crave reference to MOU and deny all allegations inconsistent with same.

17. Defendants deny the allegations of Paragraphs 31 and 32.

18. Defendants admit the allegations of Paragraph 33.

19. Defendants deny the allegations of Paragraph 34.

20. Responding to Paragraph 35, Defendants admit that J. Julian, B. Julian, and Savani executed Dental Director Agreements with the Management Company on June 26, 2017, crave reference to said agreements and deny all allegations inconsistent with same.

21. Defendants admit the allegations of Paragraph 36.

22. Defendants admit the allegations of Paragraph 37 inasmuch as J. Julian executed a Service Agreement with Management Company on June 26, 2017 under which he agreed to render dentistry services to patients at office locations affiliated with the Management Company but deny the remaining allegations of this paragraph.

23. Defendants admit the allegations of Paragraph 38 inasmuch as B. Julian executed a Service Agreement with Management Company on June 26, 2017 under which he agreed to render dentistry services to patients at office locations affiliated with the Management Company but deny the remaining allegations of this paragraph.

24. Defendants admit the allegations of Paragraph 39, except Defendants deny that the noncompetition provisions are unenforceable.

25. Defendants deny the allegations of Paragraphs 40 – 66.

First Cause of Action – Judicial Dissolution

26. Defendants reassert the foregoing responses in response to Paragraph 67.

27. Defendants deny the allegations of Paragraphs 68 – 72 and specifically deny that the Management Company can be ordered dissolved without being a party to this case.

Second Cause of Action – Accounting

28. Defendants reassert the foregoing responses in response to Paragraph 73.

29. Defendants deny the allegations of Paragraphs 73 – 77.

Third Cause of Action – Breach of Duty

30. Defendants reassert the foregoing responses in response to Paragraph 78.

31. Defendants deny the allegations of Paragraphs 79 – 84.

Fourth Cause of Action – Intentional Interference with Contract

32. Defendants reassert the foregoing responses in response to Paragraph 85.

33. Defendants deny the allegations of Paragraphs 86 – 90.

Fifth Cause of Action – Defamation

34. Defendants reassert the foregoing responses in response to Paragraph 91.

35. Defendants deny the allegations of Paragraphs 92 – 99.

Sixth Cause of Action – Quantum Meruit / Unjust Enrichment

36. Defendants reassert the foregoing responses in response to Paragraph 100.

37. Defendants deny the allegations of Paragraphs 101 – 106.

Seventh Cause of Action – Unfair Trade Practices

38. Defendants reassert the foregoing responses in response to Paragraph 107.

39. Defendants deny the allegations of Paragraphs 108 – 114.

Eighth Cause of Action – Aiding and Abetting Breach of Fiduciary Duty

40. Defendants reassert the foregoing responses in response to Paragraph 115.

41. Defendants deny the allegations of Paragraphs 116 – 120.

Ninth Cause of Action – Declaratory Judgment

42. Defendants reassert the foregoing responses in response to Paragraph 121.

43. Responding to Paragraph 122, Defendants admit that the Julians entered into Service Agreements with the Management Company that contain a noncompetition provision.

44. Defendants deny the allegations of Paragraphs 123 – 132.

Tenth Cause of Action – Injunctive Relief

45. Defendants reassert the foregoing responses in response to Paragraph 133.

46. Defendants deny the allegations of Paragraphs 134 – 147.

**FOR A FOURTH DEFENSE AND BY WAY OF COUNTERCLAIM
BY ADMG AGAINST ALL PLAINTIFFS
(Breach of Contract)**

47. Defendants reassert the foregoing allegations where not inconsistent with this Counterclaim.

48. Plaintiffs and ADMG agreed that ADMG would purchase certain equipment and pay for certain repairs and upfit on behalf of Plaintiffs.

49. Specifically, ADMG paid for equipment and repairs for the Dental Retreat (Travelers Rest) office in the amount of \$20,000 including:

- a. Laser repair in amount of \$3,800.00; and
- b. Laser equipment in amount of \$16,200.00.

50. ADMG also paid for equipment, upfit, and repairs for the Signature Smiles (Greenville) office in the amount of \$195,478.23 including:

- a. Capital contribution for CBCT equipment in amount of \$63,050.00;
- b. Purchase of dental chairs, x-ray, and other equipment in amount of \$43,676.67;
- c. Purchase of laser equipment in amount of \$16,500.00;
- d. Facility repair and maintenance in amount of \$69,601.56; and
- e. Construction work in amount of \$2,650.00.

51. ADMG has demanded payment for these expenses but Plaintiffs have refused to pay.

52. Plaintiffs' refusal to pay ADMG for these expenses is a breach of ADMG's agreement with Plaintiffs.

53. Plaintiffs' breach of the agreement has caused ADMG actual damages in the amount of \$215,478.23.

54. Plaintiffs' breach of agreement has also caused ADMG consequential damages.

55. ADMG is entitled pre-judgment interest on this amount.

WHEREFORE, Defendants respectfully request:

- 1) Dismissal of Plaintiffs' complaint;
- 2) A jury trial on all issues so triable;
- 3) Judgment against Plaintiffs for actual damages, together with compensatory and consequential damages with pre-judgment and post-judgment interest thereon;
- 4) Attorneys' fees, experts' fees, costs, and other reasonable litigation expenses of Defendants; and
- 5) Such other and further relief as the Court deems just and proper.

BANNISTER, WYATT & STALVEY, LLC

s/Luke A. Burke

Bruce W. Bannister (Fed. ID No. 7321)

Luke A. Burke (Fed. ID No. 11322)

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Attorneys for the Defendants

Dated: April 14, 2021
Greenville, South Carolina

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)
Greenville Dental Office Management)
Group, LLC, a limited liability company,)
proceeding pursuant to 33-44-1101 by and)
through its member, Bhaskar Savani,)
D.M.D.,)
Plaintiff,)
v.)
Jon Julian, D.D.S., Blake Julian, D.D.S.,)
Greenville Dental Management Group,)
P.A.,)
Defendants.)

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

**MOTION FOR APPOINTMENT OF
RECEIVER**

C.A. No. 2020-CP-23-03922

**TO: JON JULIAN, D.D.S., BLAKE JULIAN, D.D.S, AND GREENVILLE DENTAL
MANAGEMENT GROUP, P.A., DEFENDANTS, BY AND THROUGH THEIR
ATTORNEYS, MELIAH BOWERS JEFFERSON, ESQUIRE, AND MCKINLEY
HASKIN HYMAN, ESQUIRE:**

YOU WILL PLEASE TAKE NOTICE that the undersigned, as attorney for Plaintiff, hereby moves, pursuant to S.C. Code Section 16-65-10 for the appointment of a receiver to collect, account for, and distribute all collections for dental services rendered and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials received after June 26, 2017 by or from the following individuals and entities:

1. Greenville Dental Management Group, P.A.;
2. Dr. Jon Julian;
3. The Dental Retreat at Mountain Park, LLC;
4. The business formerly known as Northstar Dental Education for Dental Professionals;
5. Dr. Blake Julian; and

6. Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry.

This motion is based on the following:

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding ("MOU" attached as Exhibit A).
2. Pursuant to MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. ("Clinical Company").
3. Pursuant to MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff ("GDMG").
4. Paragraph 4 of MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. Since June 26, 2017, the aforementioned individuals and entities have failed to assign or deliver all collections as required by MOU.
6. Since approximately May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by MOU.
7. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.

8. On numerous occasions since May 1, 2020, Plaintiff and Bhaskar Savani have made written demands that the aforementioned individuals comply with the parties' agreement, deliver the aforementioned collections to GDMG, and/or pay the lease payments and bills that GDMG would have paid from the collections had it received same.
9. An affidavit in support of this motion is attached as Exhibit B.

Respectfully Submitted,
BANNISTER, WYATT & STALVEY, LLC

s/Luke A. Burke
Bruce W. Bannister (SC Bar # 15679)
Luke A. Burke (SC Bar # 100033)
P. O. Box 10007 (29603)
401 Pettigru Street (29601)
Greenville, South Carolina
Phone: 864-298-0084
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February 9, 2021
Greenville, South Carolina

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding ("MOU") made this 26 day of June, 2017, by, between and among **Dr. Jon Julian** and his solely owned professional corporations, including: **The Dental Retreat at Mountain Park, LLC; the business formerly known as Northstar Dental Education for Dental Professionals** (collectively and individually referred to as "J. Julian"); **Dr. Blake Julian** and his solely owned professional corporations, including: **Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry** (collectively and individually referred to as "B. Julian"); **Dr. Bhaskar M. Savani** or his designated entity (collectively and individually referred to as "Savani"); and **American Dental Management Group, LLC, a Pennsylvania Limited Liability Company** and its affiliated entities (collectively "ADMG"). The parties hereto, memorialize their understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements and provide as follows:

1. BACKGROUND. Greenville Dental Office Management Group, LLC, or such other entity name as shall be agreed to by the parties, ("Clinical Company") is being formed to provide the clinical practice of dentistry at dental office locations in the Greenville- Spartanburg, South Carolina and any other mutually agreed area locations (the "region"), including the existing practice locations known as The Dental Retreat at Mountain Park, 125 Botanical Circle, Travelers Rest, South Carolina 29690; Signature Smiles Family Dentistry, 6 Cleveland Court, #B, Greenville, South Carolina, 29607, and such other locations as shall be agreed by the parties (collectively the "Practice") as well as the business owned by J. Julian and formerly known as Northstar Dental Education for Dental Professionals ("Northstar"). The ownership interest of the Clinical Company shall be divided as follows:

J. Julian: thirty six percent (36%)
B. Julian: twenty four percent (24%)
Savani: forty percent (40%)

Each of the above members shall be the Dental Directors of the Clinical Company. Greenville Dental Management Group, LLC (GDMG) shall be formed to own all the tangible assets of the Clinical Company including business assets of J. Julian and B. Julian, ("Julian Contribution") including, but not limited to, the furniture and equipment and the rights to the patient lists and patients' information, but not the patients' charts which shall remain the property of the Clinical Company. Savani shall commit to GDMG active dental practices acquired by Savani in the region that will have direct clinical directorship commitment by either J. Julian or B. Julian ("Savani Contribution") with verified Practice Gross Revenues that when combined with verified Practice Gross Revenue of the Julian Contribution calculated over the trailing twelve months ("TTM") shall equal a maximum of forty percent (40%) of the total Julian and Savani Contributions, in accordance with the formula set forth in **"EXHIBIT-A"**. When Savani acquires first practice in the region, all practice assets of the Julian and Savani Contributions will be transferred to GDMG. The equity interest and profit sharing of GDMG shall be allocated as follows: J. Julian, thirty-six percent (36%); B. Julian twenty-four percent (24%); and Savani forty percent (40%). The corporate office of GDMG shall be located at 401 Commerce Drive, Suite 108, Fort Washington, PA 19034. At all times Savani shall be a Managing Member of GDMG and shall have equal voting rights to the

combined voting rights of J. Julian and B. Julian, regardless of their respective equity interests. The parties desire to define and restrict the transfer of ownership of the Clinical Company and GDMG; to set forth the understanding as to professional services and compensation for services rendered by J. Julian and B. Julian; and the share of profits and the contribution and participation of the parties as equity holders in the Clinical Company and GDMG.

2. TYPE OF ENTITIES. Greenville Dental Office Management Group, LLC to be formed as a South Carolina Professional Limited Liability Company doing business as The Dental Retreat at Mountain Park and Signature Smiles Family Dentistry. Greenville Dental Management Group, LLC to be formed as a South Carolina Limited Liability Company. American Dental Management Group, LLC, is a Pennsylvania Limited Liability Company.

3. OPERATING AGREEMENTS. The parties shall enter into Operating Agreements ("Operating Agreements") for both the Clinical Company and GDMG. The Operating Agreements will impose mutual transfer restrictions and rights of first refusal. No party will be permitted to sell or assign any portion of his/its interest in Clinical Company or in GDMG without the express written unanimous consent of the members of GDMG. If mutually agreed by all parties, and if a party wishes to sell his/its interest and has a qualified purchaser, the selling member shall give the right of first refusal to the other members on the same terms and conditions given to qualified purchaser. Provided, however, that unless the members otherwise agree, no offer made by a qualified purchaser shall be considered unless it is eight (8) times the Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") for the trailing twelve month period. Selling member shall give the other member(s) the right of first refusal ("ROFR") and shall also be required to offer the other member(s) the option of selling his/its shares to the qualified purchaser on the same terms and conditions ("tag-along rights"). Said options shall expire if not accepted within thirty (30) days from the date of full disclosure of the offer.

In the event J. Julian or B. Julian terminates his professional services to Clinical Company or fails to provide reasonable dental and/or management services to Clinical Company or fails to cooperate in the transition of Clinical Company in the event of a merger or sale, or if he desires to relinquish his interest voluntarily ("disqualified member"), and GDMG is, within a reasonable period of time, unable to transition the Practice and its insurance contracts to another qualified dentist who can operate the Practice in substantially the same manner, then Savani or his designee shall have the right to purchase the disqualified member's interest in Clinical Company for One Dollar (\$1.00) and disqualified member's interest in GDMG for an amount equal to the balance of the disqualified member's capital contribution. This right to purchase shall not however be triggered upon death or disability. In the event of the death or disability, the buy-out amount shall be based upon the book value of the Clinical Company and GDMG as determined by an independent appraiser selected by an unbiased third party or by mutual agreement of the interested parties. GDMG shall have six (6) months to pay the buy-out amount. Provided, however, that the member shall not be relieved from any liability to GDMG by reason of his indebtedness to GDMG or damages incurred by GDMG as a result of his voluntarily or involuntarily termination. Any buy-out amount, including for death or disability, to which a member may be entitled would first have to be applied to the member's share of liability for any outstanding loans/borrowing owed by GDMG and the

remaining balance shall be distributed in accordance with the member's proportionate share.

Unanimous consent of the members of GDMG shall be required for following:

- (i) Sale or merger of Clinical Company/GDMG or substantially all of Clinical Company's/GDMG's assets
- (ii) Opening or closing any offices of Clinical Company
- (iii) Incurring any debt (other than accounts payable in the ordinary course of business)
- (iv) Issuing or redeeming any membership interest.

4. **ASSIGNMENT OF COLLECTIONS.** Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. **LEASE AND EQUIPMENT.** GDMG shall secure leases for the initial Practice locations and future locations and sublet the Practice location to Clinical Company at current market rates. GDMG shall provide to Clinical Company, as part of its lease arrangement, all the dental office "fit-out", equipment, furniture, fixtures, tools and supplies (collectively "Practice assets") necessary to operate the Practice. All of the Practice assets shall remain the property of GDMG.

6. **WORKING CAPITAL.** GDMG shall at all times maintain three-months' working capital (based upon average monthly overhead/expense/liability of Clinical Company) in operating the Practice. No party shall take a draw, compensation or share of profits unless Clinical Company/GDMG has sufficient funds in excess of three months' working capital.

7. **PRACTICE CAPITALIZATION, DEBT, AND ADDITIONAL BORROWING.**

(a) **Practice Capitalization:** GDMG and its members shall use their best efforts to borrow from a bank or other financial institution to secure the funds as needed to fully capitalize the project for future acquisitions.

(b) **Savani Commitment:** The Parties acknowledge that Savani's contribution is contingent upon his ability to utilize current lines of credit to acquire dental practices in the region. If he is unable to secure that financing within six months, he shall have the option to withdraw or to continue to participate in proportion to the equity contributed by him or as the parties shall agree.

8. **PROFITS AND LOSSES.** Each party who is a member shall be entitled to a proportionate share of the Net Profits or deduction for losses per year, as permitted by law and in accordance with the provisions of this MOU. "Net Profits" shall be as defined in **"EXHIBIT-B"** attached hereto. Net Profits shall be calculated on a quarterly basis. The parties agree to reserve at least five percent (5%) of gross annual revenues for future expansion and acquisition of additional Practice locations prior to calculation and/or distribution of the profits.

9. **SERVICE AGREEMENTS.** J. Julian and B. Julian as a Dental Director of Clinical Company will be subject to non-solicitation provisions pertaining to customers and vendors and the non-compete provisions as more specifically set forth in the Service Agreement. The Service Agreement will include confidentiality provisions and other standard protections regarding trade secrets. In the event of a sale or merger of the Practice, and if required by the purchaser or successor, either J. Julian, B. Julian or both will remain as Dental Director until such time as the patients and the insurance contracts have been transitioned to the successor. The Service Agreement shall be in the form marked **"EXHIBIT-C"** attached hereto. J. Julian will receive a maximum compensation of Six Hundred Thousand Dollars (\$600,000.00) per annum for full-time professional dental services and educational training seminars. B. Julian will receive a maximum compensation of Four Hundred Thousand Dollars (\$400,000.00) per annum for full-time professional dental services.

10. **RESTRICTIVE COVENANTS (NON-COMPETE).** During the time that J. Julian or B. Julian is a Dental Director and/or member of Clinical Company he or they will not practice outside of GDMG affiliated practices and also abide by the conditions imposed during exit or separation.

11. **MANAGEMENT AGREEMENTS-ADMG/GDMG**

(a) **Project Manager.** ADMG (and/or its affiliated or designated entities) will be the project manager and purchasing agent for the construction project for future projects of the GDMG. It is understood that the cost for completion of the work at the Practice location will be fair and reasonable (at wholesale prices) and shall be paid to ADMG by Clinical Company/GDMG. Any future improvement or new construction required by Clinical Company shall be offered to ADMG. If requested in writing by GDMG, ADMG shall submit a proposal for the cost of thereof. GDMG shall have the option to get competitive bids/quotes for equivalent materials and equipment (matching brand and specifications). ADMG shall have option to meet any competitive bids/quotes, which are equal to or less than ADMG's proposal, and to perform the work.

(b) **Management Agreement.** GDMG will enter into an exclusive Business Services Agreement with Clinical Company pursuant to which GDMG will provide substantially all non-clinical management services, all administrative services and vendor selection for lab, equipment, billing software, hardware and supply (dental and office) to Clinical Company as well as doing the billing and collections and providing the dental software (Dentaweb). GDMG will pay all non-payroll related expenses of Clinical Company and provide revenue cycle management services. It is understood and agreed that GDMG will engage

Dentaweb services for billing and revenue cycle management software at an initial rate of five percent (5%) of gross collections and corporate services from ADMG (and/or its affiliated or designated entities) at an initial rate of three and one-half percent (3.5%) of gross collections. GDMG shall retain Dentaweb and ADMG (and/or its affiliated or designated entities) for the above-mentioned services for as long as Savani has an equity interest in Clinical Company and/or GDMG. GDMG will also use other preferred vendors, if Clinical Company requests in writing that a vendor be substituted for a preferred vendor, GDMG will review overall pricing of that vendor and determine whether that vendor is more satisfactory in price and service than the preferred vendor of GDMG. GDMG shall have the option to match the price of any other vendors for comparable items. Clinical Company shall not engage in business at any other locations without the express written consent of GDMG. Clinical Company will pay to GDMG service fees on a monthly basis to GDMG up to the maximum fees, based upon total collection/revenue minus office level payroll and doctor compensation, as further defined in the Business Service Agreement to be entered into between Clinical Company and GDMG.

(c) **Marketing.** GDMG shall provide marketing services to the Clinical Company provided, however, that Clinical Company must unanimously approve group-marketing expenses that exceed \$10,000.00 per year charged to Clinical Company. Web based marketing including but not limited to web search engine optimization and website design & creation, maintenance and central referral services such as referrals from myfamilydentalcare.com or central call center shall not be considered as a group-marketing and cost shall be borne independently by the Clinical Company.

