

08-109-CD

J. Gavlak-Vaughn vs P. Boumerhi

ORIGINAL

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

TYPE OF MATTER:
Civil

TYPE OF FILING:
Petition for Involuntary Winding Up and
Dissolution of Corporation

FILED ON BEHALF OF:
Plaintiff, Jolene Gavlak-Vaughn

COUNSEL FOR PARTY:
Kathleen V. Yurchak, Esq.
Pa.I.D. 55948
GOODALL & YURCHAK, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
(814) 237-5601 -fax
yurchak@centrelaw.com

FILED

JAN 23 2008

William A. Shaw
Prothonotary/Clerk of Courts

Att'y pd. 95.00
ICC Sheriff
CC Atty

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No:

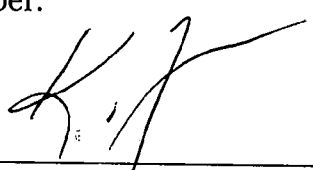
**PETITION FOR INVOLUNTARY WINDING UP AND DISSOLUTION OF
CORPORATION**

1. Petitioner Jolene Gavlak-Vaughn, D.D.S. ("Dr. Gavlak") is an individual residing at 145 Sweet Pea Lane, Sandy Ridge, Pennsylvania 16677.
2. Respondent Pierre Boumerhi, D.M.D ("Dr. Boumerhi") is an individual residing at 220 Oakwood Drive, Philipsburg, Pennsylvania 16866.
3. Pursuant to an Employment Agreement dated October 24, 2000, Dr. Boumerhi hired Dr. Gavlak as an employee of his dental practice located at 298 Spring Street, Houtzdale, Pennsylvania 16651. A true and correct copy of this agreement is attached hereto and marked as "Exhibit A".
4. On December 30, 2005, Dr. Boumerhi and Dr. Gavlak signed an agreement whereby Dr. Boumerhi sold Dr. Gavlak a fifty percent (50%) interest in the dental practice for purchase price of five hundred seven thousand and eight hundred twenty-seven dollars (\$507,827.00). A true and correct copy of this agreement is attached hereto and marked as "Exhibit B".
5. As to the terms of the December 30, 2005 agreement, the parties filed Articles of Incorporation with the Commonwealth of Pennsylvania to incorporate and conduct business under an S-Corporation named Moshannon Valley Family Dentistry, Incorporated.

6. The Articles of Incorporation provide that one hundred (100) shares are authorized, with Dr. Boumerhi and Dr. Gavlak as the sole shareholders. Each shareholder has an equal number of shares in the corporation.
7. On February 14, 2006, the parties signed a Shareholders Agreement, which provides, inter alia, the procedure to be used for dividing the corporate assets in the event that the parties no longer desire to work together.
8. The parties, as the corporation's sole directors and shareholders, recently have become deadlocked in the management of the corporation, such as they cannot even agree to a voluntary dissolution of the corporation.
9. As such, Petitioner requests that this Honorable Court enter an Order dissolving the corporation pursuant to 15 Pa. C.S.A § 1981(a)(3).
10. Furthermore, due to the parties' inability to agree on management decisions, Petitioner requests that this Honorable Court appoint a qualified and competent receiver to conserve the assets of the corporation. The shareholders have not, by agreement or otherwise, provided for the appointment of a provisional director or other means for resolution of a deadlock.

WHEREFORE, Petitioner Jolene Gavlak-Vaughn, D.D.S. respectfully respects this Honorable Court 1) enter an Order dissolving the corporation, 2) appoint a receiver, and 3) award any other relief deemed just and proper.

Dated: 11/22/08



Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF CLEARFIELD :

VERIFICATION

I verify that the statements made in the foregoing are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities.

Dated: 1/22/08

Jolene Gavlak-Vaughn
Jolene Gavlak-Vaughn

1A

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

RULE

AND NOW, to wit, this 25th day of January, 2008, upon consideration of the within Petition for Involuntary Winding Up and Dissolution of Corporation, a Rule is granted upon Defendant, Pierre Boumerhi, to show cause why the relief requested in the Petition should not be granted.

This Rule is returnable for argument or hearing the 19th day of February, 2008, at 10:00 o'clock A.m. in Courtroom # 1, Clearfield County Courthouse, Clearfield, Pennsylvania.

BY THE COURT:

Judith J. Krummen
J.

FILED
01/24/08
JAN 25 2008

William A. Shaw
Prothonotary/Clerk of Courts

2cc
Amy Yurchak
1cc Sheriff
(6)

DEPT

JAN 25 2008

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

vs.

PIERRE BOUMERHI,

Defendant/Respondent

*
* No. 2008-0109-CD
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PRAECIPE FOR ENTRY OF APPEARANCE

TO THE PROTHONOTARY OF SAID COURT:

Kindly enter my appearance on the behalf of the above-named
Defendant/Respondent.

MASON LAW OFFICE

DATED:

January 29, 2008

By:

David C. Mason
David C. Mason, Esquire,
Attorney for Defendant/Respondent

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

FILED
m/12:42/Att
FEB 14 2008 Yurchak

William A. Shaw
Prothonotary/Clerk of Courts

PLAINTIFF'S MOTION FOR CONTINUANCE

Plaintiff, Jolene Gavlak-Vaughn, by and through her attorneys, Goodall & Yurchak, P.C., files a Motion for Continuance of the hearing scheduled on February 19, 2008 in the above captioned matter and states as follows:

1. Plaintiff commenced the present action on January 23, 2008, seeking dissolution of a corporation and the appointment of a receiver.
2. Hearing on Plaintiff's Petition for Involuntary Winding Up and Dissolution of Corporation was scheduled by this Court for February 19, 2008.
3. However, Plaintiff requests that this hearing be continued for the following reasons:
 - A. Plaintiff attempted to serve Defendant Pierre Boumerhi through the Clearfield County Sheriff's Department. However, on or about February 6, 2008, the Clearfield County Sheriff Department notified Plaintiff's counsel that they were unable to effect service on Defendant. In the meantime, Defendant retained counsel, and Plaintiff's counsel contacted Defendant's counsel to request that he accept service. To date, Defendant's counsel has not provided

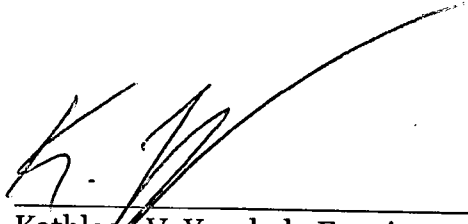
Plaintiff's counsel with a response concerning acceptance of service. As such Defendant has not been properly served with the Petition at issue.

B. Since being retained, Defendant's counsel has contacted Plaintiff's counsel and expressed an interest in seeking a resolution of the issues raised in the Plaintiff's Petition. Accordingly, Plaintiff believes that it may be possible for the parties to resolve the outstanding issues without necessitating the court's intervention.

4. This matter has not been previously continued.

WHEREFORE, Plaintiff Jolene Gavlak-Vaughn, D.D.S. respectfully requests this Honorable Court enter an Order continuing the February 19, 2008 hearing in the above captioned matter until a later date.

Dated: 2/12/08



Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

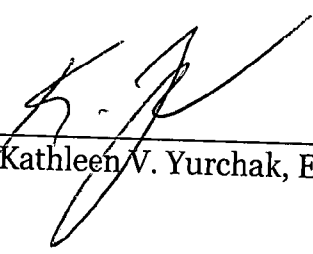
PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Plaintiff's Motion for Continuance
has been sent on this 12th day of February, 2008, via United States first class mail,
postage prepaid to the following:

David C. Mason, Esquire
409 North Front Street
P.O. Box 28
Philipsburg, PA 16866


Kathleen V. Yurchak, Esq.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

ORDER

AND NOW, this 15th day of February, 2008, upon consideration of the Motion for Continuance filed by the Plaintiff/Petitioner Jolene Gavlak-Vaughn, said Motion is GRANTED.

The argument/hearing scheduled for February 29, 2008 in the above captioned matter to the 10th day of April, 2008, at 9:30 o'clock A.m. in Courtroom No. 1, Clearfield County Courthouse, Clearfield, Pennsylvania.

BY THE COURT:

Judith J. Ammerman

J.

ORIGINAL

FILED ICC to Judge Ammerman's
01/21/08 office will fax to both
FEB 15 2008 attorneys

William A. Shaw
Prothonotary/Clerk of Courts

2cc Atty Yurchak

(G10)

FILED

FEB 15 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 2/5/08

☒ You are responsible for serving all appropriate parties.

☐ The Probationary's office has provided service to the following parties:

☐ Plaintiff(s) ☐ Plaintiff(s) Attorney ☐ Other

☐ Defendant(s) ☐ Defendant(s) Attorney

☐ Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,


v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD


ACCEPTANCE OF SERVICE

I, Attorney David C. Mason, hereby accept service of Plaintiff's Petition for
Involuntary Winding Up and Dissolution of Corporation.



David C. Mason, Esquire

3-17-8
Date

FILED No cc
m105980
MAR 19 2008
William A. Shaw
Prothonotary/Clerk of Courts


IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 103683
NO: 08-109-CD
SERVICE # 1 OF 1
PETITION/INVOL.WINDING UP/DISSOLUTION/CORP.;RULE

PLAINTIFF: JOLENE GAVLAK-VAUGHN
vs.
DEFENDANT: PIERRE BOUMERHI

SHERIFF RETURN

NOW, February 28, 2008, SHERIFF OF CENTRE COUNTY WAS DEPUTIZED BY CHESTER A. HAWKINS, SHERIFF OF CLEARFIELD COUNTY TO SERVE THE WITHIN PETITION/INVOL.WINDING UP/DISSOLUTION/CORP.;RULE ON PIERRE BOUMERHI.

NOW, March 17, 2008 AT 6:25 AM SERVED THE WITHIN PETITION/INVOL.WINDING UP/DISSOLUTION/CORP.;RULE ON PIERRE BOUMERHI, DEFENDANT. THE RETURN OF CENTRE COUNTY IS HERETO ATTACHED AND MADE PART OF THIS RETURN.

FILED
012:4164
MAR 26 2008
William A. Shaw
Prothonotary/Clerk of Courts



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

DOCKET # 103683
NO: 08-109-CD
SERVICES 1
PETITION/INVOL.WINDING

UP/DISSOLUTION/CORP.;RULE

PLAINTIFF: JOLENE GAVLAK-VAUGHN
vs.
DEFENDANT: PIERRE BOUMERHI

SHERIFF RETURN

RETURN COSTS

Description	Paid By	CHECK #	AMOUNT
SURCHARGE	GOODALL	19907	10.00
SHERIFF HAWKINS	GOODALL	19907	42.16
CENTRE CO.	GOODALL	19998	64.50

Sworn to Before Me This

_____ Day of _____ 2008

So Answers,

Chester A. Hawkins
Sheriff

SHERIFF'S OFFICE

CENTRE COUNTY

Goodall & Yurchak P. C.

Rm 101 Court House, Bellefonte, Pennsylvania, 16823 (814) 355-6803

SHERIFF SERVICE		INSTRUCTIONS FOR SERVICE OF PROCESS: You must file one instruction sheet for each defendant. please type or print legibly. Do Not detach any copies.	
PROCESS RECEIPT, AND AFFIDAVIT OF RETURN			
1. Plaintiff(s) JOLENE GAVLAK-VAUGHN		2. Case Number 08-109-CD	
3. Defendant(s) PIERRE BOUMERHI		4. Type of Writ or Complaint: Order 500866	
SERVE → AT	5. Name of Individual, Company, Corporation, Etc., to Serve or Description of Property to be Levied, Attached or Sold. PIEDRRE BOUMERHI		
	6. Address (Street or RFD, Apartment No., City, Boro, Twp., State and Zip Code) 220 OAKWOOD DR., PHILIPSBURG,, PA 16866		
7. Indicate unusual service: <input type="checkbox"/> Reg Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Deputize <input type="checkbox"/> Post <input type="checkbox"/> Other			
Now, 20____, I SHERIFF OF CENTRE COUNTY, PA., do hereby deputize the Sheriff of _____ County to execute this Writ and make return thereof according to law. This deputation being made at the request and risk of the plaintiff. _____ Sheriff of Centre County			
8. SPECIAL INSTRUCTIONS OR OTHER INFORMATION THAT WILL ASSIST IN EXPEDITING SERVICE			
NOTE ONLY APPLICABLE ON WRIT OF EXECUTION: N.B. WAIVER OF WATCHMAN - Any deputy sheriff levying upon or attaching any property under within writ may leave same without a watchman, in custody of whomever is found in possession, after notifying person of levy or attachment, without liability on the part of such deputy or the sheriff to any plaintiff herein for any loss, destruction or removal of any such property before sheriff's sale thereof.			
9. Print/Type Name and Address of Attorney/Originator Goodall & Yurchak P. C. 328 SOUTH ATHERTON ST. STATE COLLEGE PA 16801		10. Telephone Number (814) 237-4100	11. Date
		12. Signature	
SPACE BELOW FOR USE OF SHERIFF ONLY - DO NOT WRITE BELOW THIS LINE			
13. I acknowledge receipt of the writ or complaint as indicated above.		SIGNATURE of Authorized CCSD Deputy of Clerk and Title	
		14. Date Filed	15. Expiration/Hearing Date
TO BE COMPLETED BY SHERIFF			
16. Served and made known to Holy Boumerhi, on the 17 day of March, 20 2008, at 6:25 AM o'clock, ____ m., at 220 OAKWOOD DR., PHILIPSBURG,, PA 16866, County of Centre			
Commonwealth of Pennsylvania, in the manner described below: <input type="checkbox"/> Defendant(s) personally served. <input type="checkbox"/> Adult family member with whom said Defendant(s) resides(s). Relationship is wife <input type="checkbox"/> Adult in charge of Defendant's residence. <input type="checkbox"/> Manager/Clerk of place of lodging in which Defendant(s) resides(s). <input type="checkbox"/> Agent or person in charge of Defendant's office or usual place of business. ____ and officer of said Defendant company. Other _____			
On the _____ day of _____, 20____, at _____ o'clock, _____ M.			
Defendant not found because: <input type="checkbox"/> Moved <input type="checkbox"/> Unknown <input type="checkbox"/> No Answer <input type="checkbox"/> Vacant <input type="checkbox"/> Other _____			
Remarks:			
Advance Costs 75.00	Docket 9.00	Service 9.00	Sur Charge 0.00
Affidavit 2.50	Mileage 44.00	Postage	Misc.
Total Costs 64.50		Costs Due or Refund (10.50)	
17. AFFIRMED and subscribed to before me this 24		So Answer.	
20. day of March 20 08		18. Signature of Dep. Sheriff	
23. <i>Carlene Peters</i> Notary Public		21. Signature of Sheriff	
		19. Date 3/20/08	
		22. Date	
My Commission Expires		SHERIFF OF CENTRE COUNTY	
		Amount Pd.	Page
24. I ACKNOWLEDGE RECEIPT OF THE SHERIFF'S RETURN SIGNATURE OF AUTHORIZED AUTHORITY AND TITLE.			25. Date Received



CHESTER A. HAWKINS
SHERIFF

Sheriff's Office Clearfield County

COURTHOUSE
1 NORTH SECOND STREET, SUITE 116
CLEARFIELD, PENNSYLVANIA 16830

OFFICE (814) 765-2641
FAX (814) 765-5915
ROBERT SNYDER
CHIEF DEPUTY
MARILYN HAMM
DEPT. CLERK
CYNTHIA AUGHENBAUGH
OFFICE MANAGER
KAREN BAUGHMAN
CLERK TYPIST
PETER F. SMITH
SOLICITOR

DEPUTATION

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

PAGE 103683

JOLENE GAVLAK-VAUGHN

VS.

PIERRE BOUMERHI

TERM & NO. 08-109-CD

PETITION/INVOL.WINDING UP/DISSOLUTION/CORP.;RULE

SERVE BY: 04/09/08
COURT DATE: 4/10/2008

MAKE REFUND PAYABLE TO GOODALL & YURCHAK, P.C.

SERVE: PIERRE BOUMERHI

ADDRESS: 220 OAKWOOD DRIVE, PHILIPSBURG, PA 16866

Know all men by these presents, that I, CHESTER A. HAWKINS, HIGH SHERIFF OF CLEARFIELD COUNTY, State of Pennsylvania, do hereby deputize the SHERIFF OF CENTRE COUNTY, Pennsylvania to execute this writ. This Deputation being made at the request and risk of the Plaintiff this day, February 28, 2008.

RESPECTFULLY,

CHESTER A. HAWKINS,
SHERIFF OF CLEARFIELD COUNTY, PENNSYLVANIA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

vs.

PIERRE BOUMERHI,

Defendant/Respondent

*

* No. 2008-0109-CD

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* TYPE OF PLEADING: RESPONSE TO
* PETITION FOR INVOLUNTARY
* WINDING UP

*

* FILED ON BEHALF OF:
* Respondent

*

* ATTORNEY FOR Respondent:
* David C. Mason, Esquire
* Supreme Court ID #39180
* MASON LAW OFFICE
* P.O. Box 28
* Philipsburg, PA 16866
* (814) 342-2240

C:\OFFICE\COURT\BOUMERHI\RESPONSE TO PET FOR INVOL WINDING UP.wpd

FILED

APR 03 2008

2cc
Atty Mason
GK

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

VS.