12. **PARTICIPATION IN DENTAL PLANS.** Clinical Company agrees that if requested by GDMG, Clinical Company shall accept dental plans including but not limited to Blue Shield, Delta, Aetna, United Concordia, Guardian, MetLife, HMO, DMO, Government Funded Plans, Plans run by Local Unions, Discount Dental Plans (including PresiDental Plan) and any other plans that Clinical Company agrees to comply with all the regulatory requirements including but not limited to providing credentialing updates to the insurance companies. While GDMG may assist in obtaining proper credentialing, Clinical Company agrees that it is solely responsible for obtaining credentialing and for informing GDMG as to the rendering provider's name for billing purposes. Clinical Company acknowledges that the credentialing process may be delayed by the dental plan in which Clinical Company seeks participation, GDMG shall have no responsibility whatsoever for any delay in credentialing process. Until such time any other doctors get fully credentialed and/or is able to bill under the dental plan and to the extent permitted under the applicable insurance contract or by law, J. Julian and B. Julian authorize the Clinical Company to bill for services under his name as the rendering provider/supervising dentist if credentialed and he shall be responsible to supervise any doctors who are undergoing credentialing process and working at Practice so that the continuation of patient care can be maintained. If J. Julian or B. Julian or his professional corporation is a contracting provider and is participating with an insurance or other dental plan at Practice location, he assigns to Clinical Company all insurance proceeds, capitation credits, patient and third-party payments attributable to services performed under this or any other Service Agreement entered into by the parties and authorizes

Clinical Company to deposit all funds in Clinical Company's account for disbursement in accordance with the Business Service Agreement.

13. ABSENCE OF PRIOR TRADE SECRET AND COMPETITION RESTRICTIONS. Each party represents that he is under no restrictions relevant to the fulfillment of his duties to the Clinical Company, whether by virtue of former employment, business dealings or otherwise, with regard to trade secrets he may possess or anti-competition restrictions to which he may be subject. Should he be required to defend or be joined in any claim or litigation, occurred on or after the effective date of this agreement, concerning alleged anti-competitive restrictions upon him or the Clinical Company, the Clinical Company shall provide the defense of all such claims and shall be reimbursed and indemnified by him thereafter.

14. NO ASSIGNMENT. This Agreement may not be assigned without the written consent of all parties.

15. AMENDMENTS AND WAIVERS. This Agreement represents the exclusive statement of the entire Agreement between the parties concerning the subject matter hereof and may not be amended, or revoked in whole or in part, except by written agreement of the parties hereto. Any waiver of any provision of this Agreement must be in writing, signed by the party to be charge therewith, and a waiver on any occasion shall not be construed as a bar or waiver of any such right or remedy on any future occasion unless the waiver specifically provides otherwise.

16. SPECIFIC AMENDMENTS CONTROL. It is understood that the parties shall enter into specific agreements and that this MOU sets forth the general understanding of the parties. The terms and provisions of the specific agreements shall be deemed controlling unless stated otherwise.

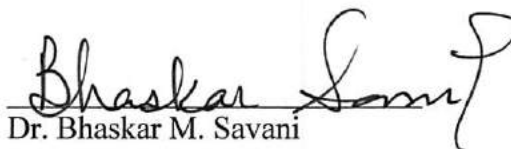
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(End of Text Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.



Dr. Jon Julian, individually and on behalf of The Dental Retreat at Mountain Park, LLC and Northstar Dental Education for Dental Professionals, LLC



Dr. Bhaskar M. Savani



Dr. Blake Julian, individually and on behalf of Signature Smiles, LLC

American Dental Management Group, LLC

Witness:

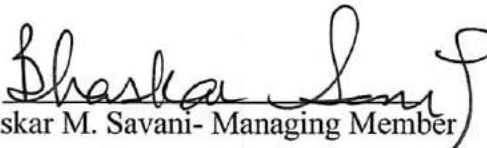
By:

Name



By:

Bhaskar M. Savani- Managing Member



"EXHIBIT-A"**PRACTICE VALUATION**

The Practice Valuation shall be based upon following agreed formula and conditioned upon Jon Julian and Blake Julian providing banking documentation subject to verification and due diligence as required by Savani's accountant.

Trailing twelve months (TTM) Gross Revenue from Julians' combined dental practices and professional education business less outstanding business debt = Practice Valuation

Savani's commitment shall be to acquire and contribute active dental practices in the region with combined gross revenues which shall be the equivalent of forty percent (40%) of the Total Julian Practice Valuation when combined with the Savani practice contribution.

For Example:

Gross Revenue (TTM):

J. Julian dental practice.....\$2,000,000.00

J. Julian professional education.....100,000.00

B. Julian dental practice.....1,000,000.00

TOTAL GROSS REVENUE.....\$3,100,000.00

Less: Outstanding Business Debt.....-100,000.00

TOTAL JULIAN PRACTICE VALUATION.....\$3,000,000.00

SAVANI PRACTICE CONTRIBUTION @ 40%.....\$2,000,000.00

\$3,000,000.00 divided by .60 = \$5,000,000.00 (Total Combined Contribution)

\$5,000,000.00 multiplied by .40 = \$2,000,000.00 (Savani Contribution)

“EXHIBIT-B”

Net Profit of GDMG shall be calculated as below:

Net Profit: Total Collection – Total expense

Total Collection:

Total collection by the office towards the dental services includes:

- Payment received from the dental insurance companies and any third party reimbursement including financial institution such as Care Credit etc.,
- Payment received from the patient

Total Expenses:

Total expense for the office includes but not limited to the following:

- Payment to professionals for the services to the office (through Clinical Company expense account)
- Payment for the rent/lease etc.
- Employees payroll and benefits (through Clinical Company expense account)
- Marketing and advertising
- Legal fees
- ADMG corporate expense (currently at 3.5% of gross revenue/collection)
- Software and Data Management services by Dentaweb (Currently at 5% of gross revenue/collection)
- Interest on loan
- Office debt any and all
- Office utilities
- Maintenance and repairs
- Office furniture, equipment etc.
- Dental supplies, office supplies etc.
- All other relevant office expenses to run the practice efficiently
- Any and all mutually agreed expenses.

STATE OF SOUTH CAROLINA)
) AFFIDAVIT OF BHASKAR SAVANI, D.M.D
COUNTY OF GREENVILLE)

PERSONALLY APPEARED before me the undersigned, who, being duly sworn, states as follows:

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“MOU” attached as Exhibit A).
2. Pursuant to MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“Clinical Company”).
3. Pursuant to MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Since June 26, 2017, the aforementioned individuals and entities have failed to assign or deliver all collections as required by MOU.
5. Since approximately May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.
7. On numerous occasions since May 1, 2020, Plaintiff and Bhaskar Savani have made written demands that the aforementioned individuals comply with the parties’ agreement, deliver the aforementioned collections to GDMG, and/or pay the lease

payments and bills that GDMG would have paid from the collections had it received same.

Further, Deponent saith not.

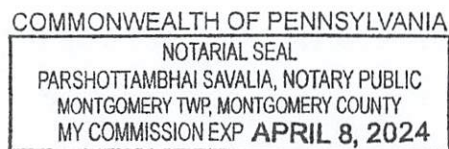
Bhaskar Savani
Bhaskar Savani, D.M.D.

SWORN to and subscribed before me
this 08 day of February, 2021

Notary Public for Pennsylvania

Print Name: PARSHOTTAMBHAI

My Commission Expires: 04/08/2024



MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding ("MOU") made this 26 day of June, 2017, by, between and among **Dr. Jon Julian** and his solely owned professional corporations, including: **The Dental Retreat at Mountain Park, LLC; the business formerly known as Northstar Dental Education for Dental Professionals** (collectively and individually referred to as "J. Julian"); **Dr. Blake Julian** and his solely owned professional corporations, including: **Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry** (collectively and individually referred to as "B. Julian"); **Dr. Bhaskar M. Savani** or his designated entity (collectively and individually referred to as "Savani"); and **American Dental Management Group, LLC, a Pennsylvania Limited Liability Company** and its affiliated entities (collectively "ADMG"). The parties hereto, memorialize their understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements and provide as follows:

1. BACKGROUND. Greenville Dental Office Management Group, LLC, or such other entity name as shall be agreed to by the parties, ("Clinical Company") is being formed to provide the clinical practice of dentistry at dental office locations in the Greenville- Spartanburg, South Carolina and any other mutually agreed area locations (the "region"), including the existing practice locations known as The Dental Retreat at Mountain Park, 125 Botanical Circle, Travelers Rest, South Carolina 29690; Signature Smiles Family Dentistry, 6 Cleveland Court, #B, Greenville, South Carolina, 29607, and such other locations as shall be agreed by the parties (collectively the "Practice") as well as the business owned by J. Julian and formerly known as Northstar Dental Education for Dental Professionals ("Northstar"). The ownership interest of the Clinical Company shall be divided as follows:

J. Julian: thirty six percent (36%)
B. Julian: twenty four percent (24%)
Savani: forty percent (40%)

Each of the above members shall be the Dental Directors of the Clinical Company. Greenville Dental Management Group, LLC (GDMG) shall be formed to own all the tangible assets of the Clinical Company including business assets of J. Julian and B. Julian, ("Julian Contribution") including, but not limited to, the furniture and equipment and the rights to the patient lists and patients' information, but not the patients' charts which shall remain the property of the Clinical Company. Savani shall commit to GDMG active dental practices acquired by Savani in the region that will have direct clinical directorship commitment by either J. Julian or B. Julian ("Savani Contribution") with verified Practice Gross Revenues that when combined with verified Practice Gross Revenue of the Julian Contribution calculated over the trailing twelve months ("TTM") shall equal a maximum of forty percent (40%) of the total Julian and Savani Contributions, in accordance with the formula set forth in **"EXHIBIT-A"**. When Savani acquires first practice in the region, all practice assets of the Julian and Savani Contributions will be transferred to GDMG. The equity interest and profit sharing of GDMG shall be allocated as follows: J. Julian, thirty-six percent (36%); B. Julian twenty-four percent (24%); and Savani forty percent (40%). The corporate office of GDMG shall be located at 401 Commerce Drive, Suite 108, Fort Washington, PA 19034. At all times Savani shall be a Managing Member of GDMG and shall have equal voting rights to the

combined voting rights of J. Julian and B. Julian, regardless of their respective equity interests. The parties desire to define and restrict the transfer of ownership of the Clinical Company and GDMG; to set forth the understanding as to professional services and compensation for services rendered by J. Julian and B. Julian; and the share of profits and the contribution and participation of the parties as equity holders in the Clinical Company and GDMG.

2. TYPE OF ENTITIES. Greenville Dental Office Management Group, LLC to be formed as a South Carolina Professional Limited Liability Company doing business as The Dental Retreat at Mountain Park and Signature Smiles Family Dentistry. Greenville Dental Management Group, LLC to be formed as a South Carolina Limited Liability Company. American Dental Management Group, LLC, is a Pennsylvania Limited Liability Company.

3. OPERATING AGREEMENTS. The parties shall enter into Operating Agreements ("Operating Agreements") for both the Clinical Company and GDMG. The Operating Agreements will impose mutual transfer restrictions and rights of first refusal. No party will be permitted to sell or assign any portion of his/its interest in Clinical Company or in GDMG without the express written unanimous consent of the members of GDMG. If mutually agreed by all parties, and if a party wishes to sell his/its interest and has a qualified purchaser, the selling member shall give the right of first refusal to the other members on the same terms and conditions given to qualified purchaser. Provided, however, that unless the members otherwise agree, no offer made by a qualified purchaser shall be considered unless it is eight (8) times the Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") for the trailing twelve month period. Selling member shall give the other member(s) the right of first refusal ("ROFR") and shall also be required to offer the other member(s) the option of selling his/its shares to the qualified purchaser on the same terms and conditions ("tag-along rights"). Said options shall expire if not accepted within thirty (30) days from the date of full disclosure of the offer.

In the event J. Julian or B. Julian terminates his professional services to Clinical Company or fails to provide reasonable dental and/or management services to Clinical Company or fails to cooperate in the transition of Clinical Company in the event of a merger or sale, or if he desires to relinquish his interest voluntarily ('disqualified member'), and GDMG is, within a reasonable period of time, unable to transition the Practice and its insurance contracts to another qualified dentist who can operate the Practice in substantially the same manner, then Savani or his designee shall have the right to purchase the disqualified member's interest in Clinical Company for One Dollar (\$1.00) and disqualified member's interest in GDMG for an amount equal to the balance of the disqualified member's capital contribution. This right to purchase shall not however be triggered upon death or disability. In the event of the death or disability, the buy-out amount shall be based upon the book value of the Clinical Company and GDMG as determined by an independent appraiser selected by an unbiased third party or by mutual agreement of the interested parties. GDMG shall have six (6) months to pay the buy-out amount. Provided, however, that the member shall not be relieved from any liability to GDMG by reason of his indebtedness to GDMG or damages incurred by GDMG as a result of his voluntarily or involuntarily termination. Any buy-out amount, including for death or disability, to which a member may be entitled would first have to be applied to the member's share of liability for any outstanding loans/borrowing owed by GDMG and the

remaining balance shall be distributed in accordance with the member's proportionate share.

Unanimous consent of the members of GDMG shall be required for following:

- (i) Sale or merger of Clinical Company/GDMG or substantially all of Clinical Company's/GDMG's assets
- (ii) Opening or closing any offices of Clinical Company
- (iii) Incurring any debt (other than accounts payable in the ordinary course of business)
- (iv) Issuing or redeeming any membership interest.

4. **ASSIGNMENT OF COLLECTIONS.** Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. **LEASE AND EQUIPMENT.** GDMG shall secure leases for the initial Practice locations and future locations and sublet the Practice location to Clinical Company at current market rates. GDMG shall provide to Clinical Company, as part of its lease arrangement, all the dental office "fit-out", equipment, furniture, fixtures, tools and supplies (collectively "Practice assets") necessary to operate the Practice. All of the Practice assets shall remain the property of GDMG.

6. **WORKING CAPITAL.** GDMG shall at all times maintain three-months' working capital (based upon average monthly overhead/expense/liability of Clinical Company) in operating the Practice. No party shall take a draw, compensation or share of profits unless Clinical Company/GDMG has sufficient funds in excess of three months' working capital.

7. **PRACTICE CAPITALIZATION, DEBT, AND ADDITIONAL BORROWING.**

(a) **Practice Capitalization:** GDMG and its members shall use their best efforts to borrow from a bank or other financial institution to secure the funds as needed to fully capitalize the project for future acquisitions.

(b) **Savani Commitment:** The Parties acknowledge that Savani's contribution is contingent upon his ability to utilize current lines of credit to acquire dental practices in the region. If he is unable to secure that financing within six months, he shall have the option to withdraw or to continue to participate in proportion to the equity contributed by him or as the parties shall agree.

8. **PROFITS AND LOSSES.** Each party who is a member shall be entitled to a proportionate share of the Net Profits or deduction for losses per year, as permitted by law and in accordance with the provisions of this MOU. "Net Profits" shall be as defined in **"EXHIBIT-B"** attached hereto. Net Profits shall be calculated on a quarterly basis. The parties agree to reserve at least five percent (5%) of gross annual revenues for future expansion and acquisition of additional Practice locations prior to calculation and/or distribution of the profits.

9. **SERVICE AGREEMENTS.** J. Julian and B. Julian as a Dental Director of Clinical Company will be subject to non-solicitation provisions pertaining to customers and vendors and the non-compete provisions as more specifically set forth in the Service Agreement. The Service Agreement will include confidentiality provisions and other standard protections regarding trade secrets. In the event of a sale or merger of the Practice, and if required by the purchaser or successor, either J. Julian, B. Julian or both will remain as Dental Director until such time as the patients and the insurance contracts have been transitioned to the successor. The Service Agreement shall be in the form marked **"EXHIBIT-C"** attached hereto. J. Julian will receive a maximum compensation of Six Hundred Thousand Dollars (\$600,000.00) per annum for full-time professional dental services and educational training seminars. B. Julian will receive a maximum compensation of Four Hundred Thousand Dollars (\$400,000.00) per annum for full-time professional dental services.

10. **RESTRICTIVE COVENANTS (NON-COMPETE).** During the time that J. Julian or B. Julian is a Dental Director and/or member of Clinical Company he or they will not practice outside of GDMG affiliated practices and also abide by the conditions imposed during exit or separation.

11. **MANAGEMENT AGREEMENTS-ADMG/GDMG**

(a) **Project Manager.** ADMG (and/or its affiliated or designated entities) will be the project manager and purchasing agent for the construction project for future projects of the GDMG. It is understood that the cost for completion of the work at the Practice location will be fair and reasonable (at wholesale prices) and shall be paid to ADMG by Clinical Company/GDMG. Any future improvement or new construction required by Clinical Company shall be offered to ADMG. If requested in writing by GDMG, ADMG shall submit a proposal for the cost of thereof. GDMG shall have the option to get competitive bids/quotes for equivalent materials and equipment (matching brand and specifications). ADMG shall have option to meet any competitive bids/quotes, which are equal to or less than ADMG's proposal, and to perform the work.

(b) **Management Agreement.** GDMG will enter into an exclusive Business Services Agreement with Clinical Company pursuant to which GDMG will provide substantially all non-clinical management services, all administrative services and vendor selection for lab, equipment, billing software, hardware and supply (dental and office) to Clinical Company as well as doing the billing and collections and providing the dental software (Dentaweb). GDMG will pay all non-payroll related expenses of Clinical Company and provide revenue cycle management services. It is understood and agreed that GDMG will engage

Dentaweb services for billing and revenue cycle management software at an initial rate of five percent (5%) of gross collections and corporate services from ADMG (and/or its affiliated or designated entities) at an initial rate of three and one-half percent (3.5%) of gross collections. GDMG shall retain Dentaweb and ADMG (and/or its affiliated or designated entities) for the above-mentioned services for as long as Savani has an equity interest in Clinical Company and/or GDMG. GDMG will also use other preferred vendors, if Clinical Company requests in writing that a vendor be substituted for a preferred vendor, GDMG will review overall pricing of that vendor and determine whether that vendor is more satisfactory in price and service than the preferred vendor of GDMG. GDMG shall have the option to match the price of any other vendors for comparable items. Clinical Company shall not engage in business at any other locations without the express written consent of GDMG. Clinical Company will pay to GDMG service fees on a monthly basis to GDMG up to the maximum fees, based upon total collection/revenue minus office level payroll and doctor compensation, as further defined in the Business Service Agreement to be entered into between Clinical Company and GDMG.

(c) **Marketing.** GDMG shall provide marketing services to the Clinical Company provided, however, that Clinical Company must unanimously approve group-marketing expenses that exceed \$10,000.00 per year charged to Clinical Company. Web based marketing including but not limited to web search engine optimization and website design & creation, maintenance and central referral services such as referrals from myfamilydentalcare.com or central call center shall not be considered as a group-marketing and cost shall be borne independently by the Clinical Company.

12. **PARTICIPATION IN DENTAL PLANS.** Clinical Company agrees that if requested by GDMG, Clinical Company shall accept dental plans including but not limited to Blue Shield, Delta, Aetna, United Concordia, Guardian, MetLife, HMO, DMO, Government Funded Plans, Plans run by Local Unions, Discount Dental Plans (including PresiDental Plan) and any other plans that Clinical Company agrees to comply with all the regulatory requirements including but not limited to providing credentialing updates to the insurance companies. While GDMG may assist in obtaining proper credentialing, Clinical Company agrees that it is solely responsible for obtaining credentialing and for informing GDMG as to the rendering provider's name for billing purposes. Clinical Company acknowledges that the credentialing process may be delayed by the dental plan in which Clinical Company seeks participation, GDMG shall have no responsibility whatsoever for any delay in credentialing process. Until such time any other doctors get fully credentialed and/or is able to bill under the dental plan and to the extent permitted under the applicable insurance contract or by law, J. Julian and B. Julian authorize the Clinical Company to bill for services under his name as the rendering provider/supervising dentist if credentialed and he shall be responsible to supervise any doctors who are undergoing credentialing process and working at Practice so that the continuation of patient care can be maintained. If J. Julian or B. Julian or his professional corporation is a contracting provider and is participating with an insurance or other dental plan at Practice location, he assigns to Clinical Company all insurance proceeds, capitation credits, patient and third-party payments attributable to services performed under this or any other Service Agreement entered into by the parties and authorizes

Clinical Company to deposit all funds in Clinical Company's account for disbursement in accordance with the Business Service Agreement.