PIERRE BOUMERHI,

Defendant/Respondent

*
* No. 2008-0109-CD
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**RESPONSE TO PETITION FOR
INVOLUNTARY WINDING UP**

AND NOW, comes the Respondent, **PIERRE BOUMERHI**, by and through his attorney, **DAVID C. MASON, ESQUIRE**, and files the following Response to Petition for Involuntary Winding Up and in support thereof avers as follows:

1. ADMITTED.
2. ADMITTED.
3. ADMITTED.

4. ADMITTED IN PART AND DENIED IN PART. It is admitted that Dr. Boumerhi sold an interest in the dental practice to Dr. Gavlak. It is denied that the purchase price was as stated in the Petition. To the contrary, the purchase price was modified to reflect a change in the accounts receivable, resulting in a refund to Dr. Gavlak of the sum of \$49,790.00, for a net purchase price of \$458,037.00. Thereafter, some reimbursements were made to Dr.

Boumerhi by Dr. Gavlak, resulting in a net purchase price somewhere in between.

5. ADMITTED.

6. ADMITTED.

7. ADMITTED. By way of further answer, Respondent has attached to this Response a true and correct copy of the Shareholders' Agreement for "Moshannon Valley Family Dentistry", dated February 14, 2006, which was referenced in Paragraph 7 Of Petitioner's pleading. By way of further answer, it is believed and therefore averred that this document was prepared by the parties and was intended by them to be a comprehensive agreement for the operation, termination and dissolution of the corporation, should that become necessary.

8. DENIED. It is denied that the shareholders have become deadlocked in the management of the corporation, or that they cannot agree to a voluntary dissolution of the corporation. The Shareholders' Agreement attached hereto as Exhibit "A" (paragraph 22) provides for the orderly dissolution of the corporation and distribution of its assets, and Respondent is willing to abide by that procedure. It is the Petitioner who is seeking the appointment of a third party because Petitioner is unwilling to proceed as stated in the Shareholder's Agreement.

9. Petitioner's pleading seeks relief pursuant to 15 Pa. C.S.A., §1981(a)(3), yet her pleading fails to plead a significant and material requirement. The aforementioned section of the BCL requires that the Petitioner establish "... that irreparable injury to the corporation is being suffered or is threatened by reason . . ." of a deadlock. There has been no allegation of a threat to the corporation, and indeed there is no threat to the corporation. The parties to this dispute are dentists who are principals in Moshannon Valley Family Dentistry

and continue to see patients, receive payment therefor, and to operate and conduct their professional practices at a profit. Neither the corporation nor the professional practices are threatened in any way.

10. DENIED. It is denied that the corporation is in need of the appointment of a provisional direction, for the Shareholders' Agreement of February 14, 2006, provides for an orderly means of dissolution and distribution of the assets of the corporation if only the parties who drafted the document will agree to abide by its plain and unambiguous terms.

WHEREFORE, Respondent prays for the entry of an Order of Court dismissing with prejudice the Petition for Involuntary Winding Up and Dissolution of Corporation, with costs assessed to Petitioner.

Respectfully submitted,

MASON LAW OFFICE

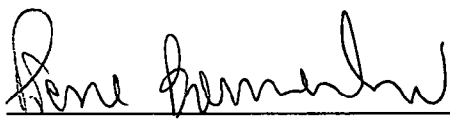
By:


David C. Mason, Attorney for Respondent

VERIFICATION

I hereby verify that the statements set forth in the foregoing pleading are true and correct to the best of my/our knowledge, information and belief. This verification is made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsification to authorities.

DATED: 4/2/08



Pierre Boumerhi

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

VS.

PIERRE BOUMERHI,

Defendant/Respondent

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* No. 2008-0109-CD
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CERTIFICATE OF SERVICE

I, DAVID C. MASON, Esquire, do hereby certify that I served a true and correct copy of RESPONSE TO PETITION FOR INVOLUNTARY WINDING UP filed to the above captioned action, by placing the same in the United States mail, postage prepaid and addressed as follows:

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

MASON LAW OFFICE

DATED:

By:


David C. Mason, Esquire
Attorney for Respondent

CA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN,
Plaintiff

vs.

PIERRE BOUMERHI,
Defendant

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NO. 08-109-CD

ORDER

NOW, this 18th day of April, 2008, it is the ORDER of this Court that the hearing scheduled for April 10, 2008 on the Petition for Involuntary Winding Up and Dissolution of Corporation be continued as the parties have elected to proceed to Mediation.

A hearing on said Petition will be rescheduled upon either of the parties submitting a request to the Court.

BY THE COURT,



FREDRIC J. AMMERMAN
President Judge

FILED
012:1561
APR 21 2008

cc. Atty's:
Yurchak
Mason

William A. Shaw
Prothonotary/Clerk of Courts

CK

FILED

APR 21 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 4/21/08

 You are responsible for serving all appropriate parties.
 X The Prothonotary's office has provided service to the following parties:
 Plaintiff(s) X Plaintiff(s) Attorney Other
 Defendant(s) X Defendant(s) Attorney
 Special Instructions:

ORIGINAL

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

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:

No: 08-109-CD

TYPE OF MATTER:
Civil

TYPE OF FILING:
Motion for Expedited Hearing on Petition for
Involuntary Winding Up and Dissolution of
Corporation

FILED ON BEHALF OF:
Plaintiff, Jolene Gavlak-Vaughn

COUNSEL FOR PARTY:
Kathleen V. Yurchak, Esq.
Pa.I.D. 55948
GOODALL & YURCHAK, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
(814) 237-5601 -fax
yurchak@centrelaw.com

FILED ^{NO CC}
M10:29BY
APR 24 2008 @

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,	:	
Plaintiff/Petitioner,	:	
	:	
v.	:	No: 08-109-CD
	:	
PIERRE BOUMERHI,	:	
Defendant/Respondent.	:	

**MOTION FOR EXPEDITED HEARING ON PETITION FOR INVOLUNTARY
WINDING UP AND DISSOLUTION OF CORPORATION**

Plaintiff, Jolene Gavlak-Vaughn, by and through her attorneys, Goodall & Yurchak, P.C., files a Motion for Expedited Hearing on Petition for Involuntary Winding Up and Dissolution of Corporation in the above captioned matter and states as follows:

1. Plaintiff/Petitioner Jolene Gavlak-Vaughn, D.D.S. is an individual residing at 145 Sweet Pea Lane, Sandy Ridge, PA 16677.
2. Respondent Pierre Boumerhi, D.M.D. is an individual residing at 220 Oakwood Drive, Philipsburg, PA 16866.
3. The parties are the sole shareholders of a S corporation named Moshannon Valley Family Dentistry, Inc. ("the Corporation").
4. Several months ago, the parties became deadlocked in the management of the Corporation.
5. Accordingly, on January 23, 2008, Plaintiff/Petitioner filed a Petition for Involuntary Winding Up and Dissolution of Corporation. A true and correct copy of this Petition is attached hereto as Exhibit A and by this reference made a part hereof.
6. A hearing on Plaintiff/Petitioner's Petition was held before this Court on

April 10, 2008.

7. At the hearing, Judge Fredric J. Ammerman requested that the parties mediate their dispute. The parties voluntarily agreed to engage in mediation at that time.
8. Since the parties agreed to mediation, several events have transpired which have made mediation no longer practicable:
 - a. Plaintiff/Petitioner has recently discovered that Defendant/Respondent or one of his agents has been tampering with the lab cases containing Plaintiff/Petitioner's patients' crown work and partial dentures. This is not only a violation of Defendant/Respondent's ethical duty to the Corporation's patients, but it also is putting the patients' health and well-being at risk;
 - b. On April 14, 2008, a hearing was held before Magisterial District Judge James L. Hawkins concerning a landlord/tenant action which was filed against the corporation by the owner of the building where the parties operate their business. Said owner is Holly J. Bomerhi, wife of the Defendant/Respondent. While Plaintiff/Petitioner attended the hearing and defended against the landlord's claim, Defendant /Respondent did not appear or defend against it. Judgment was ultimately entered against the Corporation. Defendant/Respondent's actions in failing to protect the Corporation's assets is a violation of Defendant/Respondent's fiduciary duties to the Corporation as an officer and president.
 - c. Additionally, on or about April 18, 2008, Defendant/Respondent,

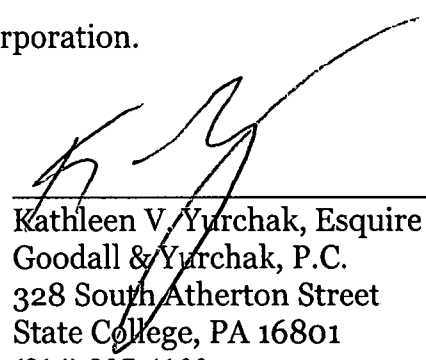
without Plaintiff/Petitioner's knowledge or consent, paid \$6,000 for rent which was allegedly due by the Corporation. In doing so, Defendant/Respondent used \$3,000 from his own account, as well as \$3,000 from Plaintiff/Petitioner's account.