13. ABSENCE OF PRIOR TRADE SECRET AND COMPETITION RESTRICTIONS. Each party represents that he is under no restrictions relevant to the fulfillment of his duties to the Clinical Company, whether by virtue of former employment, business dealings or otherwise, with regard to trade secrets he may possess or anti-competition restrictions to which he may be subject. Should he be required to defend or be joined in any claim or litigation, occurred on or after the effective date of this agreement, concerning alleged anti-competitive restrictions upon him or the Clinical Company, the Clinical Company shall provide the defense of all such claims and shall be reimbursed and indemnified by him thereafter.

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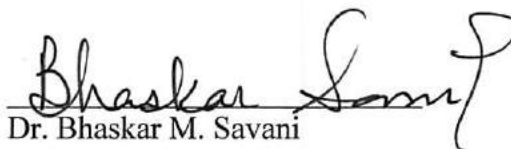
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(End of Text Signature Page Follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.



Dr. Jon Julian, individually and on behalf of The Dental Retreat at Mountain Park, LLC and Northstar Dental Education for Dental Professionals, LLC



Dr. Bhaskar M. Savani



Dr. Blake Julian, individually and on behalf of Signature Smiles, LLC

American Dental Management Group, LLC

Witness:

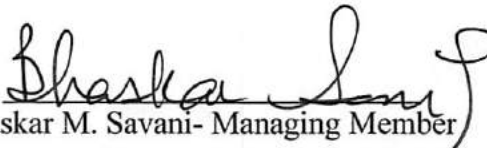
By:

Name



By:

Bhaskar M. Savani- Managing Member



"EXHIBIT-A"**PRACTICE VALUATION**

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Trailing twelve months (TTM) Gross Revenue from Julians' combined dental practices and professional education business less outstanding business debt = Practice Valuation

Savani's commitment shall be to acquire and contribute active dental practices in the region with combined gross revenues which shall be the equivalent of forty percent (40%) of the Total Julian Practice Valuation when combined with the Savani practice contribution.

For Example:

Gross Revenue (TTM):

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J. Julian professional education.....100,000.00

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TOTAL GROSS REVENUE.....\$3,100,000.00

Less: Outstanding Business Debt.....-100,000.00

TOTAL JULIAN PRACTICE VALUATION.....\$3,000,000.00

SAVANI PRACTICE CONTRIBUTION @ 40%.....\$2,000,000.00

\$3,000,000.00 divided by .60 = \$5,000,000.00 (Total Combined Contribution)

\$5,000,000.00 multiplied by .40 = \$2,000,000.00 (Savani Contribution)

“EXHIBIT-B”

Net Profit of GDMG shall be calculated as below:

Net Profit: Total Collection – Total expense

Total Collection:

Total collection by the office towards the dental services includes:

- Payment received from the dental insurance companies and any third party reimbursement including financial institution such as Care Credit etc.,
- Payment received from the patient

Total Expenses:

Total expense for the office includes but not limited to the following:

- Payment to professionals for the services to the office (through Clinical Company expense account)
- Payment for the rent/lease etc.
- Employees payroll and benefits (through Clinical Company expense account)
- Marketing and advertising
- Legal fees
- ADMG corporate expense (currently at 3.5% of gross revenue/collection)
- Software and Data Management services by Dentaweb (Currently at 5% of gross revenue/collection)
- Interest on loan
- Office debt any and all
- Office utilities
- Maintenance and repairs
- Office furniture, equipment etc.
- Dental supplies, office supplies etc.
- All other relevant office expenses to run the practice efficiently
- Any and all mutually agreed expenses.

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management Group, LLC, a limited liability company, proceeding pursuant to 33-44-1101 by and through its member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS

THIRTEENTH JUDICIAL CIRCUIT

CASE NUMBER: 2020-CP-23-03922

**MEMORANDUM OF LAW IN SUPPORT
OF MOTION FOR APPOINTMENT OF
RECEIVER**

The plaintiff, Greenville Dental Office Management Group, LLC (“the Management Group”) respectfully submits this Memorandum of Law in Support of Motion for Appointment of Receiver filed on February 9, 2021.

I. STANDARD

A receiver may be appointed by a judge of the circuit court, either in or out of court . . . Before Judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired S.C. Code § 15-65-10.

II. ARGUMENT

On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU” attached as Exhibit A to the Motion). Pursuant to the MOU, Jon Julian and Blake Julian

formed Greenville Dental Management Group, P.A. (“Clinical Company”). Also, pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“the Management Company”).

Pursuant to the MOU, the Management Company is required to “secure leases for the initial Practice locations and future locations.” MOU ¶ 5. The Management Company is also required to provide to the Clinical Company “all the dental ‘fit-out’, equipment, furniture, fixtures, tools and supplies (collectively ‘Practice Assets’) necessary to operate the Practice.” *Id.* To date, the Management Company has secured leases and provided Practice Assets for five locations: (1) Traveler’s Rest, (2) Greenville, (3) Taylors, (4) Columbia, and (5) Duncan.

Pursuant to the MOU, the Management Company’s source of funds for these expenses is the assignment of collection from the Clinical Company to the Management Company:

Clinical Company shall assign to [the Management Company] all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional educational seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to the Management Company.

The Clinical Company has never provided the Management Company with collections for revenues derived from professional educational seminars, lectures, and course materials provided by Jon Julian or Blake Julian. Further, since at least May 1, 2020, the Clinical Company has refused to provide collections or turn over any funds to the Management Company. Without these

funds, it is impossible for the Management Company to pay the lease obligations, bills, and other expenses for the aforementioned offices.¹

The Management Company has a right to possession of the collections from all signatories of the MOU, including: (1) Greenville Dental Management Group, P.A., (2) Dr. Jon Julian, (3) The Dental Retreat at Mountain Park, LLC, (4) the business formerly known as Northstar Dental Education for Dental Professionals; (5) Dr. Blake Julian; and (6) Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry. These individuals and entities are either defendants in this action or wholly owned by defendants in this action.

The collections are in the possession of the defendants, who refuse to deliver same to the Management Group.

If a receiver is not appointed to collect, account for, and distribute these collections, then they will be wrongfully dispersed by the defendants without concern for the obligations of the Management Group. Further, without these collections, the Management Group has no funds to fulfill its financial obligations.

III. CONCLUSION

Therefore, based on the foregoing, Plaintiff respectfully requests that the Court appoint a receiver to collect, account for, and distribute all collections for all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials received after June 26, 2017 by or from the following individuals and entities:

¹ Upon information and belief, the defendants have continued to pay the lease for the Traveler's Rest and Greenville offices because these buildings are owned by Jon Julian and Blake Julian, respectively; however, they have refused to pay any funds towards the expenses of the other offices.

1. Greenville Dental Management Group, P.A.;
2. Dr. Jon Julian;
3. The Dental Retreat at Mountain Park, LLC;
4. The business formerly known as Northstar Dental Education for Dental Professionals;
5. Dr. Blake Julian; and
6. Signature Smiles, LLC d/b/a Signature Smiles Family Dentistry.

Respectfully submitted,
BANNISTER, WYATT & STALVEY, LLC

s/Luke A. Burke
Bruce W. Bannister – SC Bar No. 15679
Luke A. Burke – SC Bar No. 100033
24 Cleveland Street, Suite 100 (29601)
P. O. Box 10007 (29603)
Greenville, South Carolina
Phone: (864) 298-0084
Fax: (864) 298-0146
Attorneys for the Plaintiff

April 5, 2021

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management Group, LLC, a limited liability company, proceeding pursuant to 33-44-1101 by and through its member, Bhaskar Savani, D.M.D.,

Plaintiff,

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group, P.A.,

Defendants.

IN THE COURT OF COMMON PLEAS

THIRTEENTH JUDICIAL CIRCUIT

2020-CP-23-03922

**AFFIDAVIT OF JON JULIAN IN
OPPOSITION TO MOTION TO
APPOINT RECIEVER**

I, Jon Julian, duly attest, depose and state as follows:

1. Blake Julian, Greenville Dental Management Group, P.A., and I (collectively, “Defendants”) filed suit in federal court against Bhaskar Savani and American Dental Management Group, LLC on June 12, 2020, captioned *Jon Julian, D.D.S, Blake Julian, D.D.S and Greenville Dental Management Group, P.A. vs. Bhaskar Savani, D.M.D, and American Dental Management Group, LLC*, Case No. 6:20-cv-02229-BHH (the “Federal Action”) seeking redress for Savani’s numerous breaches of his statutory duties of loyalty, obligations of good faith and fair dealing, and/or other fiduciary duties owed to Defendants.

2. As set forth in the Federal Action and the Answer and Counterclaims filed in this case, Savani and Greenville Dental Office Management Group, LLC are in breach of the MOU, Service Agreements, and Dental Director Agreements.

3. Savani remains in sole control of Greenville Dental Office Management Group, LLC and the two dental practices he owns in Taylors and Columbia, South Carolina. Savani receives all revenue from those practices.

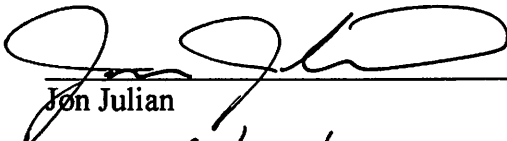
4. Blake and I continue to operate our own dental practices and only use the revenue from our practices to pay expenses and payroll, including our own salaries at or below the amounts set forth in the Services Agreement, despite our disagreement with Savani's interpretation of its terms.

5. Revenue amounts in excess of the actual amounts incurred for expenses and payroll are reserved in a bank account.

6. Plaintiffs have been provided with bank statements, which show our revenues and expenses in detail.

7. The revenue received by our practices is not in any danger of being mismanaged, lost, materially injured, or impaired.

I certify hereby that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are wilfully false, I am subject to punishment by contempt.¹


Jon Julian
Date: 4/7/21

¹ This certification is made pursuant to South Carolina Supreme Court Order Regarding Operations of the Trial Courts During the Coronavirus Emergency (As Amended March 4, 2021).

**STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE**

**IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT**

Greenville Dental Office Management
Group, LLC, a limited liability company,
proceeding pursuant to 33-44-1101 by
and through its member, Bhaskar Savani,
D.M.D.,

**MOTION TO ALTER AND AMEND
ORDER APPOINTING RECEIVER**

Plaintiff,

C.A. No. 2020-CP-23-03922

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,
Greenville Dental Management Group,
P.A.,

Defendants.

Pursuant to Rules 52(b) and 59(e), SCRPC, Defendants Jon Julian, D.D.S. (“J. Julian”), Blake Julian, D.D.S. (“B. Julian”) (together the “Julians”), and Greenville Dental Management Group, P.A., (the “Clinical Practice” and together with the Julians, “Defendants”) hereby move this Court to alter and amend its Order Appointing Receiver filed and dated May 12, 2021 (the “Order”). Specifically, Defendants move the Court to alter and amend the Order by denying Plaintiff’s motion and ruling that the appointment of a receiver is inappropriate for the circumstances of this case. Alternatively, Defendants seek modification of the Order consistent with principles of equity.

BACKGROUND¹

This case arises out of the business relationship between Plaintiff and Defendants, dismantled at the hands of Bhaskar Savani (“Savani”) and his company, American Dental Management Company, LLC (“ADMG”) through numerous acts of deceit, bad faith, and self-dealing.

In the fall of 2016, Savani sought out J. Julian and B. Julian, both board-certified dentists licensed to practice in South Carolina, for the purpose of forming a business relationship. The parties contemplated that J. Julian and B. Julian would continue their practices in South Carolina and provide dental education to dentists associated with or managed by Savani and ADMG, and, in exchange, Savani would provide the Julians and their practices with business management and administrative assistance to make their practices more efficient and profitable.

In reliance upon certain representations and promises from Savani regarding management support systems, business experience, and cost-savings, as well as Savani’s assurance of sound, legal, and fair business management, the parties executed a Memorandum of Understanding (the “MOU”) on June 26, 2017, which purported to outline the business relationship between the parties, and formation of related entities.²

The stated purpose of the MOU was to “memorialize [the parties] understanding of the terms and conditions the parties intend to agree to in subsequent specific agreements.” However, subsequent to the execution of the MOU, the only agreements actually formalized and executed

¹ This summary is taken substantially from the pleadings filed in this case. The Court may take judicial notice of all filings in this case. Defendants specifically crave reference the Answer and Counterclaim filed February 1, 2021

² The MOU is attached to the Answer and Counterclaims and also filed as Exhibit A to Plaintiff’s Motion.

by the parties consisted of two Service Agreements and three Dental Director Agreements setting forth the parties' respective roles in the provision of professional dentistry services. The parties' understanding regarding the proposed business arrangement as set forth in the MOU was premised and conditioned upon Savani's fulfillment of his capital contributions to what would eventually become the Management Company and payment of compensation to the Julians.³

In furtherance of the business relationship, Savani and J. Julian formed Greenville Dental Management Office Group, LLC (the "Management Company") with ownership interests allocated as follows:

J. Julian	Thirty-Six Percent (36%)
B. Julian	Twenty-Four Percent (24%)
Savani	Forty Percent (40%)

Shortly thereafter, J. Julian and B. Julian formed Greenville Dental Management Group, P.A. (the "Clinical Practice") with J. Julian and B. Julian each owning a 50% interest and Savani having no ownership interest.

According to the MOU, the Management Company was to be responsible for providing business support and administrative services to the Clinical Practice. The Clinical Practice was to facilitate the practice of clinical dentistry at office locations in South Carolina. These offices included J. Julian's solely-owned company, The Dental Retreat at Mountain Park, LLC ("The Dental Retreat"); B. Julian's solely-owned company, Signature Smiles, LLC, d/b/a Signature

³ Pursuant to the Service Agreements executed by the parties, the Julians were to receive compensation set at \$600,000 per year to J. Julian and \$400,000 per year to B. Julian for the professional dental services they provided as part of the Clinical Practice. The parties also executed Dental Director Agreements which provided that each of J. Julian, B. Julian, and Savani were to receive further compensation in the amount of \$50,000 per year, plus additional lecture fees. While each Dental Director Agreement and Services Agreement lists "Greenville Dental Office Management Group, LLC" as a party, the Clinical Practice, not the Management Company, is the intended and actual "Service Recipient" under these agreements.

Smiles Family Dentistry (“Signature Smiles”); and two dental offices located in Columbia and Taylors, South Carolina, which were acquired by Savani through ADMG.⁴ The Management Company and Savani, as a managing member of the Management Company, maintained complete and total control over every aspect of the Management Company, including control of all financial information and accounts of the Clinical Practice until Defendants revoked Savani’s authority to take any actions on their behalf in June of 2020.

Prior to June of 2020, Defendants became aware of some inconsistencies in the financial records of the Management Company and Clinical Practice. J. Julian was also subject to questioning by a federal government agency regarding Savani’s business dealings. Fearing detrimental harm to their professional reputations and livelihoods, the Julians repeatedly requested information from Savani regarding the accounting of their business affairs and assurance that his business affairs were being conducted in a legitimate manner but Savani failed to provide the requested information and assurances.

Left with no other recourse to salvage their businesses, livelihoods, and heard-earned reputations, Defendants terminated Savani’s authority over to take any actions on behalf of Defendants and filed suit against Savani and ADMG in the United States District Court for the District of South Carolina, captioned *John Julian, D.D.S., Blake Julian, D.D.S. and Greenville Dental Management Group, P.A. vs. Bhaskar Savani, D.M.D., and American Dental Mangagement Group, LLC*, Case No. 6:20-cv-02229-BHH (the “Federal Action”).

⁴ Plaintiff contended in its Memorandum in Support of Motion to Appoint Receiver that an office location in Duncan, South Carolina is also covered by the Clinical Company. However, this is inconsistent with Plaintiff’s allegations in the pleadings and Plaintiff presented no evidence contrary to its statements in the pleadings.

Savani remains in sole control of, and alone has responsibility for, the two dental practices he owns in Taylors and Columbia, South Carolina. Savani receives all revenue from those practices. J. Julian and B. Julian continue to operate The Dental Retreat and Signature Smiles and only use the revenue from those practices to pay expenses and payroll, including their own salaries at or below the amounts set forth in the Services Agreements. Revenue amounts in excess of the actual amounts incurred for expenses and payroll are reserved in a bank account. The funds from these practices have always been rightfully allocated in accordance with the legitimate needs of the businesses. These Corporate funds have never been, and are not in danger of being mismanaged or wasted by Defendants, who have always been and continue to be completely transparent with how the funds are allocated by maintaining and periodically providing to Plaintiffs detailed records regarding the allocation of the funds, including bank statements, showing revenues and expenses. *See* Affidavit of J. Julian filed April 7, 2021.

Plaintiff filed this action on August 27, 2020, under the guise of a breach of contract claim, and moved this court for appointment of a receiver on February 9, 2021. The Court held a hearing on Plaintiffs' Motion for Appointment of Receiver on April 8, 2021. The Court filed the Order on May 12, 2021. Defendants now move the Court to reconsider, alter, and amend the Order on the grounds that it contains errors of law, fails to consider, address, or make findings as to certain arguments or issues raised by the parties, and creates manifest injustice for Defendants.

STANDARD OF REVIEW

Rule 59(e), SCRCP, provides that “[a] motion to alter or amend the judgment shall be served not later than 10 days after receipt of written notice of the entry of the order.” Here, the Order was received by counsel for Defendants on May 12, 2021. Although Rule 59(e) does not specify the standard pursuant to which this Court may grant a motion for reconsideration, the

United States Court of Appeals for the Fourth Circuit has recognized three grounds for amending an earlier decision: (1) to accommodate an intervening change in controlling law; (2) to account for new evidence not available at trial; or (3) to correct a clear error of law or prevent manifest injustice. *Pacific Ins. Co. v. Am. Nat'l Ins. Co.*, 148 F.3d 396, 403 (4th Cir. 1998), *cert. denied*, 525 U.S. 1104 (1999).⁵ “Thus, the rule permits a district court to correct its own errors, “sparing the parties and the appellate courts the burden of unnecessary appellate proceedings.” *Id.*

The Supreme Court of South Carolina has explained that “it is proper to view a Rule 59(e) motion not only as a vehicle to request the trial court ‘alter or amend the judgment,’ but also as a vehicle to seek ‘reconsideration’ of issues and arguments.” *Elam v. S.C. D.O.T.*, 361 S.C. 9, 21, 602 S.E.2d 772, 778 (S.C. 2004). Indeed, “[a] motion under Rule 59(e) long has been viewed as ‘motion for reconsideration’ despite the absence of those words from the rule. Consequently, a party usually is allowed to ask the court to reconsider its decision even if it means rehashing all or part of an argument previously presented.” *Elam*, 361 S.C. at 21-22, 602 S.E.2d at 778-79 (citing *Arnold v. State*, 309 S.C. 157, 420 S.E.2d 834 (1992)) (explaining that the “purpose” of Rule 59(e) is “to request the judge to reconsider matters properly encompassed in a decision on the merits”); *Evans v. Roper Hosp., Inc.*, No. 2013-UP-404, 2013 WL 8541549, at *1 (S.C. Ct. App. Oct. 30, 2013).

ARGUMENT

S.C. Code Ann. § 15-65-10 sets forth the circumstances under which the appointment of a receiver is appropriate. Before judgment is rendered,

⁵ South Carolina courts look to federal law to interpret state rules of civil procedure that track the language of a corresponding federal rule. *Gardner v. Newsome Chevrolet-Buick*, 304 S.C. 328, 330, 404 S.E.2d 200, 201 (S.C. 1991); *The Beach Company v. Twillman Ltd.*, 35 S.C. 56, 62, 566 S.E.2d 863, 865-866 (S.C. Ct. App. 2002).

A receiver may be appointed by a judge of the circuit court... on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired...