Defendant/Respondent's removal of said funds from Plaintiff/Petitioner's account was entirely unauthorized.

9. As a result of these unethical and unscrupulous actions on the part of Defendant/Respondent, Plaintiff/Petitioner believes that the Court's intervention will be necessary in order to resolve the parties' legal dispute.

WHEREFORE, Plaintiff/Petitioner Jolene Gavlak-Vaughn, D.D.S. respectfully respects this Honorable Court to schedule an expedited hearing on her Petition for Involuntary Winding Up and Dissolution of Corporation.

Dated: 7-23-08



Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

COPY

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

TYPE OF MATTER:
Civil

TYPE OF FILING:
Petition for Involuntary Winding Up and
Dissolution of Corporation

FILED ON BEHALF OF:
Plaintiff, Jolene Gavlak-Vaughn

COUNSEL FOR PARTY:
Kathleen V. Yurchak, Esq.
Pa.I.D. 55948
GOODALL & YURCHAK, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
(814) 237-5601 -fax
yurchak@centrelaw.com

I hereby certify this to be a true
and attested copy of the original
statement filed in this case.

JAN 23 2008

Attest.

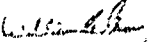

Prothonotary/
Clerk of Courts

EXHIBIT A

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No:

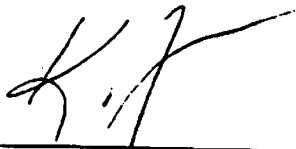
**PETITION FOR INVOLUNTARY WINDING UP AND DISSOLUTION OF
CORPORATION**

1. Petitioner Jolene Gavlak-Vaughn, D.D.S. ("Dr. Gavlak") is an individual residing at 145 Sweet Pea Lane, Sandy Ridge, Pennsylvania 16677.
2. Respondent Pierre Boumerhi, D.M.D ("Dr. Boumerhi") is an individual residing at 220 Oakwood Drive, Philipsburg, Pennsylvania 16866.
3. Pursuant to an Employment Agreement dated October 24, 2000, Dr. Boumerhi hired Dr. Gavlak as an employee of his dental practice located at 298 Spring Street, Houtzdale, Pennsylvania 16651. A true and correct copy of this agreement is attached hereto and marked as "Exhibit A".
4. On December 30, 2005, Dr. Boumerhi and Dr. Gavlak signed an agreement whereby Dr. Boumerhi sold Dr. Gavlak a fifty percent (50%) interest in the dental practice for purchase price of five hundred seven thousand and eight hundred twenty-seven dollars (\$507,827.00). A true and correct copy of this agreement is attached hereto and marked as "Exhibit B".
5. As to the terms of the December 30, 2005 agreement, the parties filed Articles of Incorporation with the Commonwealth of Pennsylvania to incorporate and conduct business under an S-Corporation named Moshannon Valley Family Dentistry, Incorporated.

6. The Articles of Incorporation provide that one hundred (100) shares are authorized, with Dr. Boumerhi and Dr. Gavlak as the sole shareholders. Each shareholder has an equal number of shares in the corporation.
7. On February 14, 2006, the parties signed a Shareholders Agreement, which provides, inter alia, the procedure to be used for dividing the corporate assets in the event that the parties no longer desire to work together.
8. The parties, as the corporation's sole directors and shareholders, recently have become deadlocked in the management of the corporation, such as they cannot even agree to a voluntary dissolution of the corporation.
9. As such, Petitioner requests that this Honorable Court enter an Order dissolving the corporation pursuant to 15 Pa. C.S.A § 1981(a)(3).
10. Furthermore, due to the parties' inability to agree on management decisions, Petitioner requests that this Honorable Court appoint a qualified and competent receiver to conserve the assets of the corporation. The shareholders have not, by agreement or otherwise, provided for the appointment of a provisional director or other means for resolution of a deadlock.

WHEREFORE, Petitioner Jolene Gavlak-Vaughn, D.D.S. respectfully respects this Honorable Court 1) enter an Order dissolving the corporation, 2) appoint a receiver, and 3) award any other relief deemed just and proper.

Dated: 1/22/08



Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

COMMONWEALTH OF PENNSYLVANIA :
COUNTY OF CLEARFIELD :

VERIFICATION

I verify that the statements made in the foregoing are true and correct to the best of my knowledge, information and belief. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. Section 4904 relating to unsworn falsification to authorities.

Dated: 1/22/08

Jolene Gavlak-Vaughn
Jolene Gavlak-Vaughn

Date: 01/23/2008
Time: 11:12 AM

Clearfield County Court of Common Pleas
Receipt

NO. 1922348
Page 1 of 1

Received of: Goodall & Yurchak, PC \$ 95.00

Ninety-Five and 00/100 Dollars

Case: 2008-00109-CD	Plaintiff: Jolene Gavlak-Vaughnvs.Pierre	Amount
Civil Complaint		95.00
Total:		95.00

Check: 19908

Payment Method: Check
Amount Tendered:
Change Returned:
Clerk: BHUDSON

95.00
0.00

William A. Shaw, Prothonotary/Clerk of Cou
By: _____
Deputy Clerk

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

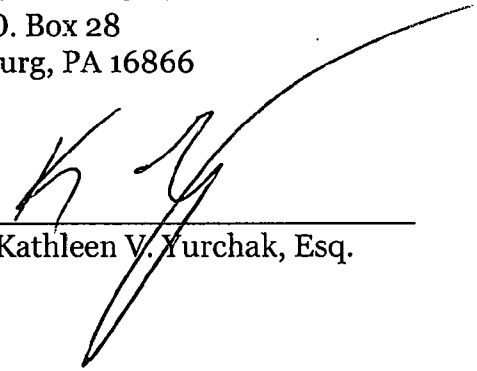
PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Plaintiff's Motion for Expedited Hearing has been sent on this 23 day of April, 2008, via United States first class mail, postage prepaid to the following:

David C. Mason, Esquire
409 North Front Street
P.O. Box 28
Philipsburg, PA 16866



Kathleen V. Yurchak, Esq.

CA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

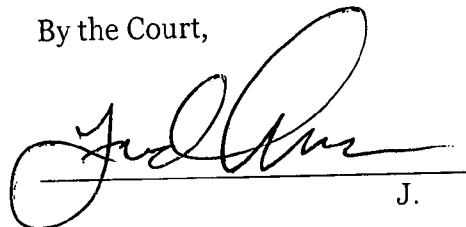
No: 08-109-CD

RULE TO SHOW CAUSE

AND NOW this 30 day of April, 2008, a RULE is issued upon
the Defendant/Respondent to show cause why the relief requested in
Plaintiff/Petitioner's Motion for Expedited Hearing should not be granted.

This Rule is returnable for the hearing/argument the 9th day of
May, 2008, at 1:30 o'clock P.m., in Courtroom No. 1 of the
Clearfield County Courthouse, Clearfield, Pennsylvania.

By the Court,


J.

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013:58601
APR 30 2008

3 CC

Amy Yurchak

William A. Shaw
Prothonotary/Clerk of Courts

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FILED

APR 30 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 4/30/08

☒ You are responsible for serving all appropriate parties.
____ The Prothonotary's office has provided service to the following parties:
____ Plaintiff(s) ____ Plaintiff(s) Attorney ____ Other
____ Defendant(s) ____ Defendant(s) Attorney
____ Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

VS.

PIERRE BOUMERHI,

Defendant/Respondent

*

* No. 2008-0109-CD

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* TYPE OF PLEADING: RESPONSE TO
* PETITION FOR EXPEDITED
* HEARING

*

* FILED ON BEHALF OF:
* Respondent

*

* ATTORNEY FOR Respondent:
* David C. Mason, Esquire
* Supreme Court ID #39180
* MASON LAW OFFICE
* P.O. Box 28
* Philipsburg, PA 16866
* (814) 342-2240

FILED 2cc Atty
m/11:06 cm Mason
MAY 01 2008
(LM)

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

VS.

PIERRE BOUMERHI,

Defendant/Respondent

*
* No. 2008-0109-CD
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**RESPONSE TO PETITION FOR
EXPEDITED HEARING**

AND NOW, comes the Respondent, **PIERRE BOUMERHI**, by and through his attorney, **DAVID C. MASON, ESQUIRE**, and files the following Response to Petition for Expedited Hearing and in support thereof avers as follows:

1. ADMITTED.
2. ADMITTED.
3. ADMITTED.
4. DENIED. It is denied that the shareholders have become deadlocked in the management of the corporation. By way of further answer Respondent incorporates herein paragraph 8 of his response to his Petition for Involuntary Winding Up.
5. ADMITTED. It is admitted that Petitioner filed a Petition for Involuntary Winding Up and Dissolution of the Corporation. Respondent continues to maintain that the

shareholders are not deadlocked; the Shareholders Agreement dated February 14, 2006, controls the dissolution of the corporation and the distribution of its assets; and that Petitioner's attempt to seek Court intervention is unwarranted, unnecessary, and inappropriate in light of Title 15 Pa. C.S.A. Section 1981 (a)(3).

6. ADMITTED.

7. ADMITTED.

8. A. DENIED. It is denied that Respondent or any of his employees has "tampered" with lab cases. To the contrary, Plaintiff was attempting to rely on the staff of Respondent to pack and ship, and pay for packing and shipping dental work to be sent to outside contractors. It is strictly denied that Respondent has committed any violations of professional, ethical responsibilities or duties, and further denied that he has done anything to put at risk any patient's health and well being.

B. ADMITTED. It is admitted that the landlord notified Moshannon Valley Family Dentistry, LLC., of a rental increase, and instituted a civil action for collection when the same was not paid. The increase in rental was the direct result of Petitioner Jolene Gavlak's refusal to agree to the execution of a long-term lease on behalf of Moshannon Valley Family Dentistry, LLC. Upon the expiration of the existing lease, the landlord increased the rental. Further expenditure of corporate assets to defend against such a claim would be an unwarranted waste of money.

C. It is believed that Petitioner Jolene Gavlak appeared at the landlord-tenant hearing, and the result of the hearing required the payment of rental in the amount of \$6,000.00 per month. Respondent paid the rent in accordance with the judicial determination.

9. DENIED. It is denied that the Court will need to intervene in this dispute if Dr. Gavlak will simply read in an objective manner the February 14, 2006, Shareholders Agreement. Further it is denied that Dr. Boumerhi has acted in an "unethical and unscrupulous" manner.

WHEREFORE, Respondent reiterates his prayer for the entry of an Order of Court dismissing with prejudice the Petition for Involuntary Winding Up and Dissolution of Corporation, with costs assessed to Petitioner.

Respectfully submitted,

MASON LAW OFFICE

By: 

David C. Mason, Attorney for Respondent

VERIFICATION

I hereby verify that the statements set forth in the foregoing pleading are true and correct to the best of my knowledge, information and belief. This verification is made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsification to authorities.

DATED: 4/29/08

Pierre Boumerhi
Pierre Boumerhi

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

vs.

PIERRE BOUMERHI,

Defendant/Respondent

*
* No. 2008-0109-CD
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CERTIFICATE OF SERVICE

I, DAVID C. MASON, Esquire, do hereby certify that I served a true and correct copy of RESPONSE TO PETITION FOR EXPEDITED HEARING filed to the above captioned action, by placing the same in the United States mail, postage prepaid and addressed as follows:

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

DATED: 4-29-8

MASON LAW OFFICE

By:


David C. Mason, Esquire
Attorney for Respondent

IN THE COURT OF COMMON PLEAS
OF CLEARFIELD COUNTY, PENNSYLVANIA

CIVIL DIVISION

JOLENE GAVLAK-VAUGHN

VS

PIERRE BOUMERHI

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NO. 08-109-CD

FILED

MAY 16 2008

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William A. Shaw
Prothonotary/Clerk of Courts

CPmt to Atty's

Mason

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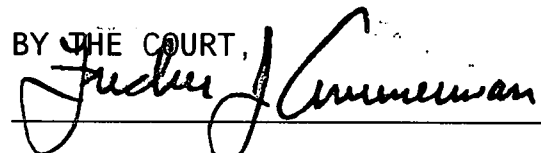
YERCHAK

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ORDER

NOW, this 16th day of May, 2008, following taking of testimony, it is the ORDER of this Court that counsel for the Plaintiff have no more than Ten (10) Days from this date to supply the Court with appropriate brief and proposed Order. Counsel for the Defendant shall have the same time period to supplement the brief provided to the Court at the conclusion of the hearing and to provide a proposed Order, in the event he would wish to do so. The Court has no difficulty in accepting said documentation by fax.

BY THE COURT,



President Judge

DATE: 5-16-01

☒ You are responsible for serving all appropriate parties.

☒ The Probationary's office has provided service to the following parties:

Plaintiff(s) ☒ Defendant(s) Attorney ☐ Other ☐

Special Instructions: ☐

MAY 16 2008

William A. Shaw
Prothonotary/Clerk of Courts

FILED

(5)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLOCK-VAUGHN,
Plaintiff

vs.

PIERRE BOUMERHI,

Defendant

NO. 08-109-CD

FILED

02:05 P.M. 06/03/2008

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YURCHAK
MASON

William A. Shaw
Prothonotary/Clerk of Courts

ICC ATTORNEY
P. SMITH

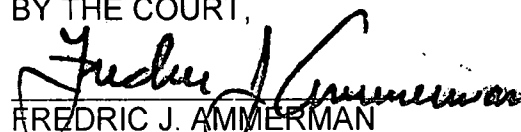
(C.K.)

ORDER

NOW, this 2nd day of June, 2008, following evidentiary hearing held on May 16, 2008 relative the Plaintiff's Petition for Involuntary Winding Up and Dissolution of Corporation Under 15 Pa.C.S.A. §1981(a)(3), it is the Findings and Order of this Court as follows:

1. The two directors/shareholders are deadlocked in the direction of the management of the business and affairs of the corporation, causing irreparable harm to the corporation;
2. The directors/shareholders do not have a comprehensive agreement providing for the resolution of the deadlock and the appropriate dissolution of the corporation;
3. It is necessary for a receiver to be appointed in order that the corporation be involuntarily dissolved, its affairs concluded and assets appropriately distributed. The corporation shall be responsible for all fees and expenses of the receiver.
4. Peter F. Smith, Esquire is hereby appointed as the receiver of the corporation, Moshannon Valley Family Dentistry, Inc.; and
5. Upon the receiver winding down the affairs of the corporation, the Court shall enter an order of dissolution.

BY THE COURT,


FREDRIC J. AMMERMAN
President Judge

FILED

JUN 03 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 6-3-08

____ You are responsible for serving all appropriate parties.

X The Prothonotary's office has provided service to the following parties:

____ Plaintiff(s) X Plaintiff(s) Attorney X Other Peter Smith, Esq.

____ Defendant(s) X Defendant(s) Attorney

____ Special Instructions:

27

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

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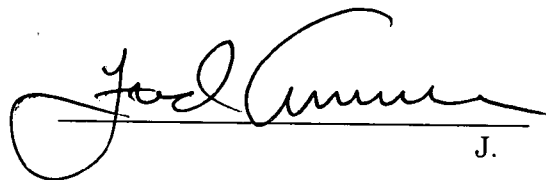
William A. Shaw
Prothonotary/Clerk of Courts

K. Yurchak
P. Mason

ORDER FOR RESCHEDULING ON RULE TO SHOW CAUSE

Due to Defendant's not receiving proper service of the original Rule to Show Cause, the hearing/argument on the relief requested in Plaintiff/Petitioner's Motion for Expedited Hearing is rescheduled to the 16th day of May, 2008, at 9:00 o'clock, a.m. in Courtroom No. 1, Clearfield County Courthouse, Clearfield, Pennsylvania.

BY THE COURT:


J.

DATE: 5-8-08

☐ You are responsible for serving all appropriate parties.