Id. § 15-65-10(1). The appointment of a receiver is a drastic remedy, only allowed under the most compelling circumstances, and should be granted with great reluctance and caution. *See Midlands Utility, Inc. v. S. C. Dept. of Health and Environmental Control*, 301 S.C. 224, 391 S.E.2d 535 (1989); *Vasiliades v. Vasiliades*, 231 S.C. 366, 98 S.E.2d 810 (1957); *Wrenn v. Wrenn*, 228 S.C. 588, 91 S.E.2d 267 (1956). The appointment of a receiver is fundamentally an action in equity, and one who has unclean hands is not entitled to use the sword of equity to his benefit. *See Wadsworth Industries, Inc. v. Westgate Knitting, Inc.*, 264 S.C. 106, 109, 212 S.E.2d 571, 572 (1975).

The Order issued by the Court imposes the drastic remedy of a receivership without any evidence in the record warranting such appointment and under circumstances that do not begin to approach the instances in which our appellate courts have approved such appointments. Accordingly, Defendants seek modification of the Order to align with the well-established law of South Carolina.

I. The Order erroneously determines that Plaintiff has an apparent right to Defendants' property

The Order incorrectly finds that Plaintiff has an apparent right to Defendants' property based on the existence of the MOU. In so ruling, the Order does not address Defendants' arguments that the MOU cannot be the source of an apparent right as required under South Carolina law regarding pre-judgment appointment of a receiver.

Our legislature authorized the pre-judgment appointment of a receiver under exceptionally narrow circumstances requiring the movant to demonstrate: 1) an apparent right to property in

possession of an adverse party and; 2) that the property is in danger of being lost or materially injured or impaired. *See* S.C. Code Ann. § 15-65-10. In examining the application of the statute, our South Carolina Supreme Court has long held that “as a rule, a receiver will not be appointed during the progress of a cause, unless there is the strongest reason to believe that the plaintiff is entitled to the relief demanded in his complaint, and there is danger that the property will be materially injured before the case can be determined.” *Pelzer v. Hughes*, 27 S.C. 408, 3 S.E. 781, 785 (1887). In reversing the trial court’s appointment of a receiver, the Court further explained that the appointment of a receiver “is a stronger measure than that of injunction. . . . [I]t is not allowable in every case, but is confined to those of a particular class or classes. It is universally conceded ‘that the power of appointment is a delicate one, and is to be exercised with great circumspection.’” *Id.*; *see also Richland Cty. v. S.C. Dep’t of Revenue*, 422 S.C. 292, 313, 811 S.E.2d 758, 769 (2018) (affirming the trial court’s refusal to appoint a receiver, citing *Pelzer* as controlling precedent).

Since setting forth the foundational principles guiding the pre-judgment appointment of receivers in *Pelzer*, our courts have consistently required the party seeking the appointment of the receiver to show it holds legal title to or equivalent ownership interest in the property at issue before an apparent right may be found to exist. *See Greenwood Loan and Guarantee Ass’n v. Childs*, 45 S.E. 167, 168, 67 S.C. 251 (1903) (rejecting the plaintiff’s argument that a mortgage was sufficient to show any apparent right because a mortgage does not convey legal title). *See also, Hardin v. Hardin*, 34 S.C. 77, 80, 12 S.E. 936 (1890) (“Now, as we have seen, the mortgage gives to the mortgagee no real or even apparent right to the mortgaged premises, and certainly none whatever to the rents and profits thereof”). Indeed, South Carolina courts have been reluctant to appoint receivers when asked to protect only a contested right. *See DeWalt v. Kinard*, 19 S.C.

286 (1883) (finding the appointment of a receiver unwarranted where there was no clear establishment of a right to the property at issue but only a disputed claim). In instances where legal title has not been established by unrefuted evidence, the Court may not rely solely upon the allegations of the complaint but must also consider the facts as alleged in the answer. *See Peeples v. Agricultural Loan Association*, 156 S. C. 429, 153 S. E. 283, 285 (1930) (providing that while “[t]he facts alleged in the complaint taken alone, perhaps, would have justified the appointment of a receiver, [it is proper also for the court] to consider, in connection, the matters alleged in the answer of the respondent.”).

Here, Plaintiff presented the Court with no evidence of its apparent right to the property at issue. Although Plaintiff submitted the affidavit made by Savani, the affidavit substantially repeated the allegations of the complaint and relied solely on language from the MOU as the source of the apparent right. However, nothing in the MOU conveyed legal title or an actual ownership interest to Plaintiff in the property at issue. Further, any assignment of the right to collect amounts due to Defendants for services rendered in the Clinical Practice were conditioned upon other provisions of the MOU including, without limitation, Savani’s obligation to meet his capital contribution and payment of compensation to the Julians.

Jon Julian Affidavit establishes that there is a dispute as to the force and effect of the MOU, among other disputes, as detailed in Defendants’ Answer and Counterclaims filed in this case. Defendants’ claims against Savani and Plaintiff, which detail the circumstances of Savani’s failure to make his capital contribution and other wrongful acts committed by Savani and Plaintiff while under Savani’s control, directly call into question the enforceability of the MOU due to the limiting language on the face of that document and the wrongful actions perpetrated by Savani and Plaintiff as set forth in the Answer and Counterclaims.

Despite the fact that the pleadings in this case and J. Julian's Affidavit call into question the validity and enforceability of the MOU, Plaintiff failed to provide the Court with any evidence in support of its motion upon which this Court could find that Plaintiff actually has any existing rights, or apparent rights, under the MOU. More specifically, Plaintiff failed to present any evidence that it has complied with the MOU or that Defendants' pleading in this case, alleging the Plaintiff has no enforceable rights, lacks merit. Without presenting evidence that Savani and Plaintiff have fully complied with the very MOU to which Plaintiff now seeks to have this Court prematurely enforce against Defendants, including any evidence that the conditions precedent to the assignment described in paragraph 4 of the MOU have been met, the document cannot serve as the source of an apparent right to the property at issue. *C.f., Kirven v. Lawrence* 244 S.C. 572, 137 S.E.2d 764 (1964) (explaining that the right to possession of the property remained in the defendants until there had been a final determination of all issues at the trial).

Where the entire crux of the litigation is the dispute between the parties regarding the enforceability and effect of the MOU, courts are particularly cautious in the appointment of a receiver in the pre-judgment context. "While a court of equity, in proper cases, has the power to place a debtor's property in the hands of a receiver, this power should be exercised with great caution, lest the injury thereby caused be far greater than the injury sought to be averted." *Miller v. Land Co.*, 53 S. C. 367, 31 S. E. 282 (1898) In fact, prior to Plaintiff's filing of the instant litigation before this Court, Defendants commenced the Federal Action against Savani and ADMG substantially relating to this same dispute. Accordingly, the most that can be said of Plaintiff's rights arising from the MOU is that such rights are contested.

It is well-established that contested rights are insufficient to provide a basis for dispossessing Defendants of property by appointment of a receiver under § 15-65-10. Therefore, the Order should be amended to find that no receiver is warranted in this case.

II. The Order erroneously concludes that a portion of the property held by Defendants was subject to waste or dissipation

The Order provides, without explanation, that “[a] portion of the collections of the [Clinical Practice] are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU.” As discussed herein, the enforceability of the MOU is doubtful. However, notwithstanding the disputed nature of the purported terms of the MOU, there is no evidence to support the finding that the Clinical Practice’s payment of compensation to the Julians puts the funds in danger of being lost.

To warrant the appointment of a receiver to take possession and control of property held by a party prior to the actual adjudication of the merits, the movant must show that the property at issue is in danger of being lost or materially injured or impaired. *See* S.C. Code Ann. § 15-65-10. In analyzing this requirement for pre-judgment appointment of a receiver, our courts have consistently required more than a mere assertion of loss but also evidence of some actual loss and that the prospect of recovering the amounts upon judgment in the movants favor is unlikely. *See Richland Cty. v. S.C. Dep’t of Revenue*, 422 S.C. 292, 310, 811 S.E.2d 758, 767 (2018) (affirming the lower court’s denial of a request to appoint a receiver because there was no evidence that the party in possession of the funds would be unable to repay them). *Accord S. Tr. Co. v. Cudd*, 166 S.C. 108, 164 S.E. 428 (1932) (“a receiver should not be appointed during the progress of a case unless it is made to appear that the rights of the plaintiff might suffer before he could obtain a judgment”); *See Greenwood Loan and Guarantee Ass’n v. Childs*, 45 S.E. 167, 168, 67 S.C. 251

(1903) (finding no apparent necessity to appoint a receiver, because it does not appear that the mortgagor is insolvent, nor that the mortgaged premises are insufficient.)

Plaintiff has presented no evidence that Defendants' payment of compensation to the Julians resulted in any waste of the property at issue. Instead, Plaintiff simply complained that the Julians were receiving any compensation at all. More significantly, Plaintiff never provided any evidence that any such payment of compensation was actually in violation of the MOU.

Specifically, paragraph 4 of the MOU, clearly provides that the "Clinical Company shall deposit **all revenue after payment for Clinical Company payroll and compensation for dental professionals** to GDMG." This is directly contrary to Plaintiff's assertions that the MOU requires Defendants to deposit all revenue with the Management Company.

The MOU further provides in paragraph 6 that:

GDMG shall at all times maintain three-months' working capital (based upon average monthly overhead/expense/liability of Clinical Company) in operating the Practice. No party shall take a draw, compensation or share of profits unless Clinical Company/GDMG has sufficient funds in excess of three months' working capital.

As noted in J. Julian's Affidavit, Defendants have provided Plaintiff with bank statements showing revenues and expenses in detail. Despite having access to this documentation, Plaintiff failed to provide the Court with any evidence to show that Defendants have not observed the working capital provision of the MOU or that Defendants are compensating the Julians beyond what is expressly allowed by the MOU. In fact, there is no evidence in the record to contradict J. Julian's Affidavit providing that Defendants are only paying the Julians consistent with the provisions of the MOU (which are identical in regard to the amounts of compensation provided in the Service Agreements) and no evidence that Defendants have not carefully reserved the excess

revenue for distribution upon final judgment in this case. Again, Plaintiff knows what money is coming in, what is going out, and how much is left over.

If Plaintiff had any evidence that the property was in actual danger of wrongful dissipation, including any evidence that Defendants have failed to observe the working capital provisions of the MOU, it was required to bring the evidence to the Court's attention in support of its motion. It is telling that Plaintiff made no such offer either before or at the hearing.

Plaintiff's failure to come forth with any evidence to support its arguments that the property is at risk of loss, impairment, or material injury or that Plaintiff will be unable to collect if judgment is rendered in its favor should have been fatal to its motion. Therefore, the Order's statements regarding the danger of the property are without evidentiary support, are inconsistent with our courts' application of the law, and should be amended to find that the circumstances of this case does not warrant the appointment of a receiver.

III. The Order imposes a plan for the receivership that violates statutory requirements and to which Defendants had no notice or opportunity to be heard on the record.

The Order imposes a plan for the receivership without notice to Defendants of the plan terms.⁶ Additionally, the Order fails to set a value for the property as required by statute.

Where the moving party fails to present the Court with any plan relating to the appointment of a receiver, the Court may properly deny a request for a receivership. *Midlands Utility, Inc. v. S. C. Dept. of Health and Environmental Control*, 301 S.C. 224, 228, 391 S.E.2d 535, 538 (1989). Because the terms of the plan of receivership were not included in any of Plaintiff's filings prior to the hearing, Defendants raised the issue directly with the Court during the hearing and expressed

⁶ Particularly, the plan limits the circumstances under which the receiver may pay the Julians and Savani compensation without any explanation. The Order also purports to appoint a receiver that is unavailable while providing for the payment of professional fees in an undetermined amount.

concerns that Plaintiff's failure to provide the proposed terms of the plan deprived Defendants of an opportunity to be fully heard on the request prior to the appointment. *See* S.C. Code Ann. § 15-65-20. The first time that Defendants were aware of the terms of the proposed plan for the receivership was after the conclusion of the hearing. Accordingly Defendants were not properly noticed on Plaintiff's full request for the plan for the appointment of a receiver, which was only included a post-hearing submission to the Court.

Moreover, the Order must be amended because it does not set any value for the property at issue as required by statute.

No receiver of the property of any person or corporation shall be appointed before final judgment in the cause if the party claiming the property so sought to be placed in the hands of a receiver or the party in possession thereof shall offer a bond, in the penalty of double the value of the property, with sufficient security, approved by the clerk of the court of common pleas of the court in which the action is brought, fully to account for and deliver over, whenever thereafter required by any final adjudication in the cause, the property sought to be placed in the hands of a receiver and to meet and satisfy any decree or judgment or order that may be made in the cause.

S.C. Code § 15-65-50. "The provision for inserting a clause fixing the value of the property in the order appointing a receiver is mandatory, and without such clause the order is void." *Truesdell v. Johnson*, 144 S.C. 188, 142 S.E. 343 (1928). The purpose of this statute is to protect the interest of the person or entity from whom property is taken and placed in the hands of a receiver. *Id.* It provides a method for the party to retain possession of the property during litigation. *Id.*

The Order does not fix any value for the property at issue and the Court has no evidence before it upon which it may determine the value to be placed in the Order. No plan was presented by Plaintiff and Defendants have not had any opportunity to be heard on the issue of valuation. Accordingly, the Court must amend the Order to include a value set in accordance with § 15-65-50.

IV. If the Court does not amend the Order to deny Plaintiff's request for a receiver, the Order should limit the amount paid over to the receiver.

The plan outlined in the Order would deny the Julians their livelihood without any final determination on the claims at issue. Additionally, the receivership imposed by the Order denies the Julians an opportunity to receive fair compensation for their labor while not imposing similar limitations on Savani, the other member of the Plaintiff entity. The Order further allows Savani to submit to the receiver expenses for his two practices to be paid from the revenue produced by the Julians without having to account for or contribute any collections or revenue from his practices. Such terms are manifestly unjust to Defendants.

Furthermore, the Order currently requires Defendants to account for all revenue collected by Defendants since May 1, 2020, and to deliver possession of those amounts over to the receiver. However, Plaintiff admits the bills and expense for Savani's two practices were paid by Defendants until January 1, 2021, from which time Savani had full and exclusive control of his office locations. *See Brookshire v. Farmers' Alliance Exch.* 73 S.C. 131, 52 S.E. 867 (1905) (noting that the movant may not sit on its rights in seeking out the appointment of a receiver).

The appointment of a receiver is fundamentally an action in equity. *See Wadsworth Industries, Inc. v. Westgate Knitting, Inc.*, 264 S.C. 106, 109, 212 S.E.2d 571, 572 (1975); *Elgin v. Kelly*, No. 2006-UP-270, 2006 WL 7286048, at *4 (S.C. Ct. App. Aug. 28, 2006) (unpublished). Therefore, the terms of the receivership should consider the competing claims of the parties, Defendants prior and continuing transparency regarding the revenue and expenses, and the need to minimize an unnecessary expense incurred by having a receiver run the dental practices.

Accordingly, and alternatively, Defendants would ask the Court to modify the terms of the receivership as follows:

Require all signatories to the MOU, including Savani:

- 1) to account for revenue and collections as of the effective date of the Court's amended order;
- 2) to provide the receiver, with copies to all members of the Plaintiff entity, detailed documentation for their respective dental practices' monthly expenses and payroll since January 1, 2021;
- 3) to report to the receiver all amounts to of revenue collected;
- 4) to report to the receiver any amount to be paid for expenses and payroll no less than five (5) business days prior to the date of disbursement provided in the report;
- 5) to provide the receiver and the party who submitted a report as provided a detailed, written notice of any objection to an expense or payroll amount disclosed in the report no less than three (3) business days before the date of disbursement provided in the report:
- 6) to disburse only those amounts to which no written objection is made until otherwise authorized by the receiver;
- 7) to submit for the receiver's approval pay over to the receiver within five business days from the end of each month all revenues in excess of the reported disbursements for the preceding month.

The Court should further authorize the receiver to set a reasonable amount of compensation to be paid to the Julians for their labor, consistent with the historical practices of the Plaintiff entity and Clinical Company, during any month in which the Clinical Company does not have at least three (3) months working capital as defined in the MOU; provided, however, that the Julians' compensation shall be set at amounts no less than the amounts

provided in the MOU during the months in which the working capital provision of the MOU is met.

These proposed terms reflect more equitable treatment of Defendants while protecting any legitimate interest Plaintiff may have in protecting the property.

CONCLUSION

South Carolina law only allows for the appointment of a receiver in exceptional circumstances. This case does not present any exceptional circumstances. Rather, it is a routine business dispute that should be settled through the course of litigation. Plaintiff has not demonstrated that any portion of the property is in danger of being lost or impaired. At this time, therefore, the drastic remedy of appointing a receiver is not warranted.

For the foregoing reasons, Defendants respectfully request this Court reconsider its order appointing a receiver in this case. Alternatively, Defendants respectfully request that the Court alter or amend its order as reflected in section IV.

Defendants respectfully request a hearing on this motion.

[signature page follows]

Respectfully submitted,

s/ Jason Elliott

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May 24, 2021

Attorneys for Defendants

STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

COURT OF COMMON PLEAS
2020-CP-23-03922

GREENVILLE DENTAL MANAGEMENT)
OFFICE GROUP, LLC, A LIMITED)
LIABILITY COMPANY, PROCEEDING)
PURSUANT TO 33-44-1101 BY AND)
THROUGH ITS MEMBER, BHASKAR)
SAVANI, D.M.D.,)
PLAINTIFFS,)

vs.)

TRANSCRIPT OF RECORD

JON JULIAN, D.D.S., BLAKE)
JULIAN, D.D.S., GREENVILLE)
DENTAL MANAGEMENT OFFICE)
GROUP, P.A.,)
DEFENDANTS.)

ORIGINAL

April 8, 2021
Greenville, South Carolina
VIA VIRTUAL COURTROOM

B E F O R E:

THE HONORABLE ALEX KINLAW, JR., JUDGE.

A P P E A R A N C E S:

BRUCE W. BANNISTER, ESQ.
Attorney for the Plaintiffs

MELIAH BOWERS JEFFERSON, ESQ.
Attorney for the Defendants

HOLLIE M. JENKINS
Circuit Court Reporter

I N D E X

(There were no witnesses called.)

E X H I B I T S

(There were no exhibits introduced.)

P R O C E E D I N G S

COURT REPORTER'S NOTE: Due to remote platform interruption and video-audio interference throughout the hearing, those instances are denoted with "[audio distortion]" in the transcript.

THE COURT: Let's go on the record.

This is in the interest of Greenville Dental Management Office Group, LLC, Plaintiff, vs. Jon Julian. This is case 2020-CP-23-3922.

This is Plaintiff's motion to appoint a receiver. I have Mr. Bruce Bannister and Mr. Luke Burke on behalf of the Plaintiff. And I have Ms. Meliah Bowers Jefferson on behalf of the Defendant.

And I, also, have Mr. Elliott Pincus, who is, also, logged in, but it's my understanding would just be observing the matter. And it's my understanding he can, also, hear and see us at this time.

So it's the Plaintiff's motion to appoint the receiver.

And I guess that's you, Mr. Bannister, or, Mr. Burke.

MR. BANNISTER: Yes, Your Honor.

THE COURT: And if you would, even though I've read the pleadings, just give us some background, if you would, please, sir.

MR. BANNISTER: Yes, sir. Judge, if you'll -- if you

1 look at the motion, number one through six are all the
2 entities that entered into an agreement with my client,
3 the Greenville Dental Office Management Group, LLC.

4 THE COURT: Okay. I see.

5 MR. BANNISTER: Yes, sir. This is a derivative
6 action. One of the members of that LLC -- to enforce the
7 memorandum of understanding, which all of the parties
8 listed entered into for the creation of a dental practice
9 that had five offices.

10 THE COURT: Okay.

11 MR. BANNISTER: Two of the -- two of the dentists
12 have determined that they don't like the idea that they're
13 going to be working in five dental practices. And they
14 have consolidated their own practices into two of the five
15 and have taken all of the revenue that should have been
16 paid to my client, Greenville Dental Office Management
17 Group, and they've used it for themselves.