☒ The Prothonotary's office has provided service to the following parties:

☐ Plaintiff(s) ☒ Plaintiff(s) Attorney ☐ Other

☐ Defendant(s) ☒ Defendant(s) Attorney

☐ Special Instructions:

K. YURCHACK-

D. MASON

FILED
MAY 08 2008
William A. Shaw
Prothonotary/Clerk of Courts

CA

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

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William A. Shaw
Prothonotary/Clerk of Courts

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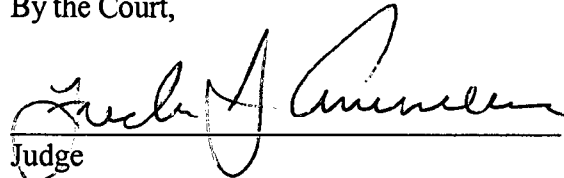
SCHEDULING ORDER

AND NOW, upon Motion of Peter F. Smith, Receiver in the above-captioned matter,
regarding the parties' Corporation Moshannon Valley Dentistry Incorporated, it is,

ORDERED, ADJUDGED and DECREED as follows:

1. The parties and their counsel shall attend a conference Wednesday, June 25, 2008 at the office of Peter F. Smith at 30 South Second Street, Clearfield PA, commencing at 1:30 p.m. E.D.T.
2. The parties shall bring with them the following documents:
 - A. The original Corporate Minute Book and Stock Book;
 - B. The originals or copies of exhibits which each party has attached to their respective pleadings in this matter;
 - C. True, correct and complete copies of corporate tax returns from January 1, 2006 to present;
 - D. Balance sheets, financial statements, profit loss statements or other periodic financial statements, records or reviews for the Corporation from January 1, 2006 to present;
 - E. Copies of all loan, checking, deposit and other bank accounts of the Corporation for the preceding 6 months and copies of bank statements for any accounts into which corporate funds have been deposited for the preceding 6 months;
 - F. Copies of all leases, contracts, employments agreements to which the Corporation is currently a party, involving the Corporation or involving the shareholders' interests in or obligations to the corporation.

By the Court,


Judge

ORIGINAL

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

vs.

PIERRE BOUMERHI
Defendant

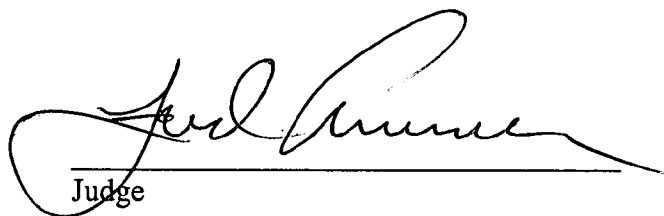
NO. 08-109-CD

SCHEDULING ORDER

AND NOW, this 30 day of June, 2008, upon Motion of Peter F. Smith, Receiver in the above-captioned matter, the conference scheduled for Wednesday, June 25, 2008 at 1:30 p.m. is cancelled and rescheduled to Monday, July 14, 2008. The conference shall commence at 1:30 p.m. in the office E.D.T. at of Peter F. Smith at 30 South Second Street, Clearfield PA.

The parties are still directed to bring the documents identified in paragraph 2 of the Court's original Scheduling Order entered June 20, 2008, which specifically shall include, by way of example, and not in limitation all equipment lease, all receipts, bills of sale or other evidence of equipment ownership and all real estate leases involving the Corporation or it dental practice.

By the Court,


Judge

FILED

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JUL 01 2008

William A. Shaw
Prothonotary/Clerk of Courts

100 Atty's:
Yuschar
S. Mason

100 P. Smith
(without memo)

OK

FILED

JUL 01 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 6/30/08

 You are responsible for serving all appropriate parties.

 X The Prothonotary's office has provided service to the following parties:

 Plaintiff(s) X Plaintiff(s) Attorney Other

 Defendant(s) X Defendant(s) Attorney

 Special Instructions:

FILED

JUL 14 2008

6 11 50 AM

William A. Shaw

Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOLENE GAVLAK-VAUGHN,

CIVIL ACTION-LAW

Plaintiff/Petitioner, No. 2008-0109-CD

vs.

PIERRE BOUMERHI,

**PRAECIPE FOR ENTRY OF
APPEARANCE**

Defendant/Respondent.

Filed on Behalf of:

Pierre Boumerhi, Defendant/
RespondentCounsel of Record for this
Party:Robert E. Dauer, Jr., Esquire
Pa. I.D. #61699MEYER, UNKOVIC & SCOTT LLP
Firm #199
1300 Oliver Building
Pittsburgh, PA 15222

(412) 456-2800

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOLENE GAVLAK-VAUGHN,)	CIVIL ACTION-LAW
)	
Plaintiff/Petitioner,)	No. 2008-0109-CD
)	
vs.)	
)	
PIERRE BOUMERHI,)	
)	
Defendant/Respondent.)	

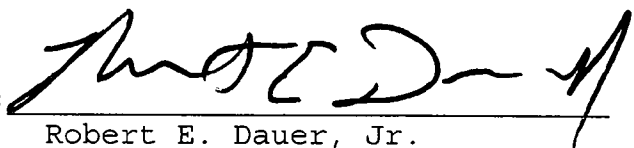
PRAECIPE FOR ENTRY OF APPEARANCE

TO: WILLIAM A. SHAW, PROTHONOTARY

Please enter the appearance of the undersigned on behalf of
Pierre Boumerhi, Defendant/Respondent in the above-captioned
matter.

MEYER, UNKOVIC & SCOTT LLP

By:


Robert E. Dauer, Jr.ATTORNEYS FOR DEFENDANT/
RESPONDENT

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the within Praecipe for Entry of Appearance was served by mailing same, first class mail, postage prepaid, to counsel of record on the 14th day of July, 2008, as follows:

David C. Mason, Esquire
Mason Law Office
P.O. Box 28
Philipsburg, PA 16866

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

MEYER, UNKOVIC & SCOTT LLP

By: 

Robert E. Dauer, Jr.

ATTORNEYS FOR DEFENDANT/
RESPONDENT

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

vs.

PIERRE BOUMERHI,

Defendant/Respondent

*

* No. 2008-0109-CD

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* TYPE OF PLEADING:

*

PRAECIPE TO WITHDRAW

*

APPEARANCE

*

*FILED ON BEHALF OF: Defendant

*

*

*ATTORNEY OF RECORD:

*

David C. Mason, Esquire

*

Supreme Court ID #39180

*

MASON LAW OFFICE

*

P.O. Box 28

*

Philipsburg, PA 16866

*

(814) 342-2240

*

*

FILED NOCC

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JUL 22 2008

Copy to CIA

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William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PA.

CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,

Plaintiff/Petitioner

vs.

PIERRE BOUMERHI,

Defendant/Respondent

*
* No. 2008-0109-CD
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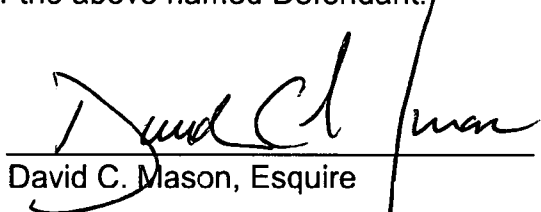
PRAECIPE TO WITHDRAW AS COUNSEL

TO THE PROTHONOTARY OF SAID COURT:

Kindly enter my withdrawal as counsel for the above named Defendant.

DATED:

7/21/8


David C. Mason, Esquire

01A
IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

ORDER

AND NOW this 11th day of September, 2008, upon Motion of Peter F. Smith,
Court appointed Receiver in the above-captioned matter, it is,

ORDERED, ADJUDGED and DECREED, as follows:

1. The Stipulation entered by the parties and executed by Plaintiff/Petitioner on September 3, 2008 and the Defendant/Respondent on September 2, 2008, approved by their respective attorneys and submitted to the Receiver, is approved and entered as the Order of this Court, a true and complete copy of this Stipulation is attached hereto and incorporated herein; and,

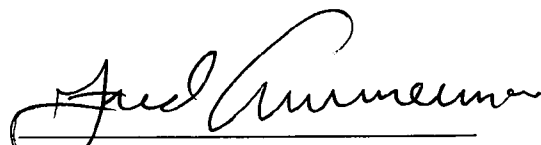
2. The Receiver is authorized to carry out the provisions of the parties' Stipulation and to execute all documents and take all other acts necessary or convenient to its fulfillment; and,

3. The interim bill submitted by the Receiver dated September 8, 2008 for a total of \$3,885.00 is approved, and the Receiver is directed and authorized to pay himself from the Receiver's Account which he established at CNB Bank.

By the Court,

FILED
01251001
SEP 11 2008

1cc Atty's:
Yurchak
Dawer (610)


Judge

William A. Shaw
Prothonotary/Clerk of Courts
400 P. Smith
(without memo)

FILED

SEP 11 2008

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 9/11/08

☒ You are responsible for serving all appropriate parties.

☐ The Prothonotary's office has provided service to the following parties:

☐ Plaintiff(s) ☐ Plaintiff(s) Attorney ☐ Other

☐ Defendant(s) ☐ Defendant(s) Attorney

☐ Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOLENE GAVLAK-VAUGHN,

CIVIL ACTION-LAW

Plaintiff/Petitioner,

No. 2008-0109-CD

vs.