18 They are paying themselves a salary pursuant to the
19 affidavit that they attached to their return. They are
20 not paying the bills that would be the obligation of
21 Greenville Dental Office Management Group. They're not
22 paying the lease payments or the debt payments. They're
23 not paying the power, electric. They've, basically,
24 abandoned three of the five offices and said, hey, we
25 don't want any part of this anymore.

1 They were not to be paid until there was three months
2 of expenses accumulated in the Dental Office Management
3 Group accounts. And then their salary was set to be paid
4 if money was available after the bills paid up to a
5 certain amount.

6 So what we believe is that they are spending the
7 money. It will not be available to us at the end of this
8 case several years from now for us to recover. And then
9 they will, in essence, bankrupt Greenville Dental Office
10 Management Group by withholding the money and not paying
11 the bills.

12 So the relief that we are requesting, Your Honor, is
13 that you appoint a receiver to receive the money that is
14 created from these five offices and pay the bills of these
15 five offices, which is what everybody agreed to do when we
16 started. That way, we know all the bills get paid.
17 Nobody is bankrupt. Nobody is in foreclosure. There are
18 no -- there are no adverse consequences while we figure
19 out how to unwind what these dentists have decided they
20 want to unwind after entering into the agreement and
21 getting the financial benefits thereof.

22 Thank you, Judge.

23 THE COURT: All right. And I think that agreement
24 was back in June of 2017; is that correct? I think that's
25 the date.

1 MR. BANNISTER: June 26th, 2017, yes, Your Honor.

2 THE COURT: I think I have that.

3 Ms. Jefferson, let me hear from you.

4 MS. JEFFERSON: Yes, Your Honor. And if I could, I
5 just want to amend the record to make it clear that my
6 colleague, McKinley Hyman, is, also, joining us today and
7 is an attorney who has appeared in this action.

8 THE COURT: All right.

9 MS. JEFFERSON: Now, as to Mr. Bannister's arguments,
10 this is what I have to say. I would ask Your Honor to
11 refer to the complaint, and the answer, and counterclaims
12 that were filed in this action and, also, take notice that
13 there is a competing federal action that my clients filed
14 against Dr. Savani, who is the member who brought this
15 derivative action.

16 My clients filed their claim first in federal court.
17 And the basis of their claim is breach of contract, breach
18 of fiduciary duty, and a host of other things that they
19 have alleged against Mr. Bhaskar Savani.

20 And what precipitated this dispute is not that my
21 clients no longer wanted to practice dentistry in a number
22 of offices. What precipitated this is that they
23 discovered that \$300,000 was missing and unaccounted for
24 from their bank account.

25 And when they asked Mr. Savani, Where is our money?

1 What did you do with it? He, essentially, told them he's
2 in control of the business and that he can do what he
3 wants to do with the money. We filed this action and we
4 told him that we need a mechanism for everybody to account
5 for what is happening. He refused to do so.

6 And so in June -- on June 1st of 2020, after both of
7 these actions were filed and after giving Mr. Savani -- or
8 excuse me, Dr. Savani adequate notice that we had no --
9 that we -- unless he changed and was transparent with what
10 was happening, we could no longer do business with him.

11 And so on June 1st, 2020, we terminated his authority
12 to act on behalf of Greenville Dental Management Group,
13 PA, which is the clinical company under which my clients
14 practices are operated. They are the sole owners of that
15 entity and -- and have only asserted their rights to
16 control their own practices.

17 Dr. Savani still maintains control of Greenville
18 Dental Office Management Group. His two practices -- one
19 is in Columbia, South Carolina, one is in Taylors, South
20 Carolina. And he has usurped control over a facility that
21 is in Duncan, South Carolina, which does not belong -- he
22 has no ownership interest in the Duncan practice. My
23 client, Blake Julian, has ownership interest in it. And
24 Dr. Savani's brother has ownership interest in it. But
25 Bhaskar Savani has none. Yet, he has usurped control and

1 totally cut out my client, Blake Julian.

2 And so I -- Your Honor, my clients were left with no
3 other choice other than to have their practices -- keep
4 their practices going and sue Mr. Savani -- or Dr. Savani.
5 This is like no -- this is exactly like all the other
6 actions that come before you, Your Honor. And just like
7 those actions, this is not appropriate for a receivership.

8 THE COURT: What --

9 MS. JEFFERSON: The statute -- yes.

10 THE COURT: Go ahead. Go ahead.

11 MS. JEFFERSON: There's a statute that determines
12 what the requirements are for the issuance of this
13 receivership. And that statute is South Carolina Code
14 15-65-10. And there are several requirements. The first
15 requirement is that Mr. Savani has to demonstrate an
16 apparent right to the property.

17 The second is that he has to demonstrate that
18 property to which he is entitled to is in control of my
19 clients.

20 And, finally, and probably most importantly, he has
21 to demonstrate that the property is in damage of being
22 lost or materially injured or impaired.

23 Now, this statute has been on South Carolinas books
24 for a very, very long time, for more than a century. And
25 the -- and the case law that goes with it goes back to the

1 1800s.

2 And as a matter of fact, our courts have long held
3 that the appointment of a receiver is a drastic remedy and
4 is only allowed when -- by -- when there is clear
5 demonstration that the moving party has met its obligations
6 of proof. And they cannot meet that obligation of proof
7 by allegations. They must come with evidence.

8 And at this point, there's no evidence before the
9 Court that there's an apparent right to any property.
10 Because they cite only the MOU that is the matter in
11 dispute here.

12 If -- what my -- if what opposing counsel is arguing
13 is true, then in every single breach of contract action
14 all the Plaintiff has to do is walk into court and say, I
15 have a contract. They breached the contract. You have to
16 give me everything that I say I am entitled to by bringing
17 a breach of contract action. That is not what happens.

18 There is no -- he -- his remedy for breach of
19 contract is damages. And if he is correct, he will be
20 awarded damages. And they will have to pay those damages.

21 But, in the meantime, they are not required to be in
22 an indentured servitude with a gentleman who they believe
23 has taken money from them and is, also, under current
24 investigation by the FBI.

25 And so they have a legitimate reason for not being in

1 business with him. Both parties have asserted breach.
2 And so there may be a contested right here, but there is
3 no apparent right. And nowhere in any of the papers
4 before you is there any evidence that the money is at risk
5 of being wasted.

6 What he is complaining about is that my clients will
7 not give him the money that they make from the labor they
8 do when they do -- when they complete dentistry, they get
9 paid for it. And what he wants is for them to pay over
10 that money to him so that he can pay his bills. And, Your
11 Honor, that is not what this statute is intended to do.

12 THE COURT: What -- what's --

13 MS. JEFFERSON: And --

14 THE COURT: What's the status of the federal --
15 federal court action?

16 MS. JEFFERSON: Your Honor, they have an answer due
17 in -- they have an answer due next week. And I am
18 considering amending the complaint to add additional
19 claims that have come to light since we started this
20 litigation, including some -- some forging of my clients
21 signatures.

22 THE COURT: When --

23 MS. JEFFERSON: And so I --

24 THE COURT: When was that action filed?

25 MS. JEFFERSON: The action in federal court was filed

1 in -- I believe that was filed in -- in June of 2020.

2 THE COURT: Okay.

3 MS. JEFFERSON: And this action was filed in August
4 of 2020. They filed an action to -- they filed a motion
5 to dismiss in the federal case, which the Court denied in
6 March. And so that's why we are at the stage we are in
7 the federal case.

8 But, Your Honor, I think what -- what it all boils
9 down to is that there is a legal standard, both
10 statutorily and in case law.

11 I would cite Your Honor to the case of Pelzer vs.
12 Hughes, which is 27 SC 408. You can, also, find it at 3
13 SE 781. And that is a foundational case that holds that
14 as a rule, a receiver will not be appointed during the
15 process of litigation, unless there is a strong reason to
16 believe that the Plaintiff is entitled to the relief
17 demanded in his complaint. And that there is
18 demonstration of danger that the property will be
19 materially injured before the case can be determined.

20 And let's just keep in mind here, Your Honor, the
21 property that he's alleging he's entitled to are my
22 clients wages for their work. It is entirely a breach of
23 due process to require my clients to pay over the wages of
24 their work when there is a dispute about whether or not
25 there's an entitlement to that.

1 And the way that we avoid violating that due process
2 is allowing the litigation process to run its course.

3 THE COURT: All right. Thank you, Ms. Jefferson.
4 Mr. Bannister.

5 MR. BANNISTER: Thank you, Your Honor.

6 Just -- just briefly. Ms. Jefferson probably started
7 off with a stronger argument for a receiver than I did --
8 [Audio distortion.]

9 MS. JEFFERSON: I cannot hear him.

10 THE COURT: He's -- he's frozen a little bit.

11 MR. BANNISTER: Am I back?

12 THE COURT: Yes.

13 MR. BANNISTER: Can you hear me, Your Honor?

14 THE COURT: Yeah. Start all over.

15 MR. BANNISTER: All right. Thank you, Judge.

16 This is what I said. Ms. Jefferson made as good an
17 argument as I did that a receiver should be appointed in
18 this case by starting off with all of the different
19 reasons why there's allegations back and forth about who
20 should control the money that is supposed to go into my
21 clients account.

22 What she morphed into was an allegation that
23 Dr. Savani somehow is going to get the money. That's not
24 what we're asking Your Honor to do. My client is the
25 Greenville Dental Office Management Group, which is owned

1 partly by Ms. Jefferson's clients.

2 So they would be paying to themselves what they
3 agreed to pay to themselves. And then they would be
4 paying the bills that they agreed to pay out of my clients
5 LLC, the -- the Greenville Dental Office Management Group.
6 And all of the banks, and creditors, and utilities, and
7 expenses, and salaries that are supposed to be paid under
8 the MOU that Ms. Jefferson's clients signed and that my
9 clients -- that Dr. Savani signed, all those bills would
10 be paid.

11 And to -- to say that we're trying to steal the money
12 from the Julians is inaccurate. We're asking you to give
13 it to a receiver for safekeeping, apply it to the bills
14 that need to be paid. Pay Ms. Jefferson's clients what
15 they're entitled to under the MOU and reserve the
16 remainder of the money for this litigation.

17 Judge, another thing, Ms. Jefferson wants to say that
18 this exact case is pending in federal court. Dental
19 Office Management Group is not a defendant in her case.
20 They're not a part of that case. We wanted them to be
21 part of that case. They objected. We wanted the federal
22 court to be dismissed. They objected.

23 So we really don't have a choice but to be in state
24 court. We don't have the option to bring these questions
25 to a federal judge. Because they don't want us -- they

1 don't want the Greenville Dental Office Management Group
2 to be in that case, which is fine. And they're entitled
3 to that. And they -- we -- we did not win our motion to
4 dismiss the federal case. And Ms. Jefferson didn't win
5 her motion to dismiss the State case. So we're proceeding
6 in both state and federal courts.

7 But here's what's going to happen if Your Honor
8 doesn't do something today. The money is going to go to
9 the Julians. And there's going to be two dental practices
10 that survive this litigation.

11 The three dental practices that they're no longer
12 servicing that -- that they agreed to use their
13 collections in the -- all five dental practices to pay all
14 five dental practice bills, those three are going to go
15 under. They're not going to survive and they will be
16 wasted. Those three will no longer exist at the end of
17 this case. And there will be no way to -- there will be
18 no money to resurrect that, which I think is a travesty.

19 I'm going to say it again, we are not asking Your
20 Honor to take Ms. Jefferson's clients wages and make them
21 indentured servants. We're asking that you take a
22 receiver to be completely transparent about the money,
23 file reports like receivers do, pay the bills that
24 everybody agrees need to be paid, and protect the assets
25 of the company until we have a decision in the federal

1 court or state court about who's entitled to what.

2 So we're really just trying to keep it -- keep the --
3 the five dental practices alive so that at the end of this
4 case there's something to fight about. So I would ask you
5 to consider a receiver who would be completely
6 transparent, would be completely responsible for making
7 sure all the appropriate bills were paid. And those bills
8 that are in dispute, the receiver would make that decision
9 and report to everybody what was and wasn't paid.

10 The -- the Julians will still be paid. They're the
11 dentists. They're entitled to compensation. But what
12 they're not entitled to do is to take all of the money
13 that was obligated to pay for five practices and just
14 funnel it all into their own pockets.

15 Thank you, Judge.

16 MS. JEFFERSON: Your Honor, may I reply briefly?

17 THE COURT: Yes.

18 MS. JEFFERSON: Your Honor, that -- that is a -- a
19 really nice argument, but it does not reflect the reality
20 of what is happening here. Greenville Dental Office
21 Management Group and Dr. Savani are still in control of
22 three practices. If they -- the -- the problem is they
23 are not running their practices. They have decided not to
24 run them.

25 And because they have decided not to run those

1 practices, they do not have active dentists, despite the
2 fact that they were given notice by those dentists who
3 left. One started his own practice, one went to Canada.
4 He -- those doctors gave them notice as far back as
5 February that they were no longer going to be practicing
6 at those locations.

7 And Dr. Savani, in his capacity as the manager of
8 Greenville Dental Office Management Group and in his
9 capacity as owner of those practices, failed to recruit
10 and put into place doctors who could provide services
11 there.

12 And so what he's saying -- what he's asking you to do
13 is to use my clients revenue that they are making from
14 servicing patients in their own practices to keep his
15 practices afloat when he fails to do so. That, Your
16 Honor, is a failure for him to mitigate any damages that
17 he is incurring and not an obligation of my -- of my
18 clients.

19 We are in no way preventing him from making money.
20 We are in no way asking for him to pay over any money that
21 he makes in those practices during the course of this
22 litigation. Yet, they are asking us to do the same. They
23 are asking us to pay over money.

24 And, Your Honor, I think it is interesting that he's
25 come before this Court asking the Court for a receiver and

1 has presented no plan for me to respond to in regards to
2 the receivership. I don't know who he wants you to
3 appoint. I don't know what the parameters of that
4 appointment is or are going to be that he is proposing.
5 And so, Your Honor, I'm not really sure what he's asking
6 you to do today, other than provide a blanket
7 receivership.

8 Then, finally, Your Honor, he's talking about
9 transparency. Since my clients have taken over their own
10 practices, nothing else just their own practices, they
11 have provided Greenville Dental Office Management Group
12 and Dr. Savani, they have provided him with bank
13 statements of every single month through 2020 and will
14 continue to do so on a quarterly basis that demonstrates
15 and shows every single expenditure that has been incurred
16 by their practices, every single dime that has come into
17 their practice. And it shows that the money that is left
18 over is currently -- currently on deposit in a bank
19 account. It is not being wasted.

20 So any amount that they believe they are entitled to
21 do these other things with, that money is not currently
22 being wasted. And they have no evidence before this Court
23 to demonstrate that there is waste.

24 What they are arguing to you, Your Honor, is that
25 their client is incurring damages. And that's

1 unfortunate. But it's a situation of his own making
2 because he was stealing money. And my clients are not --
3 my clients are not required to float his business while
4 we're in the middle of this dispute.

5 My -- the affidavit that I presented is the only
6 evidence about what is happening with the money that --
7 that they want to take from my clients. And the evidence
8 in this record is that that money is currently being
9 reserved. And so there's zero purpose of a receivership
10 under that circumstance.

11 The purpose of a receivership is not for the receiver
12 to run the dental practice. The purpose of a receivership
13 is for him to hold the money. And so if he was just
14 holding the money, making sure that the money is not
15 wasted until we determine what is supposed to happen to
16 the money, then the problem that they are articulating
17 would not be solved by what they are requesting, Your
18 Honor. He -- what he needs to do is -- is get some --
19 make some money and pay his bills. My clients are not
20 required to do that during the pendency of this
21 litigation.

22 And I think that the fact that they have not even
23 addressed the requirements and elements of the cause that
24 they have brought before you is blaringly telling of
25 whether or not they are entitled to this relief.

1 The Court, while it has discretion about whether or
2 not it will appoint a receiver, that discretion only
3 applies when they come before you and give you evidence of
4 the requirements that are mandated by statute. If they
5 have not given you any of that evidence, then you don't --
6 there's nothing for you to decide. There's no discretion
7 for you to exercise over whether or not you believe one or
8 the other. There's no evidence, nothing.

9 And so the requirements of the statute are just
10 plainly not met. And a receivership is inappropriate in
11 this circumstance. This -- this whole motion is a
12 colossal waste of time and a harassing motion to my
13 client. Because they want to get their hands on money
14 that they have been able to preserve now that he is no
15 longer able to transfer it out of their account to his own
16 needs.

17 THE COURT: Well --

18 MS. JEFFERSON: And so I would ask Your Honor to deny
19 this motion.

20 THE COURT: All right. I've got -- so we've got a --
21 an understanding back in June of 2017 between these
22 parties.

23 And then I think you, Ms. Jefferson, indicate -- and
24 I -- and you used this word and -- I think a couple of
25 times, that there was some evidence of money being stolen.

1 I think you -- you referenced that; is that right? You
2 said that --

3 MS. JEFFERSON: Yes, Your Honor. Those -- those are
4 the allegations of my counterclaim in this case and the
5 allegations of the complaint in the federal case.

6 THE COURT: All right. And then I think,
7 Mr. Bannister, I see the -- the request for appointment of
8 a receivership. But I need more specificity. Give me a
9 little bit of what this receiver would be doing, what
10 would be the parameters, and what would be the obligations
11 of both sides. I know you're talking about payment of
12 bills, but give me a little bit more than that. Tell
13 me -- tell me more about it.

14 MR. BANNISTER: Thank you, Judge.

15 In the motion in the very first paragraph, what we
16 want the receiver to do is to collect, account for, and
17 distribute all the collections for the dental services
18 rendered and all the revenues derived from the
19 dental-related sales, commission, and education seminars
20 of one through six, those individuals and companies that
21 entered into the MOU and agreed to assign all of their
22 revenue, income, and receipts to the dental office
23 management group.

24 And then to account for the distribution of those
25 monies so that we all know what's coming in and what's

1 going out. That would include paying the bills that were
2 agreed to be paid by the Greenville Dental Office
3 Management Group like the leases for -- for equipment
4 that's currently in the Julians two practices. The
5 equipment that was leased is in the other three now empty
6 practices that the Julians agreed to run.

7 Ms. Jefferson's right, there's no dentist there now.
8 But that's because the Julians refuse to work there. And
9 they -- they refuse to -- to participate in getting
10 additional dentists to come.

11 So there's a -- there's a dispute about who's
12 supposed to be over there working and who's not. There's
13 a dispute over who's allowed to control the money. They
14 say they don't want Dr. Savani to control it. When they
15 control the money, they don't pay the bills. So there's a
16 very large lease. There's a very large debt payment that
17 has to be made.

18 And Ms. Jefferson's position is that her clients can
19 agree to pay all those bills. But then when push comes to
20 shove, if they don't want to, they can take their clinical
21 services and walk out, take the two offices that they've,
22 basically, put into the deal and extract those sort of
23 just because they want to and go back to taking what they
24 want and leaving the remainder for the Greenville Dental
25 Office Management Group to figure out how to manage. And

1 that's just not the deal that was made. That's not the
2 agreement they entered into.

3 And the one thing we know is that we don't trust them
4 and they don't trust us, which screams for a receiver to
5 be the one collecting those monies, distributing them
6 to -- to pay the bills. Now, I don't have a list of the
7 bills that need to be paid, but I could provide it in a
8 supplemental list, if you wanted them.

9 And I would -- I have some suggestions about who a
10 receiver would be. But I'm open to the -- the Court if
11 you have somebody in mind like a John Devlin, or a Tom
12 Traxler, or somebody like that.

13 THE COURT: All right.

14 MS. JEFFERSON: Your Honor, a receivership in and of
15 itself is -- is [audio distortion]. The fact that he
16 wants a receiver appointed and -- and Your Honor knows
17 that there's a very elite club of people who -- who will
18 be receivers. And they are not cheap. And they always
19 associate lawyers who, also, are not cheap. Every dime
20 will be wasted in the course of charges of -- by the
21 receiver.

22 The statute is clear, there are requirements that
23 must be met. You must have -- you must demonstrate an
24 apparent right to the funds. He's not demonstrated an
25 apparent right. What he's demonstrated is that we have a

1 dispute over what the agreement means. And that is not an
2 apparent right.

3 And he's provided you with no citation to any case
4 law, or any statute, or any authority that would lead this
5 Court to determine that he has met that burden and
6 demonstrated what an apparent -- that he has an apparent
7 right. He's, also, not demonstrated that the property is
8 at risk of being -- that the property is at -- being -- is
9 at risk of being lost, materially injured, or impaired.

10 The -- the question for the Court is not whether or
11 not he's being damaged, it's whether or not the -- the
12 remedy, which is the property at issue here, my clients
13 income revenue, whether or not that is in danger of being
14 lost, materially injured, or impaired. There is no
15 evidence. He -- he hasn't even attempted to give you any
16 evidence that there is an impairment of this money. And
17 the only evidence -- the uncontradicted evidence that's in
18 the record shows that this money's already being reserved.

19 What is the point of a receiver? And while he may
20 not -- while he may believe my clients have an obligation
21 to work in his dental practice also -- they, also, have an
22 obligation to mitigate their damages. The fact that
23 they're not employing dentists there to provide services
24 is not something that this Court can mitigate for them by
25 the appointment of a receiver.

1 Your Honor, I was -- I would just say that, you know,
2 this is an unfortunate situation. It is a business
3 dispute. But it's not unlike business disputes that
4 happen every day.

5 But our courts -- our Supreme Court -- and most
6 recently in 2008 in the case of Richland County vs. --
7 Richland County vs. The South Carolina Department of
8 Revenue, that's at 422 SC 2 -- 292. Our court reaffirmed
9 the position in Pelzer, that a receivership is an extreme
10 remedy and should only be put in place when there has been
11 clear demonstration that the requirements of the statute
12 have been met. They fall far short of that today, Your
13 Honor.

14 THE COURT: All right. Mr. Bannister, anything else?
15 I'm going to take a look at these cases.

16 MR. BANNISTER: No, Your Honor. I -- I would only
17 add that if you -- the complaint with the service
18 agreement and the exhibits that I provided, Ms. Jefferson
19 says there's no evidence. Well, if you don't want to read
20 those, there's no evidence.

21 But if you look at them and you look at her clients
22 affidavit, there is evidence. There's evidence of an
23 apparent -- an apparent right to the revenue. Because
24 it's signed by the MOU and should be going through the
25 management group. And there's -- there's evidence that

1 it's being wasted. As the Julians put in an affidavit
2 that they're paying themselves a salary, instead of paying
3 the payments that need to be paid on the practice.

4 So my clients are concerned that unless all the bills
5 get paid, there will be tremendously higher damages in
6 this case than would be necessary if the things were run
7 appropriately and the money is not siphoned off to the two
8 dentists that want it all for themselves.

9 That's all I've got, Your Honor.

10 THE COURT: All right. Give me a second. I'm --

11 MR. BANNISTER: Thank you.

12 THE COURT: -- I'm looking at a couple of cases cited
13 by Ms. Jefferson, as well as the statute. So give me a
14 minute.

15 (Pause.)

16 THE COURT: All right. I -- let's go back on. I --
17 I reviewed the -- the statute. And there's a case that I
18 just looked at. It's Aldrich -- Andrick Development
19 Corporation vs. Maccaro. This is a South Carolina Court
20 of Appeals case, 1984. And then it's cited at 280 SC 103.

21 And it talks about a situation in which a
22 receivership was appointed. And I think it was a property
23 dispute. And I think there was some -- some dispute
24 between both sides regarding the collection of rents and
25 profits. And there was some issue regarding how these

1 funds would be distributed, how rents would be
2 distributed, how rents would be collected. And there
3 was -- and how taxes and maintenance charges would be
4 paid.

5 I think in the instant case, first of all, the
6 parties had an agreement in 2017, a memorandum of
7 understanding that had -- that was between certain
8 parties. And, of course, a couple of those parties --

9 And, Ms. Jefferson, your clients as well. The
10 dispute apparently is regarding -- it's a monetary
11 dispute.

12 So I -- I think given the nature of this case -- of
13 the instant case and my reading of -- of the Richland
14 County case, as well as the other case that you cited,
15 Ms. Jefferson, I think it would be appropriate at this
16 time that a receiver would be appointed.

17 Now, I -- I think the -- the -- the specific details
18 of the receivership need to be outlined and set forth in
19 writing and given to you for examination by Mr. Bannister
20 and Mr. Burke.

21 In terms of picking a -- a receiver, I -- I've
22 appointed Mr. Traxler in the past. And I've appointed
23 Mr. Devlin. I -- I -- I think there may be somebody else
24 out there that could be -- Mr. Stephenson is another
25 person that I've appointed. So I'll let the three of you

1 hash that out in terms of who's appointed.

2 But I think that I would want you, Mr. Bannister,
3 and, Mr. Burke, to prepare a detailed outline of what
4 their -- their duties would be.

5 But I want to put on the record that I did examine
6 the statute and, also, looked at those cases. And I think
7 given what I've been presented by arguments of both able
8 counsel that I think a receivership would be appropriate
9 given the facts that were presented to the Court today.

10 MR. BANNISTER: Thank you, Your Honor.

11 MS. JEFFERSON: Your Honor, what's the time period
12 for submission of -- of that --

13 THE COURT: Mr. Bannister, can you provide that to
14 counsel within 20 days? And -- well, let's say -- let's
15 say -- this is -- this is urgent. Let's say within -- can
16 you do that within 10?

17 MR. BANNISTER: Yes, sir, Your Honor.

18 THE COURT: All right. And send me a formal order
19 directly to my e-mail account and not my law clerk.

20 MR. BANNISTER: Yes, sir.

21 THE COURT: My e-mail address.

22 Okay. Thank y'all. Take care.

23 *****END OF TRANSCRIPT OF RECORD*****
24
25

CERTIFICATE OF REPORTER

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)

I, HOLLIE JENKINS, Official Court Reporter for the Thirteenth Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate, and complete Transcript of Record of the proceedings had and the evidence introduced in the trial of the captioned case, relative to appeal, in the Court of Common Pleas for Greenville County, South Carolina, on the 8th day of April, 2021.

I do further certify that I am neither of kin, counsel, nor interest to any party hereto.

November 9, 2021, 2021

A handwritten signature in black ink, reading "Hollie M. Jenkins", is written over a horizontal line.

Hollie M. Jenkins, Court Reporter

From: Luke Burke <LBurke@bannisterwyatt.com>
Sent: Friday, April 23, 2021 10:53 AM
To: akinlawsc@sccourts.org
Cc: Meliah Bowers Jefferson; BBannister@bannisterwyatt.com; McKinley Hyman; akinlawlc@sccourts.org
Subject: Greenville Dental Office Management v. Julian et al. CA # 2020-CP-23-03922
Attachments: Order appointing Receiver (Plaintiff).DOCX; Order appointing Receiver (w Def comments).DOCX

Judge Kinlaw,

I have attached Plaintiff's proposed order for the Motion to Appoint Receiver you heard on April 8th in the above-referenced case. I have also attached a redline version of the order with revisions requested by the Defendants for your consideration. Thank you.

Best regards,
Luke

Luke A. Burke
Bannister, Wyatt & Stalvey, LLC
24 Cleveland Street, Suite 100
Greenville, South Carolina 29601
Phone 864-298-0084
Fax: 864-298-0146

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)
Greenville Dental Office Management)
Group, LLC, a limited liability company,)
proceeding pursuant to 33-44-1101 by)
and through its member, Bhaskar Savani,)
D.M.D.,)
Plaintiff,)
v.)
Jon Julian, D.D.S., Blake Julian, D.D.S.,)
Greenville Dental Management Group,)
P.A.,)
Defendants.)

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

ORDER APPOINTING RECEIVER

C.A. No. 2020-CP-23-03922

This matter came before me for a hearing upon Plaintiff Greenville Dental Office Management Group, LLC's Motion for Appointment of Receiver. The motion was heard by the Court on April 8, 2021. Counsel for the parties were present.

Upon reviewing the record, the evidence, and the applicable law and hearing statements and representations of counsel, I find that Plaintiff's Motion for Appointment of Receiver should be granted and a receiver should be appointed with authority as detailed below upon threat of contempt and sanctions by this Court for willful failure to cooperate with the receiver.

PRELIMINARY FINDINGS OF FACT¹

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU”).
2. Pursuant to the MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“the Clinical Company”).
3. Pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Paragraph 4 of the MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. Since May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by the MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.

¹ These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

7. While failing to assign or deliver collections or pay bills from the withheld collections, Defendants Jon Julian and Blake Julian have continued to pay themselves a salary from said collections.

CONCLUSIONS OF LAW

8. The foregoing Findings of Fact are denominated Conclusions of Law to the extent that they constitute the same.
9. A receiver may be appointed before judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code Ann. § 15-65-10(1).
10. Pursuant to the MOU, Plaintiff has an apparent right to the collections of the Clinical Company.
11. The collections of the Clinical Company are in the possession of Defendants and they admit they will not deposit said revenue with Plaintiff as required by the MOU.
12. A portion of the collections of Clinical Company are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU.
13. South Carolina law allows for the appointment of a receiver under the facts of this case.
14. The Court concludes that Plaintiff is entitled to the appointment of a receiver to perform the following:
 - a. Account for all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education

for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC after May 1, 2020 until further order of this Court.

- b. Take possession of all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC after May 1, 2020 until further order of this Court.
- c. Until further order of this Court, apply collections in the following order pursuant to the MOU:
 - i. Pay for the receiver's fees and costs;
 - ii. Pay payroll for Greenville Dental Management Group, P.A. staff where payroll does not include compensation for Bhaskar Savani, Jon Julian, or Blake Julian.
 - iii. Pay expenses of Greenville Dental Office Management Group, LLC.
 - iv. Once Greenville Dental Office Management Group, LLC has three-months' working capital (based upon average monthly overhead/expense/liability of the Clinical Company as determined by the receiver), then pay any unpaid compensation or share of profits owed to Bhaskar Savani, Jon Julian, and Blake Julian pursuant to their respective Dental Director and Service Agreements.

NOW, THEREFORE, based upon the foregoing findings of fact and conclusions of law,
IT IS THEREFORE ORDERED that:

- 1. Thomas W. Traxler ("Receiver") is hereby appointed as Receiver to perform the duties detailed above.

2. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall surrender and deliver possession of all collections for Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after May 1, 2020 to Receiver.
3. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall deliver documentation to Receiver that, in Receiver's discretion, are necessary to account for the collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after May 1, 2020.
4. Receiver will furnish to the Court and to the parties quarterly statements showing collections received and expenses paid by Receiver. The parties will be entitled to inspect the books and records of Receiver concerning funds held pursuant to this Order at reasonable times and with reasonable notice.
5. Without further Order of the Court, Receiver shall be entitled to payment of professional fees and expenses incurred by Receiver. Receiver's professional fees shall be charged at \$____ per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All fees and expenses of Receiver shall be accounted for in the Quarterly Statement of Operations.

6. Receiver will have such additional powers as are provided by law and as this Court may from time to time direct.
7. No person or entity shall file suit against Receiver for actions taken in compliance with this Order.
8. Receiver may, in its discretion, notify this Court and the parties to this action that the Receivership is not practical, and upon such notice all duties of Receiver shall terminate except with regard to liabilities which arise prior to the date of the notice. The Court, following another hearing, may then appoint a new Receiver to take any and all such other action as it deems appropriate. Receiver shall turn over all of the assets and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.
9. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the Receiver.
10. Receiver and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable Receiver to perform Receiver's duties properly.

IT IS SO ORDERED.

[Electronic signature follows on separate page]

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

Greenville Dental Office Management
Group, LLC, a limited liability company,
proceeding pursuant to 33-44-1101 by
and through its member, Bhaskar Savani,
D.M.D.,

IN THE COURT OF COMMON PLEAS
THIRTEENTH JUDICIAL CIRCUIT

C.A. No. 2020-CP-23-03922

V.

Defendants.

Upon reviewing the record, the evidence, and the applicable law and hearing statements and representations of counsel, I find that Plaintiff's Motion for Appointment of Receiver should be granted and a receiver should be appointed with authority as detailed below upon threat of contempt and sanctions by this Court for willful failure to cooperate with the receiver.

¹ These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more -specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU”).
2. Pursuant to the MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“the Clinical Company”).
3. Pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Paragraph 4 of the MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. Since May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by the MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.
7. While failing to assign or deliver collections or pay bills from the withheld collections, Defendants Jon Julian and Blake Julian have continued to pay themselves a salary from said collections.

CONCLUSIONS OF LAW

8. The foregoing Findings of Fact are denominated Conclusions of Law to the extent that they constitute the same.
9. A receiver may be appointed before judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code Ann. § 15-65-10(1).
10. Pursuant to the MOU, Plaintiff has an apparent right to the collections of the Clinical Company.
11. The collections of the Clinical Company are in the possession of Defendants and they admit they will not deposit said revenue with Plaintiff as required by the MOU.
12. A portion of the collections of Clinical Company are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU, [which endangered property has a value of \\$600,000 as to Jon Julian and \\$400,000 as to Blake Julian for a total value of \\$1,000,000.](#)
13. South Carolina law allows for the appointment of a receiver under the facts of this case.
14. The Court concludes that Plaintiff is entitled to the appointment of a receiver to perform the following:
 - a. Account for all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC [and also account for all amounts collected from the practices located in South](#)

Carolina owned and operated by Bhaskar Savani or American Dental Management Group from today's date until further order of this Court~~after May 1, 2020 until further order of this Court.~~

- b. Take possession of all collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC and also take possession of all amounts collected from the practices located in South Carolina owned by Bhaskar Savani or American Dental Management Group from today's date until further order of this Court~~after May 1, 2020 until further order of this Court.~~
- c. Until further order of this Court, apply collections in the following order pursuant to the MOU:
 - i. Pay for the receiver's fees and costs;
 - ii. Pay payroll for Greenville Dental Management Group, P.A. staff ~~where payroll does not~~ include reasonable compensation ~~for to Bhaskar Savani,~~ Jon Julian, ~~and or~~ Blake Julian for dental services personally performed by them in such amount as determined by the Receiver.
 - iii. Pay the legitimate and verifiable expenses of Greenville Dental Office Management Group, LLC.
 - iv. Once Greenville Dental Office Management Group, LLC has three-months' working capital (based upon average monthly overhead/expense/liability of the Clinical Company as determined by the receiver), then pay any unpaid compensation or share of profits

owed to Bhaskar Savani, Jon Julian, and Blake Julian pursuant to their respective Dental Director and Service Agreements.

NOW, THEREFORE, based upon the foregoing findings of fact and conclusions of law,
IT IS THEREFORE ORDERED that:

1. Thomas W. Traxler (“Receiver”) is hereby appointed as Receiver to perform the duties detailed above.
2. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall surrender and deliver possession of all collections for Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after ~~May 1, 2020~~[the date of this Order](#) to Receiver.
3. Within ten (10) business days following the entry of this Order, and on an ongoing basis as long as this Order remains in effect, Defendants shall deliver documentation to Receiver that, in Receiver’s discretion, are necessary to account for the collections of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC received after ~~May 1, 2020~~[the date of this Order](#).
4. Receiver will furnish to the Court and to the parties quarterly statements showing collections received and expenses paid by Receiver. The parties will be entitled to inspect the books and records of Receiver concerning funds held pursuant to this Order at reasonable times and with reasonable notice.

5. Without further Order of the Court, Receiver shall be entitled to payment of professional fees and expenses incurred by Receiver. Receiver's professional fees shall be charged at \$_____ per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All fees and expenses of Receiver shall be accounted for in the Quarterly Statement of Operations.
6. Receiver will have such additional powers as are provided by law and as this Court may from time to time direct.
7. No person or entity shall file suit against Receiver for actions taken in compliance with this Order.
8. Receiver may, in its discretion, notify this Court and the parties to this action that the Receivership is not practical, and upon such notice all duties of Receiver shall terminate except with regard to liabilities which arise prior to the date of the notice. The Court, following another hearing, may then appoint a new Receiver to take any and all such other action as it deems appropriate. Receiver shall turn over all of the assets and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.
9. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the Receiver.
10. Receiver and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable Receiver to perform Receiver's duties properly.

IT IS SO ORDERED.

[Electronic signature follows on separate page]

From: Luke Burke <LBurke@bannisterwyatt.com>
Sent: Monday, August 23, 2021 9:12 AM
To: akinlawj@sccourts.org
Cc: BBannister@bannisterwyatt.com; jelliott@jasonelliottlaw.com; McKinley Hyman; akinlawsc@sccourts.org; Meliah Bowers Jefferson
Subject: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922
Attachments: Amended Order Appointing Receiver_20210701.DOCX

Judge Kinlaw,

I have attached Plaintiff's proposed order for your consideration. Thank you.

Best regards,
Luke

Luke A. Burke
Bannister, Wyatt & Stalvey, LLC
24 Cleveland Street, Suite 100
Greenville, South Carolina 29601
Phone 864-298-0084
Fax: 864-298-0146

From: Kinlaw, Alex <akinlawj@sccourts.org>
Sent: Tuesday, August 3, 2021 12:24 PM
To: Luke Burke <LBurke@bannisterwyatt.com>
Cc: Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>; Kinlaw, Alex Secretary (Shannon N. Thurman) <akinlawsc@sccourts.org>; Meliah Bowers Jefferson <mjefferson@wyche.com>
Subject: RE: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

At this juncture I am requesting that both sides submit to the court for consideration proposed orders. I will afford Counsel a 20 day window to facilitate this. Please communicate with my email address. Thanks. akjr

From: Luke Burke <LBurke@bannisterwyatt.com>
Sent: Tuesday, August 3, 2021 10:34 AM
To: Kinlaw, Alex <akinlawj@sccourts.org>
Cc: Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>; Kinlaw, Alex Secretary (Shannon N. Thurman) <akinlawsc@sccourts.org>; Meliah Bowers Jefferson <mjefferson@wyche.com>
Subject: RE: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

***** EXTERNAL EMAIL:** This email originated from outside the organization. Please exercise caution before clicking any links or opening attachments. ***

Judge Kinlaw,

The parties have not been able to agree on a consent order resolving the defendants' motions. My client respectfully requests a decision from the court. Please let me know if proposed orders or virtual hearing would be of assistance to the court. Thank you for your consideration of this request. I have copied all counsel of record on this email.

Best regards,
Luke

Luke A. Burke
Bannister, Wyatt & Stalvey, LLC
24 Cleveland Street, Suite 100
Greenville, South Carolina 29601
Phone 864-298-0084
Fax: 864-298-0146

From: Kinlaw, Alex <akinlawj@sccourts.org>
Sent: Thursday, June 24, 2021 9:44 AM
To: Meliah Bowers Jefferson <mjefferson@wyche.com>
Cc: Luke Burke <LBurke@bannisterwyatt.com>; Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>; Kinlaw, Alex Secretary (Shannon N. Thurman) <akinlawsc@sccourts.org>
Subject: RE: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

Great! I will send everyone a link later today. akjr

From: Meliah Bowers Jefferson <mjefferson@wyche.com>
Sent: Wednesday, June 23, 2021 5:05 PM
To: Kinlaw, Alex <akinlawj@sccourts.org>
Cc: Luke Burke <LBurke@bannisterwyatt.com>; Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>; Kinlaw, Alex Secretary (Shannon N. Thurman) <akinlawsc@sccourts.org>
Subject: RE: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

***** EXTERNAL EMAIL:** This email originated from outside the organization. Please exercise caution before clicking any links or opening attachments. ***

Thank you, Judge Kinlaw. Both sides are available on June 30th at 1pm.