PIERRE BOUMERHI,

STIPULATED AND CONSENT ORDER OF
COURT

Defendant/Respondent.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA

JOLENE GAVLAK-VAUGHN,)	CIVIL ACTION-LAW
)	
Plaintiff/Petitioner,)	No. 2008-0109-CD
)	
vs.)	
)	
PIERRE BOUMERHI,)	
)	
Defendant/Respondent.)	

STIPULATION

WHEREAS, Dr. Jolene Gavlak-Vaughn ("Gavlak") was issued shares of the common capital stock of Moshannon Valley Dentistry Incorporated (the "Corporation") representing 50% of the outstanding stock of the Corporation (the "Stock");

WHEREAS, Gavlak desires to sell and transfer any and all of her right, title and interest in and to the Stock and the Corporation and any of its assets to Dr. Pierre Boumerhi ("Boumerhi") and Boumerhi is willing to purchase the interest of Gavlak in the Stock upon the terms and conditions hereinafter set forth; and

WHEREAS, Gavlak and Boumerhi, with the intent to be legally bound, have agreed as follows:

1. In consideration of a cash payment in the amount of \$50,000 (the "purchase Price") from Boumerhi to Gavlak, Gavlak shall sell and transfer to Boumerhi and Boumerhi hereby agrees to purchase from Gavlak, all of Gavlak's right, title and interest in and to the Stock which interest constitutes all of Gavlak's right, title or interest in the Corporation or assets thereof, including but not limited to all furnishings, fixtures and equipment with the sole exception of those items identified on Exhibit A attached hereto and made a part hereof.

2. Gavlak shall tender to Boumerhi all stock certificates representing any and all shares of Stock in the Corporation in which Gavlak has any interest together with duly executed stock powers in blank or such other instruments of conveyance and transfer and take such other action as Boumerhi may reasonably request so as to more effectively sell, transfer, assign and deliver to, and vest in Boumerhi free and clear title to the purchased shares of Stock. The sale and transfer of the Stock to the Corporation shall be effective immediately upon payment of the Purchase Price to Gavlak. Gavlak acknowledges and agrees that all of her right, title and interest in the Stock and any and all assets of the Corporation shall be deemed to have ceased as of the payment of the Purchase Price for all purposes whatsoever.

3. As set forth above, the Purchase Price for the Stock shall be \$50,000.00 which shall be paid to Gavlak in cash or certified funds on or before the thirty-fifth (35th) day after the execution of this Stipulation (the "Closing Date"). All sums of money paid to Gavlak pursuant to this Order and the agreement between Gavlak and Boumerhi shall be paid without deduction or withholding of federal or state taxes of any kind or nature. Taxes shall be the sole responsibility of, and shall be paid by Gavlak.

4. As material consideration for Boumerhi to enter into the agreement and consent to this Order, Gavlak warrants and represents to Boumerhi (i) that she is the sole owner of her interests in the Stock, (ii) that she has full power and authority to sell and transfer her interest in the Stock, (iii) that she owns no other stock and has no other interest in the Corporation or any of its assets, and (iv) that she has good and unencumbered title to her interest in the Stock free and clear of all liens, encumbrances, rights and others and/or restrictions of any kind or nature. The Stock is being transferred to Boumerhi free and clear of all defects. Gavlak has not sold, transferred or otherwise disposed of any of the Stock or any right, title or interest she may have therein prior to the date hereof. Gavlak is not a party to any option,

warrant, purchase right, or other contract or commitment that could require Gavlak to sell, transfer or otherwise dispose of any of the Stock (other than as set forth in this Stipulated Order of Court). Gavlak is not a party to any voting trust, proxy or other agreement or understanding with respect to the voting of any of the Stock. Gavlak owns no other stock of the Corporation and has no right to any asset of the Corporation. Prior to closing Gavlak shall provide evidence that any and all liens against the Corporation or any of its assets caused by Gavlak have been satisfied and released in full.

5. As further consideration for the payment of the Purchase Price, Gavlak hereby resigns, effective immediately upon payment of the Purchase Price, as an employee, officer and director of the Corporation.

6. Boumerhi and Gavlak have already agreed to the division of patients and records and files. Prior to closing both Boumerhi and Gavlak shall demonstrate to the Court-Appointed Receiver that Boumerhi has deleted all information on his computer system with respect to Dr. Gavlak's agreed-upon patients and files and that Gavlak has deleted all information on her computer system with respect to Dr. Boumerhi's agreed-upon patients and files.

7. All of the items of miscellaneous equipment and supplies that are not identified on the Schedule of Equipment prepared by Mr. Ingagliato attached hereto as Exhibit B with the exception of the office furniture which is the property of the landlord (the "Miscellaneous Equipment and Supplies") shall be divided between Boumerhi and Gavlak. If Boumerhi and Gavlak are not able to agree on a division of the Miscellaneous Equipment and Supplies within ten (10) days after the date of this Order, the Court-Appointed Receiver, Peter Smith, Esquire, shall divide and allocate the Miscellaneous Equipment and Supplies between Boumerhi and Gavlak with each party receiving 50% of the Miscellaneous Equipment and Supplies.

8. Gavlak shall remove all of her belongings and her allocable share of the supplies and Miscellaneous Equipment and Supplies prior to the Closing Date.

9. As of the Closing Date, Gavlak should turn in all keys and relinquish her access to the Corporation's offices.

10. As of the Closing Date, Boumerhi shall cease to do business under the Corporation and shall thereafter file the appropriate papers to have the Corporation dissolved. (It is expressly agreed and understood that subsequent to the closing date that Gavlak shall have no right, title or interest in the Corporation and may not at any time thereafter conduct any

business in the name of the Corporation.) Prior to dissolving the Corporation, Boumerhi as the sole Shareholder shall cause the Corporation to file the necessary tax returns for 2007 and 2008. Boumerhi agrees to indemnify and hold Gavlak harmless for any taxes, interest or penalties owed as a result of any errors or omissions on the tax returns resulting from revenues or expenses reported or claimed by Boumerhi. Gavlak agrees to indemnify and hold Boumerhi harmless for any taxes, interest or penalties owed as a result of any errors or omissions on the tax returns resulting from revenues or expenses reported or claimed by Gavlak.

11. Upon the entry of this Stipulation and Order, the Court-Appointed Receiver shall inspect and inventory the Corporation's furnishings, fixtures and equipment and shall be present at an inspection on the Closing Date to be certain that none of the furnishings, fixtures or equipment have been removed or damaged.

12. Subsequent to the Closing Date, Boumerhi and Gavlak agree to cooperate with each other in responding to all reasonable requests for documentation and information.

13. Subsequent to the Closing Date, all mail addressed to the Corporation shall be forwarded by the United States Post Office to the Court-Appointed Receiver. Representatives of both

Gavlak and Boumerhi shall meet jointly with the Court-Appointed Receiver on a weekly basis to open and review all mail including payments. (It is expressly agreed and understood that confidential patient information shall be protected by the parties.) The Court-Appointed Receiver shall immediately allocate and disburse those funds from joint insurance payments to the doctor who provided the services for which payment is being tendered.

14. Subsequent to the Closing Date, both Boumerhi and Gavlak shall cease to use the current telephone number for the Corporation. The Court-Appointed Receiver shall arrange for a message service for one year following the Closing Date which shall provide the new telephone number for Dr. Boumerhi and the new telephone number for Dr. Gavlak (the parties shall be listed in alphabetical order). Subsequent to the one year period, neither Dr. Boumerhi nor Dr. Gavlak shall be entitled to use the telephone number of the Corporation.

15. Nothing in this Stipulation and Order shall be considered a waiver of the rights of Boumerhi and Gavlak to any claims against the other, except as expressly identified herein. Further, the Court-Appointed Receiver shall continue in his capacity as receiver until further Order of this Court.

STIPULATED AND AGREED TO:

Pierre Boumerhi 9/2/08

DR. PIERRE BOUMERHI

Jolene J. Gavlak 9/3/08

DR. JOLENE J. GAVLAK

EXHIBIT A

ASSETS TO BE RETAINED AND REMOVED BY DR. GAVLAK

1. Dr. Gavlak will be permitted to retain her three (3) computers but must relinquish any and all rights to the Easy Dental Software and it is expressly agreed and understood that Dr. Boumerhi shall retain the sole license for the Easy Dental Software.
2. Dr. Gavlak will be permitted to retain her share of the supplies and miscellaneous equipment as allocated pursuant to paragraph 7 above.
3. Dr. Gavlak shall be permitted to retain her files and patient records as previously agree-upon.