Meliah Bowers Jefferson (she/her/hers) | Wyche
200 East Camperdown Way | Greenville, SC 29601-3512
Phone: (864) 242-8233 | Fax: (864) 298-3952
mjefferson@wyche.com | www.wyche.com/mjefferson | [vCard](#)

From: Kinlaw, Alex <akinlawj@sccourts.org>
Sent: Wednesday, June 23, 2021 4:21 PM
To: Meliah Bowers Jefferson <mjefferson@wyche.com>
Cc: Luke Burke <LBurke@bannisterwyatt.com>; Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>; Kinlaw, Alex Secretary (Shannon N. Thurman) <akinlawsc@sccourts.org>
Subject: RE: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

I can set up a virtual conference call on any day next week at 1. Let me know when everyone is available and I will forward a link. Thanks

From: Meliah Bowers Jefferson <mjefferson@wyche.com>
Sent: Wednesday, June 23, 2021 10:49 AM
To: Kinlaw, Alex <akinlawj@sccourts.org>
Cc: Luke Burke <LBurke@bannisterwyatt.com>; Bruce Bannister <BBannister@bannisterwyatt.com>; jelliott@jasonelliottlaw.com; McKinley Hyman <mhyman@wyche.com>
Subject: Greenville Dental Office Management Group, LLC, a limited liability company by and through its member, Bhaskar Savani, D.M.D vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. 2020-CP-23-03922

***** EXTERNAL EMAIL:** This email originated from outside the organization. Please exercise caution before clicking any links or opening attachments. ***

Good morning, Judge Kinlaw. The parties have made some good progress on the terms of the receivership order but could not agree on two issues:

1. Whether the parties must turn over all collections to the receiver, who would then pay approved bills; or whether the parties may pay their own bills, as approved by the receiver, through their established accounts and then turn over all excess amounts to the receiver

And

2. Whether the Julians should get paid any compensation at all for their work in months when the 3-month reserve amount is not met and, if so, the amount of that compensation

Defendants' proposal for the terms of the receivership is attached with the highlighted portions reflecting the main points of disagreement as I understand them. Please let us know the court's availability for a hearing.

Respectfully,
Meliah Bowers Jefferson



Meliah Bowers Jefferson (she/her/hers) | Wyche
200 East Camperdown Way | Greenville, SC 29601-3512
Phone: (864) 242-8233 | Fax: (864) 298-3952
mjefferson@wyche.com | www.wyche.com/mjefferson | vCard

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Thank you.

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- (iii) do not use, copy or distribute the contents in any form
- (iv) notify the sender by return e-mail or call.

No privilege is waived by inadvertent transmission.

Thank you.  
-----

STATE OF SOUTH CAROLINA )  
COUNTY OF GREENVILLE )  
Greenville Dental Office Management )  
Group, LLC, a limited liability company, )  
proceeding pursuant to 33-44-1101 by )  
and through its member, Bhaskar Savani, )  
D.M.D., )  
Plaintiff, )  
v. )  
Jon Julian, D.D.S., Blake Julian, D.D.S., )  
Greenville Dental Management Group, )  
P.A., )  
Defendants. )

---

IN THE COURT OF COMMON PLEAS  
THIRTEENTH JUDICIAL CIRCUIT

**AMENDED ORDER  
APPOINTING RECEIVER**

C.A. No. 2020-CP-23-03922

This matter initially came before me for a hearing upon Plaintiff Greenville Dental Office Management Group, LLC's Motion for Appointment of Receiver. That motion was heard by the Court on April 8, 2021. Counsel for the parties were present.

On May 12, 2021, I filed an Order Appointing Receiver. On May 24, 2021, Defendants moved to alter and amend this order. On June 3<sup>rd</sup> and June 30<sup>th</sup>, I held conference calls regarding this motion. All attorneys of record for Plaintiff and Defendants were present on these conference calls. The Court has now decided that Defendants' Motion to Alter and Amend Order Appointing Receiver should be denied; however, I am modifying and clarifying the receivership plan as detailed below. Therefore, I am filing this Amended Order Appointing Receiver. This Amended Order replaces and supersedes the Order filed May 12, 2021.

Defendant's Motion raises three challenges to this Court's Order:

1. That Plaintiff does not have an apparent right to Defendants' property;

2. That a portion of the property held by Defendants was not subject to waste or dissipation; and
3. That Defendants had no notice or opportunity to be heard on the record regarding the plan for the receivership.

Based on the following, I find that Defendants' challenges are not supported by the law and the facts presented in this case. However, I also find that clarification of the plan for the receivership is warranted.

**I. Plaintiff has an apparent right to collections from Defendants pursuant to the parties' agreement.**

The appointment of a receiver rests in the sound discretion of the court to which application is made. *Vasiliades v. Vasiliades*, 231 S.C. 366, 98 S.E.2d 810 (1957). A receiver may be appointed before judgment, on the application of either party, when it establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code § 16-65-10. A court is within its discretion to appoint a receiver when one party is in possession of the property and the other party has an apparent right to the rents and profits from said property. *Andrick Dev. Corp. v. Maccaro*, 280 S.C. 103, 311 S.E.2d 95 (Ct. App. 1984).

In *Andrick*, the defendants were in possession of rental property, the ownership of which was disputed. *Id.* at 104, 311 S.E.2d at 96. The plaintiff held title to the property, subject to a demand for specific performance of a contract for sale by the defendants. *Id.* The plaintiff moved for and was granted an order appointing a receiver to take possession of the property and collect

all rents and profits while the case was pending. *Id.* at 105, 311 S.E.2d at 97. The Court of Appeals affirmed the appointment of a receiver. *Id.* at 106-107, 311 S.E.2d at 97.

The facts presented in this case are similar. Defendants admit they executed a Memorandum of Understanding (“the MOU”). Pursuant to the MOU, Defendants assigned all collections for clinical dental services rendered by Greenville Dental Management Group, P.A. (“the Clinical Company”) dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures, and course materials to Plaintiff, Greenville Dental Office Management Group, LLC (“the Management Company”). Similar to the facts in *Andrick*, the documentary evidence shows that Plaintiff has an apparent right to the collections assigned in the MOU. It is not necessary for Plaintiff to have a definite right to the collections, only an apparent right.

Also similar to *Andrick*, where the defendants demanded specific performance, Defendants contest Plaintiff’s right to the collections by alleging that the MOU is no longer effective. However, this dispute is precisely why a receiver is necessary to take possession of the collections while this case is pending. There would never be a need for a receiver in a case where there is no dispute over the parties’ rights to property.

Therefore, I find that Plaintiff has an apparent right to the property.

**II. Defendants admitted that a portion of the property was subject to waste or dissipation.**

The MOU states: “No party shall take a draw, compensation or share of profits unless Clinical Company/[Management Company] has sufficient funds in excess of three months’ working capital.” Based on the Affidavit of Bhaskar Savani, it is clear that the Management Company does not have sufficient funds in excess of three months’ working capital. Defendants

do not dispute that they have failed to deliver any collections to the Management Company since May 1, 2020. This has caused the Management Company's failure to pay its lease payments and bills.

If the Management Company does not have sufficient funds in excess of three months' working capital, then Defendants are not entitled to any compensation. However, the Affidavit of Jon Julian admits that Defendants Jon and Blake Julian continue to pay their own salaries from the collections of the Clinical Company. This payment of compensation contrary to the parties' agreement constitutes waste and dissipation of the contested property.

Therefore, I find that, absent appointment of a receiver, the property is at risk of loss, impairment, or material injury.

**III. Defendants had an opportunity to be heard on the record regarding the plan for receivership.**

Defendants cite *Midlands Util., Inc. v. S.C. Dept. of Health & Env'tl. Control*, 301 S.C. 224, 228, 391 S.E.2d 535, 538 (1989), for the proposition that a court may properly deny a request for a receivership where the moving party does not provide a plan relating to the appointment. However, this is an incomplete reading of the holding in *Midlands*. The *Midlands* holding firmly states that granting or denying a request to appoint a receiver is within the discretion of the circuit court judge. *Id.* at 228, 391 S.E.2d at 538 (citing *Kirven v. Lawrence*, 244 S.C. 572, 137 S.E.2d 764 (1964)). The ruling only tangentially mentions that the moving party did not submit a plan for the appointment of a receiver, presumably as something a judge may consider while exercising his or her discretion to appoint or deny a receiver.

Further, Plaintiff did provide a plan for the receivership in its motion and during the motion hearing. Plaintiff requested "the appointment of a receiver to collect, account for, and distribute

all collections for dental services rendered and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials received after June 26, 2017 by or from” several individuals and entities. This language is directly from the MOU and Plaintiff reasserted at the hearing that its request was for a receiver to take control of the collections assigned pursuant to the terms of the MOU. Defendants had the opportunity to and did object to Plaintiff’s plan and their objection was heard on the record.

Therefore, I find that Plaintiff did propose a plan for the receivership and Defendants had an opportunity to be heard regarding this plan. However, I also find that Plaintiff’s proposed plan for the receivership should be modified and clarified as detailed below.

Therefore, upon reviewing the record, the evidence, and the applicable law and hearing statements and representations of counsel, I find that Plaintiff’s Motion for Appointment of Receiver should be granted and a receiver should be appointed with authority as detailed below upon threat of contempt and sanctions by this Court for willful failure to cooperate with the receiver.

### **PRELIMINARY FINDINGS OF FACT<sup>1</sup>**

1. On June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding (“the MOU”).

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<sup>1</sup> These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

2. Pursuant to the MOU, Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. (“the Clinical Company”).
3. Pursuant to the MOU, Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff (“GDMG”).
4. Paragraph 4 of the MOU states:

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

5. Since May 1, 2020, the aforementioned individuals and entities have failed to assign or deliver any collections as required by the MOU.
6. Since January 1, 2021, the aforementioned individuals have refused to pay rent and bills required to be paid from the withheld collections.
7. While failing to assign or deliver collections or pay bills from the withheld collections, Defendants Jon Julian and Blake Julian have continued to pay themselves a salary from said collections.

#### **CONCLUSIONS OF LAW**

8. The foregoing Findings of Fact are denominated Conclusions of Law to the extent that they constitute the same.
9. A receiver may be appointed before judgment, on the application of either party, when he establishes an apparent right to property which is the subject of the action and which

- is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired. S.C. Code Ann. § 15-65-10(1).
10. Pursuant to the MOU, Plaintiff has an apparent right to the collections of the Clinical Company.
  11. The collections of the Clinical Company are in the possession of Defendants and they admit they will not deposit said revenue with Plaintiff as required by the MOU.
  12. A portion of the collections of Clinical Company are in danger of being lost because Defendants admit paying salaries to themselves from the collections before paying the expenses of Plaintiff as required by the MOU.
  13. South Carolina law allows for the appointment of a receiver under the facts of this case.
  14. The Court concludes that Plaintiff is entitled to the appointment of a receiver to perform the following:
    - a. Obtain full access to all bank accounts of Greenville Dental Management Group, P.A., Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, and Signature Smiles, LLC.
    - b. Require the parties:
      - 1) to account for revenue and collections from May 1, 2020 to present;
      - 2) to provide the receiver, with copies to all members of the Plaintiff entity, detailed documentation for their respective dental practices' monthly expenses and payroll since January 1, 2019;
      - 3) to report to the receiver all amounts of revenue collected;

- 4) to report to the receiver any amount to be paid for expenses and payroll no less than ten (10) business days prior to the date of disbursement provided in the report;
- 5) to provide the receiver and the party who submitted a report as provided a detailed, written notice of any objection to an expense or payroll amount disclosed in the report no less than five (5) business days before the date of disbursement provided in the report;
- 6) to disburse only those amounts to which no written objection is made until otherwise authorized by the receiver; and
- 7) to pay over to the receiver within five (5) business days from the end of each month all revenues in excess of the reported disbursements for the preceding month.

- c. The Receiver may set a reasonable amount of compensation to be paid to the Julians for their labor, after taking into account the outstanding expenses of the entities and consistent with the average wages paid to dentists in South Carolina for their labor, during any month in which the Clinical Company does not have at least three (3) months working capital as defined by the MOU.

**NOW, THEREFORE**, based upon the foregoing findings of fact and conclusions of law,  
**IT IS THEREFORE ORDERED** that:

1. Defendants' Motion to Alter and Amend Order Appointing Receiver is denied.
2. L. Walter Tollison, III ("Receiver") is hereby appointed as Receiver to perform the duties detailed above. The parties shall cooperate with the Receiver and provide any documentation or information requested by the Receiver to perform his duties.

3. Within ten (10) business days following the filing of this Order, the parties shall meet with the Receiver and provide full online and signatory access to all bank accounts listed above to the Receiver.
4. Receiver will furnish to the Court and the parties quarterly statements showing collections received and expenses paid by Receiver. The parties will be entitled to inspect the books and records of Receiver concerning funds held pursuant to this Order at reasonable times and with reasonable notice.
5. Without further Order of the Court, Receiver shall be entitled to payment of professional fees and expenses incurred by Receiver. Receiver's professional fees shall be charged at \$350 per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All fees and expenses of Receiver shall be accounted for in the Quarterly Statement of Operations.
6. Receiver will have such additional powers as are provided by law and as this Court may from time to time direct.
7. No person or entity shall file suit against Receiver for actions taken in compliance with this Order.
8. If any party disagrees with a decision made by the Receiver, then that party may petition me to review the decision of the Receiver and I have the authority to overturn or modify said decision.
9. Receiver may, in its discretion, notify this Court and the parties to this action that the Receivership is not practical, and upon such notice all duties of Receiver shall terminate

except with regard to liabilities which arise prior to the date of the notice. The Court, following another hearing, may then appoint a new Receiver to take any and all such other action as it deems appropriate. Receiver shall turn over all of the assets and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.

10. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the Receiver.

11. Receiver and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable Receiver to perform Receiver's duties properly.

**IT IS SO ORDERED.**

[Electronic signature follows on separate page]

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**From:** Jason Elliott <jelliott@jasonelliottlaw.com>  
**Sent:** Monday, August 23, 2021 4:01 PM  
**To:** akinlawj@sccourts.org; lburke@bannisterwyatt.com; Meliah Bowers Jefferson; bbannister@bannisterwyatt.com  
**Cc:** drutledge@jasonelliottlaw.com; akinlawsc@sccourts.org; McKinley Hyman; Stacey H. Wascom  
**Subject:** Greenville Dental Office Management Group, LLC vs. Jon Julian, D.D.S., Blake Julian, D.D.S., Greenville Dental Management Group, P.A. Case No.: 2020-CP-23-03922

Judge Kinlaw:

Please see the attached proposed order for your consideration. This order is drafted in consideration of your prior comments that you believe the receivership is appropriate and the progress made by the parties before reaching an impasse. The portion of the order governing the terms of the actual receivership includes all of the terms on which the parties agreed as of the last conference, with the only exception being the application of the receivership to only the four offices Plaintiff listed in the Amended Complaint.

Please let us know if you have any questions.

Thank you for your consideration.

Sincerely,

Jason

Jason Elliott, Attorney at Law, LLC  
531 S. Main Street, Suite 307  
Greenville, SC 29601  
(864) 235-5308

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF GREENVILLE )  
 )  
Greenville Dental Office Management )  
Group, LLC, a limited liability company, )  
proceeding pursuant to 33-44-1101 by and )  
through its member, Bhaskar Savani, )  
D.M.D., )  
 )  
Plaintiff, )  
v. )  
 )  
Jon Julian, D.D.S., Blake Julian, D.D.S., )  
Greenville Dental Management Group, )  
P.A., )  
 )  
Defendants. )  
\_\_\_\_\_ )

IN THE COURT OF COMMON PLEAS  
THIRTEENTH JUDICIAL CIRCUIT

**ORDER GRANTING IN PART AND  
DENYING IN PART DEFENDANTS'  
MOTION TO ALTER OR AMEND ORDER  
APPOINTING RECEIVER  
AND  
AMENDED ORDER  
APPOINTING RECEIVER**

C.A. No. 2020-CP-23-03922

This matter initially came before me for a hearing upon Plaintiff Greenville Dental Office Management Group, LLC's Motion for Appointment of Receiver ("Motion for Receiver"). That motion was heard by the Court on April 8, 2021. Counsel for the parties were present.

On May 12, 2021, the Court filed an Order Appointing Receiver. On May 24, 2021, Defendants filed a Motion to Alter or Amen Order Appointing Receiver ("Motion to Alter"). After the filing of Defendants' Motion to Alter, the Court held two status conferences with all attorneys of record for Plaintiff and Defendants during which the parties notified the Court that they had reached agreement as to the terms of an amended order for the appointment of a receiver with the exception of two issues: 1) the most efficient and cost effective manner to administer the receivership; and (2) the reasonable amount of compensation due to the Julians for their labor as the sole revenue generating dentists in the business. Thereafter, the parties notified

the Court of their impasse in resolving the terms of the receivership and asked the Court to proceed with ruling on Defendants' Motion to Alter or Amend Order Appointing Receiver.

Having fully reviewed Defendants' Motion to Alter, the Court now grants in part and denies in part Defendants' motion and issues this Amended Order Appointing Receiver as set forth below.

### **PRELIMINARY FINDINGS OF FACT<sup>1</sup>**

1. Plaintiff initiated this case by filing a Complaint against Defendants on August 19, 2020. Plaintiff then amended its pleading by filing an Amended Complaint on August 27, 2020.

2. Plaintiff alleges in its Amended Complaint and Motion for Appointment of Receiver that, on June 26, 2017, Jon Julian, The Dental Retreat at Mountain Park, LLC, Northstar Dental Education for Dental Professionals, LLC, Blake Julian, Signature Smiles, LLC, Bhaskar Savani, and American Dental Management Group, LLC executed a memorandum of understanding ("the MOU").

3. Plaintiff further alleges that Jon Julian and Blake Julian formed Greenville Dental Management Group, P.A. ("the Clinical Company") pursuant to the MOU.

4. Plaintiff also alleges that Jon Julian, Blake Julian, and Bhaskar Savani formed Plaintiff ("GDOMG") pursuant to the MOU.

5. Paragraph 4 of the MOU states:

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<sup>1</sup> These findings are made solely for the purpose of this Order and do not preclude a full trial on the merits of any claims, counterclaims, or defenses in this litigation. The Court acknowledges that Defendants dispute the allegations made by Plaintiffs in the Amended Complaint and the motion documents and, more specifically dispute that the MOU is an enforceable agreement, but because this is a preliminary order, neither the findings of fact or conclusions of law are binding upon the trial judge.

ASSIGNMENT OF COLLECTIONS. Clinical Company shall assign to GDMG all collections for clinical dental services rendered by Clinical Company dental professionals and all revenues derived from dental related sales commissions and professional education seminars, lectures and course materials. Clinical Company shall deposit all revenue after payment for Clinical Company payroll and compensation for dental professionals to GDMG. All other related expenses shall be paid by GDMG and net profits, if any, shall be distributed to members of GDMG in accordance with this MOU and the Operating Agreement of GDMG.

6. Plaintiff contends that, since May 1, 2020, Jon Julian, Blake Julian, and the Clinical Company have failed to assign or deliver any collections to Plaintiff and that such assignment is required by the MOU.

7. Plaintiff contends that, since January 1, 2021, Jon Julian, Blake Julian, and the Clinical Company have refused to pay rent and bills required to be paid from the withheld collections.

8. In the Amended Complaint, Plaintiff further alleges that Jon Julian and Blake Julian each entered into a Service Agreement in addition to the MOU.

9. Paragraph 16 of the MOU states:

**SPECIFIC AMENDMENTS CONTROL.** It is understood that the parties shall enter into specific agreements and that this MOU sets forth the general understanding of the parties. The terms and provisions of the specific agreements shall be deemed controlling unless stated otherwise.

10. Paragraph 1 of both Service Agreements define the scope of services and duties of Jon Julian and Blake Julian as follows:

Services. Subject to the terms and conditions of this Agreement, Service Recipient hereby retains and engages Contractor, and Contractor accepts this engagement with Service Recipient to render general dentistry services, including but not limited to preventative dentistry, restorative dentistry, endodontics, oral surgery, orthodontics, periodontics, and any other relevant dental services, to the patients of Service Recipient (collectively, the “Services”). Contractor acknowledges that he or she will be providing the Services at offices owned or leased by Service Recipient. Contractor shall perform the Services at such

locations affiliated and/or contracted with Service Recipient as may be reasonably required from time to time.

11. Paragraph 8 of both Service Agreements go on to state:

Assignment of Income. Contractor hereby assigns and transfers all right, title and interest in all income, receivables and charges for the Services to Service Recipient subject to Contractor's right to receive compensation from Service Recipient as set forth in Section 9 below. Contractor expressly authorizes and assigns to Service Recipient the right to payment from patients and third party payors and authorizes the deposit of receipts received either from patients or third party payors into Service Recipient's bank account. In the event that payment is made directly to Contractor or his or her affiliated entities for Services rendered on behalf of Service Recipient pursuant to this Agreement, Contractor shall assign these proceeds by endorsement of checks or by electronic transfer of funds to Service Recipient's account within seven (7) days of the receipt. Failure to remit shall be deemed as a material breach of this Agreement and any Compensation due Contractor shall be subject to set-off or withholding pursuant to this Agreement.

12. Although Plaintiff asserts in its Amended Complaint that “[t]here are four dental offices affiliated and/or contracted with [GDOMG]: (1) Travelers Rest, (2) Greenville, (3) Taylors, and (4) Columbia-Brown”, Plaintiff has alleged in arguments to this Court that a dental office located in Duncan, South Carolina is also affiliated and/or contracted with GDOMG.

13. Defendants filed an Answer and Counterclaims in response to the Amended Complaint disputing the allegations made by Plaintiffs; specifically disputing that the MOU is an enforceable agreement and disputing that GDOMG is an intended party to the Service Agreements.

14. Defendants further contend that Bhaskar Savani breached the MOU in failing to meet the capital contribution requirements to secure any interest in GDOMG, misappropriated funds managed by GDOMG, and caused GDOMG to default on various obligations to Defendants including, without limitation, GDOMG’s failure to pay all amounts due and owing to Jon Julian and Blake Julian.

15. Defendants argue that Bhaskar Savani's and GDOMG's breaches terminated any and all agreements between the parties such that Defendants have no obligations to Plaintiff or Bhaskar Savani, to the extent any such obligations ever existed.

16. Defendants further argue that the dental office located in Duncan, South Carolina, is not subject to the terms of the MOU and should not be included in any order issued by this Court because that location includes ownership interests not fully represented by the parties currently before this Court and is not one of the facilities "affiliated and/or contracted" with GDOMG, as alleged by Plaintiff.

17. Defendants reiterated their disputes to Plaintiff's allegations in arguments on Plaintiff's Motion for Receivership and in their Motion to Alter.

18. It is undisputed that prior to Plaintiff's commencement of the instant action, Defendants filed suit against Bhaskar Savani and American Dental Management Group in the United District Court for the District of South Carolina on June 12, 2020, captioned *Jon Julian, D.D.S, Blake Julian, D.D.S and Greenville Dental Management Group, P.A. vs. Bhaskar Savani, D.M.D, and American Dental Management Group, LLC*, Case No. 6:20-cv-02229-BHH.

19. It is also undisputed that Defendants terminated their working relationships with Bhaskar Savani and American Dental Management Group in June of 2020 by revoking any and all authority for Bhaskar Savani or any affiliated entity or person, including American Dental Management Group, to manage their practices or to take any actions on behalf of Defendants, which included the termination of any and all assignments to GDOMG for the collection of fees for dental services provided by Jon or Blake Julian.

20. It is further undisputed that, since June of 2020, Bhaskar Savani has maintained control of GDOMG and the two dental practices he owns in Taylors and Columbia, South

Carolina and that Jon and Blake Julian have operated their dental practices independently of Bhaskar Savani.

21. It is undisputed that Defendants have provided Plaintiff with detailed information regarding the revenues and expenses for their practices including the salary amounts paid to Jon and Blake Julian for the dental services they personally provide in those practices.

22. It is further undisputed that all excess revenue collected from Jon and Blake Julian's dental practices is held in a bank account and not distributed to Jon or Blake Julian.

23. Based on paragraph 4 of the MOU, Plaintiff contends that it has an apparent right to property held by Defendants, which Plaintiff defines as all collections from Jon Julian's and Blake Julian's practices.

24. Plaintiff further contends that payment of salary in any amount to Jon and Blake Julian constitutes risk of loss or material impairment of the property because Jon and Blake Julian have not paid the expenses of GDOMG since January 1, 2021.

### **CONCLUSIONS OF LAW**

25. Rule 59(e), SCRCP, provides that "[a] motion to alter or amend the judgment shall be served not later than 10 days after receipt of written notice of the entry of the order." The Supreme Court of South Carolina has explained that "it is proper to view a Rule 59(e) motion not only as a vehicle to request the trial court 'alter or amend the judgment,' but also as a vehicle to seek 'reconsideration' of issues and arguments." *Elam v. S.C. D.O.T.*, 361 S.C. 9, 21, 602 S.E.2d 772, 778 (S.C. 2004). Indeed, "[a] motion under Rule 59(e) long has been viewed as 'motion for reconsideration' despite the absence of those words from the rule. Consequently, a party usually is allowed to ask the court to reconsider its decision even if it means rehashing all or part of an argument previously presented." *Elam*, 361 S.C. at 21-22, 602 S.E.2d at 778-79

(citing *Arnold v. State*, 309 S.C. 157, 420 S.E.2d 834 (1992)) (explaining that the “purpose” of Rule 59(e) is “to request the judge to reconsider matters properly encompassed in a decision on the merits”).

26. Having reviewed Defendants’ Motion to Alter and the record before the Court, this Court grants in part and denies in part Defendants’ motion.

27. First, in their Motion to Alter, Defendants argue the Court erred in determining that Plaintiff has demonstrated an apparent right to the collections of the Clinical Company pursuant to the MOU. Instead, Defendants contend that Plaintiff has merely alleged a contested right, which is not sufficient to warrant a pre-judgment receivership. This Court disagrees. South Carolina Code of Laws § 15-65-10 allows the Court to appoint a receiver “on the application of either party, when he establishes an apparent right to property which is the subject of the action and which is in the possession of an adverse party and the property, or its rents and profits, are in danger of being lost or materially injured or impaired.” The decision to appoint a receiver rests in the sound discretion of the court to which application is made. *See Vasiliades v. Vasiliades*, 231 S.C. 366, 98 S.E.2d 810 (1957). Here, Plaintiff has presented the Court with a contractual document purporting to assign the collection of certain income to it. Although Defendants dispute the validity of the contractual document, the Court finds that the MOU sufficiently establishes an apparent right analogous to the right established in *Andrick Dev. Corp. v. Maccaro*, 280 S.C. 103, 311 S.E.2d 95 (Ct. App. 1984). Accordingly, I find that this is an appropriate case in which to impose a pre-judgment receivership and deny Defendants’ Motion to Alter as to this ground.

28. Defendants next contend, in their Motion to Alter, that the Court erred in concluding that a portion of the property held by Defendants was subject to waste or dissipation.

Defendants admit that the collections of the Clinical Company are in the possession of Defendants and they are no longer assigning those collections to Plaintiff. Defendants further admit that Jon Julian and Blake Julian are receiving compensation from the Clinical Company. Although the parties dispute whether this payment of compensation constitutes actual waste, it is undisputed that payment of the compensation to the Julians reduces the amount of collections available to GDOMG under the MOU. The Court finds that this constitutes dissipation and warrants the appointment of a receiver to ensure compensation is paid to the Julians for their labor in a way that properly and equitably considers the issues in dispute. *See id.* at 106, 311 S.E.2d at 97. Therefore, the Court also denies Defendants' Motion to Alter as to this issue.

29. Defendants further assert that the Court erred in issuing the Order without allowing Defendants to be fully heard on the plan of receivership and, therefore, the Order failed to include all necessary statutory findings. While Defendants correctly note that Plaintiff's Motion for Receiver did not include any plan for the receivership, nothing in S.C. Code Ann. § 15-65-10 requires that the plan for the receivership be fully set forth in the motion. In *Midlands Utility, Inc. v. S. C. Dept. of Health and Environmental Control*, 301 S.C. 224, 228, 391 S.E.2d 535, 538 (1989), our Supreme Court found that the trial court did not abuse its discretion in failing to appoint a receiver where the movant did not provide the trial court with a plan. That is not the same as finding that a plan must be presented to the trial court. Here, the Court considered the requirements of § 15-65-10, found appointment warranted under those requirements, and issued an order in accordance with the discretion afforded to this Court. Consequently, the Court must reject this basis for error.

30. However, the Court agrees that the Order does not include any finding of the value of the property at issue as required by statute. "The provision [under S.C. Code § 15-65-

50] for inserting a clause fixing the value of the property in the order appointing a receiver is mandatory, and without such clause the order is void.” *Truesdell v. Johnson*, 144 S.C. 188, 142 S.E. 343 (1928). The purpose of this statute is to protect the interest of the person or entity from whom property is taken and placed in the hands of a receiver. *Id.* It provides a method for the party to retain possession of the property during litigation. *Id.* Because the Order does not fix any value for the property at issue, the Court finds it appropriate to amend the order to provide for such value. Plaintiff has alleged that the portion of the collections of Clinical Company subject to possible dissipation is the amount Jon Julian and Blake Julian receive for compensation. Jon Julian’s affidavit asserts that he and Blake Julian are receiving compensation consistent with the amounts set forth in the MOU and Service Agreements. Those amounts are \$600,000 as to Jon Julian and \$400,000 as to Blake Julian for a total value of \$1,000,000. Accordingly, the Court sets the value of the property subject to possible dissipation to be \$1,000,000.

31. Finally, Defendants request the Court modify the Order to account for a reasonable amount of compensation to be paid to the Julians and to apply the receivership in an equitable manner to all signatories of the MOU. The appointment of a receiver is fundamentally an action in equity. See *Wadsworth Industries, Inc. v. Westgate Knitting, Inc.*, 264 S.C. 106, 109, 212 S.E.2d 571, 572 (1975); *Elgin v. Kelly*, No. 2006-UP-270, 2006 WL 7286048, at \*4 (S.C. Ct. App. Aug. 28, 2006) (unpublished). Given that this is concerns a pre-judgment receivership, the Court is cognizant that the parties have levied competing claims and that the purpose of the receivership is to protect the property from wrongful and improper use. To facilitate the equitable purpose of the receivership, the Court finds it appropriate to amend the Order to apply to all signatories to the MOU and to account for the financial activities of the four office

locations identified in Plaintiff's Amended Complaint.<sup>2</sup> The Court further believes that the receivership plan set forth in this Amended Order protects Plaintiff's interests by giving the receiver authority and oversight without requiring the receiver to fully manage four dental practices, which would be unduly expensive causing unnecessary dissipation of the property.

### **CONCLUSION**

For the foregoing reasons, the Court grants in part and denies in part Defendants' Motion to Alter. The Court denies Defendants' request to find that no receivership is warranted under the circumstances of this case but grants Defendants' request for amendment of the Order. Accordingly, the Court hereby amends the terms of the Order to provide for the appointment of a receiver for the purpose of accounting for the revenue, collections, and expenses of the four dental office locations identified in Plaintiff's Verified Complaint: namely, Columbia (Signature Smiles of Columbia), Taylors (Compass Dental), Greenville (Signature Smiles), and Traveler's Rest (The Dental Retreat), as of January 1, 2021 and consistent with the terms below.

### **NOW, THEREFORE, IT IS THEREFORE ORDERED** that:

1. L. Walter Tollison, III, Esq. ("TOLLISON") is hereby appointed as Receiver for Greenville Dental Management Group, P.A. and Greenville Dental Office Management Group, LLC. All signatories to the MOU shall be subject to the receivership and shall comply with the reasonable requests for information from the receiver.

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<sup>2</sup> Plaintiff first mentions an office location in Duncan, South Carolina in its Memorandum of Law in Support of Motion for Appointment of Receiver filed on April 5, 2021, the day before the Court's hearing on the Motion for Receiver. This is inconsistent with Plaintiff's Amended Complaint, which lists only four locations without including any mention of the Duncan location. There is also no mention of the Duncan location in any other pleadings or affidavits filed with the Court. Accordingly, there is no evidence from which this Court can determine that the Duncan location should or should not be included in the receivership. Absent any pleading or evidence bringing Duncan within the purview of this Court, it cannot be included in the receivership order.

2. Within ten (10) business days following the entry of this Amended Order, Plaintiff and Defendants shall:

- a. deliver to TOLLISON a summary of all monthly expenses, including payroll amounts, for the dental practices since January 1, 2021;
- b. deliver to TOLLISON a summary of all revenues for the dental practices since January 1, 2021;
- c. deliver to TOLLISON a summary of all current balances in all bank accounts holding funds of or for the benefit of Greenville Dental Management Group, P.A., Greenville Dental Office Management Group, LLC, and the office locations identified above;
- d. deliver to TOLLISON all supporting documentation needed to verify the summaries referenced in subsections a-c above; and
- e. Provide TOLLISON with full online and in-person access to all bank accounts holding funds of or for the benefit of Greenville Dental Management Group, P.A., Greenville Dental Office Management Group, LLC, and the office locations in Columbia (Signature Smiles of Columbia), Taylors (Compass Dental), Greenville (Signature Smiles), and Traveler's Rest (The Dental Retreat).

3. No less than ten (10) business days prior to disbursement, Plaintiff and Defendants shall provide TOLLISON with written notice of the amounts proposed to be disbursed by the party for expenses and payroll along with the proposed date of disbursement ("Disbursement Notice"). The Disbursement Notice shall separately list all expenses by vendor and all payroll by employee/contractor, with each amount itemized in sufficient detail to allow

for meaningful and efficient review by TOLLISON. The Disbursement Notice shall be contemporaneously provided to the other parties.

4. No less than seven (7) business days prior to the proposed date set forth in a Disbursement Notice provided in accordance with paragraph 3, Plaintiff and Defendants shall provide TOLLISON with written notice of objections (“Objections”) to disbursement of any expense or payroll amount listed in the Disbursement Notice. Objections must specify each expense or payroll line item for which there is a challenge and the reasons for the challenge to each line item must be sufficiently detailed to allow for meaningful and efficient review by TOLLISON. Objections shall be contemporaneously provided to the other parties.

5. The parties may disburse funds for the expenses and payroll listed in the Disbursement Notice on the date as proposed therein unless there is an Objection, in which case the parties may disburse only those amounts that are unchallenged.

6. TOLLISON shall review the Disbursement Notices and Objections and notify the parties of which challenged items are allowed or disallowed, and if allowed payment can be made immediately thereafter. If any party is dissatisfied with TOLLISON’s decision, the dissatisfied party may seek review of the decision from the court by motion.

7. The submission of Disbursement Notices or Objections shall not constitute waiver, estoppel, or otherwise impact a party’s right to contest the legitimacy of any expense or payroll amount paid through this receivership process.

8. No more than five (5) business days after the beginning of any month, the parties shall pay over to TOLLISON all collections (revenue received for clinical dental services) received in the prior month that are in excess of the amounts allowed to be disbursed as set forth above (e.i., unchallenged Disbursement Notice or as allowed by TOLLISON). Amounts received

by TOLLISON shall be deposited in a segregated account at a bank of TOLLISON's choice. Honorariums paid to Savani, Jon Julian, or Blake Julian for providing dental education / instruction unrelated to training dentists associated with Greenville Dental Management Group, P.A., Greenville Dental Office Management Group, LLC, or American Dental Management Group shall not be considered collections to be paid over to TOLLISON.

9. During any month in which Greenville Dental Management Group, P.A. has at least three (3) months working capital as defined in the MOU, TOLLISON shall set the Julians' compensation at no less than the amounts set forth in the MOU and related documents.

10. During any month in which Greenville Dental Management Group, P.A. does not have at least three (3) months working capital as defined in the MOU, TOLLISON shall set a reasonable amount of compensation to be paid to the Julians for their labor. In setting the amount of compensation, TOLLISON shall consider the MOU, the historical practices of Greenville Dental Management Group, P.A. and Greenville Dental Office Management Group, LLC, and the amount of approved disbursements to be made in that month. The parties shall provide documents or information requested by TOLLISON for the purpose of determining the amount of compensation.

11. This receivership shall apply to all members and shareholders of Greenville Dental Management Group, P.A. and Greenville Dental Office Management Group, LLC as to the four locations listed in paragraph 1 above.

12. TOLLISON shall not take possession of or exercise control over property or assets except as set forth herein. As to the funds specified in this Order, TOLLISON shall have all powers generally available to receivers under the laws of the State of South Carolina including the power to gather all books and records of the parties, and subpoena or otherwise

require production of books and records of third parties, or any entity with which a party is affiliated, to determine the existence and amount of all collections, expenses, payroll, and debts.

13. TOLLISON shall have no obligation to pay for accrued wages, benefits, taxes, payroll or other amounts, accrued in advance of the date of this Order, whether currently due or owing.

14. TOLLISON will furnish to the Court and to the parties quarterly statements itemizing the amounts approved by the receiver and disbursed pursuant to this Order. Such report will be filed within thirty (30) days after the end of each calendar quarter, the first such report to be due thirty days after the end of the first quarter after this Order is entered and quarterly thereafter. The parties to this litigation will be entitled to inspect the books and records of the Receiver concerning the amounts held by it pursuant to this Order at reasonable times and with reasonable notice.

15. Without further Order of the Court, TOLLISON shall be entitled to payment of professional fees and expenses incurred by TOLLISON. TOLLISON's professional fees shall be charged at \$350 per hour for Receiver's time and at such lesser rates as he ordinarily charges for paralegal time. All photocopies and facsimile charges along with necessary out-of-pocket expenses (including travel and lodging) will be billed at cost. All of TOLLISON's fees and expenses shall be accounted for in the Quarterly Statement of Operations.

16. TOLLISON will have such additional powers as are provided by law and as this Court may from time to time direct.

17. No person or entity shall file suit against TOLLISON for actions taken in compliance with this Order.

18. TOLLISON shall have no personal liability in connection with any liabilities, obligations, liens or amounts owed to any creditors or claimants of Trask.

19. TOLLISON and his employees, agents, and attorneys shall have no personal liability or obligation and shall have no claim asserted against them in connection with the Receiver's actions under this Order.

20. TOLLISON may, in its discretion, notify this Court and the parties to this action that the receivership is not practical, and upon such notice all duties of the receiver shall terminate except with regard to liabilities which arise prior to the date of the notice. The Court may then appoint a new receiver to take any and all such other action as it deems appropriate. TOLLISON shall turn over all of the funds and records secured pursuant hereto to any successor receiver appointed by the Court and shall file a final accounting with the Court.

21. All persons who receive notice of this Order are enjoined from interfering with the powers and duties of the receiver.

22. TOLLISON is not responsible for filing any federal, state, or local tax returns including those relating to any activities during the receivership.

23. TOLLISON and the parties to this case may at any time apply to this Court for instructions or orders and for further powers necessary to enable the Receiver to perform the Receiver's duties properly.

**IT IS SO ORDERED.**

[Electronic signature follows on separate page]

**THE STATE OF SOUTH CAROLINA**  
**IN THE COURT OF APPEALS**

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APPEAL FROM GREENVILLE COUNTY  
Court of Common Pleas

Alex Kinlaw, Jr., Circuit Court Judge  
Civil Action No.: 2020-CP-23-03922

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Appellate Case No. 2021-001151

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Greenville Dental Office Management Group, LLC, a limited liability company,  
proceeding pursuant to 33-44-1101 by and through its member,  
Bhaskar Savani, D.M.D.....Respondent

v.

Jon Julian, D.D.S., Blake Julian, D.D.S.,  
Greenville Dental Management Group, P.A.....Appellants

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**CERTIFICATE OF COUNSEL**

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The undersigned hereby certifies that the Record on Appeal contains all material proposed  
to be included by any of the parties and not any other material.

s/Meliah Bowers Jefferson

Meliah Bowers Jefferson (Bar No. 74064)

Jim May (Bar No. 74278)

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