-10-

Peter F. Smith

From: Robert E. Dauer, Jr. [RED@MUSLAW.com]
Sent: Tuesday, September 09, 2008 9:40 AM
To: Kathleen Yurchak; pfsatty@verizon.net
Subject: RE: Proposed Order for payment of fees and approval of stipulation

Dear Mr. Smith, Please be advised that Dr. Bomerhi has no objection to the fees requested and is also in agreement with the Order of Court. Thanks.

Rob

Robert E. Dauer, Jr., Esquire
<mailto:red@muslaw.com>
Meyer, Unkovic & Scott LLP
1300 Oliver Building
Pittsburgh, PA 15222
(412) 456-2835
(412) 456-2864 (FAX)
<http://www.muslaw.com>

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED OR CONFIDENTIAL. IF THE READER OF THIS EMAIL IS NOT THE INTENDED RECIPIENT, OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY THE SENDER IMMEDIATELY BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO THE ABOVE EMAIL ADDRESS.

CIRCULAR 230 DISCLOSURE: TAX ADVICE, IF ANY, CONTAINED IN THIS COMMUNICATION (OR ANY ATTACHMENT) IS NOT INTENDED TO BE USED, AND CANNOT BE USED, BY THE RECIPIENT HEREOF (OR ANY OTHER TAXPAYER) TO (i) AVOID PENALTIES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, OR (ii) SUPPORT THE PROMOTION OR MARKETING OF ANY FEDERAL TAX TRANSACTION OR MATTER ADDRESSED HEREIN. THIS DISCLOSURE IS MADE FOR THE PURPOSE OF COMPLYING WITH THE RULES OF TREASURY DEPARTMENT CIRCULAR 230 GOVERNING STANDARDS OF PRACTICE BEFORE THE INTERNAL REVENUE SERVICE.

From: Kathleen Yurchak [mailto:yurchak@centrelaw.com]
Sent: Tuesday, September 09, 2008 9:32 AM
To: pfsatty@verizon.net
Cc: Robert E. Dauer, Jr.
Subject: Proposed Order for payment of fees and approval of stipulation

Dear Mr. Smith,

Please consider this email to be verification that my client Dr. Gavlak has no objection to the fees requested and is in agreement with the order to be presented, along with the signed Stipulation to be attached. Thank you for moving this forward.

Kathleen Yurchak
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
Fax (814) 237-5601

9/9/2008

Peter F. Smith

From: Kathleen Yurchak [yurchak@centrelaw.com]
Sent: Tuesday, September 09, 2008 9:32 AM
To: pfsatty@verizon.net
Cc: 'Robert E. Dauer, Jr.'
Subject: Proposed Order for payment of fees and approval of stipulation

Dear Mr. Smith,

Please consider this email to be verification that my client Dr. Gavlak has no objection to the fees requested and is in agreement with the order to be presented, along with the signed Stipulation to be attached. Thank you for moving this forward.

Kathleen Yurchak
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
Fax (814) 237-5601

9/9/2008

(2)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

FILED 3cc
OCT 02 2008
William A. Shaw
Prothonotary/Clerk of Courts
Atty P. Smith (will serve)
(CW)

ORDER

AND NOW, this 2nd day of October, 2008, upon Motion of Peter F. Smith, the Court appointed Receiver in the above-captioned matter, it is,

ORDERED, ADJUDGED AND DECREED as follows:

1. On or before October 7, 2008, PLAINTIFF will establish that she no longer uses the computer software for dental practices registered and licensed to the DEFENDANT. PLAINTIFF shall submit to the Master a printout of the registration screen from her computer system which she uses in her dental practice. PLAINTIFF or a qualified employee will be prepared to verify this registration with a live demonstration at one of PLAINTIFF'S computers at the practice on Tuesday, October 7, 2008.

2. Either the parties or a qualified staff member will be prepared to verify to the Master that they have deleted patient information from their respective computer systems for those individuals that are not their patients and whom they have never treated.

3. After the close of their office hours on Monday, October 6, 2008, the parties and/or staff members shall remain at the practice and shall divide the practice's miscellaneous equipment and supplies as follows: They shall review the items in each room at the practice. Similar items shall be equally divided between them. PLAINTIFF'S item shall be placed to the left. DEFENDANT'S item shall be placed to the right, and odd numbered items, disputed items or broken items shall be placed between those two piles. Each party shall maintain a written count for each type of equipment or supply so divided for each room.

The Master will arrive at the practice between 9:00 a.m. and 9:15 a.m. on Tuesday, October 7, 2008. The parties will be present at the practice prior to the Master's arrival allowing sufficient time for them to verify that the division of equipment and supplies made the preceding day has not been altered and that their lists are still accurate.

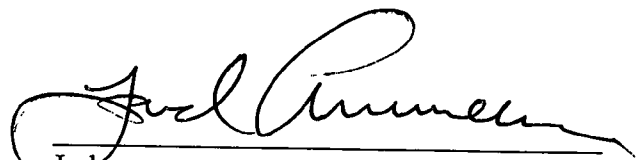
The Master will then review this division with the parties room by room. Once the review has been completed the Master will have 7 days to divide the broken, disputed or odd numbered miscellaneous equipment between the parties. They shall remain at the practice until the division is made.

4. On or before 4 p.m. Tuesday, October 7, 2008, PLAINTIFF shall remove all equipment and supplies to which is entitled by virtue of the parties' stipulation entered by this Court's Order dated September 11, 2008 and by virtue of the Master's division.

5. Unless otherwise agreed in writing by the parties and the Master, closing will be conducted at the Master's office at 30 South Second Street, Clearfield, Pennsylvania at 10:30 a.m. on Wednesday October 8, 2008. At that time, PLAINTIFF shall present all her stock certificate(s) in Moshannon Valley Family Dentistry, Inc., executed in blank. DEFENDANT shall present a cashier's check payable to the PLAINTIFF and/or her counsel for \$50,000. PLAINTIFF shall also present her resignation as a director, officer and employee of Moshannon Valley Family Dentistry, Inc.

Plaintiff shall also present satisfactory written documentation that she has fulfilled the requirements of her retirement or pension plan through the corporation for her employees for all open tax periods.

By the Court,


Judge

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff/Petitioner

Vs.

PIERRE BOUMERHI,
Defendant/Respondent

NO. 2008-0109-CD

TYPE OF PLEADING:
**RECEIVER'S REPORT
&
PROPOSED ORDER**

FILED BY:
**Court Appointed Receiver
Peter F. Smith, Esquire**
PA ID No. 34291
P.O. Box 130
Clearfield, PA 16830
(814) 765-5595

COUNSEL FOR
PLAINTIFF/PETITIONER:
Kathleen V. Yurchak, Esquire
PA ID No. 55948
GOODALL & YURCHAK
328 South Atherton Street
State College, PA 16801
(814) 234-

COUNSEL FOR
DEFENDANT/RESPONDENT:
Robert E. Dauer, Jr., Esquire
PA ID No. 61699
MEYER, UNKOVIC & SCOTT LLP
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304
(412) 456-2800

FILED 300
DEC 11 2009
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN	:	
Plaintiff/Petitioner	:	NO. 2008-0109-CD
	:	
Vs.	:	
	:	
PIERRE BOUMERHI,	:	
Defendant/Respondent	:	

RECEIVER'S REPORT

COMES NOW, Peter F. Smith, Court appointed Receiver in the above captioned Involuntary Winding Up and Dissolution of a Corporation, who reports to the Court as follows:

1. The undersigned was appointed Receiver in this matter by Order dated June 2, 2008.
2. The Receiver engaged in extensive discussions and correspondence with the parties and their counsel.
3. Those discussions produced a Stipulation signed by the Defendant on September 2, 2008 and by the Plaintiff on September 3, 2008.
4. The Parties' Stipulation was incorporated in an Order entered by this Court on September 11, 2008.
5. Through the offices of the Receiver, the various provisions of the Parties' Stipulation were implemented.
6. Specifically Dr. Gavlak sold her stock in the subject Corporation to Dr. Bomerhi on or about October 8, 2008. Dr. Bomerhi is the sole shareholder and owner.

7. The Receiver opened checking account number 2515310 at CNB Bank on July 15, 2008 to hold and disburse funds of the subject corporation.

8. Total deposits over the course of the Receiver's administration have been \$110,789.11 including accrued interest.

9. Total disbursements from the Receiver's Account to the date of this Report have been \$61,707.87.

10. A substantial balance was carried in this account. Therefore the Receiver purchased a Certificate of Deposit No. 271754/1 in the amount of \$70,000 with CNB Bank. The purpose was to obtain a better interest rate for the funds on deposit.

11. On December 9, 2008 the Receiver transferred \$32,000.00 from this Certificate of Deposit to the Receiver's Checking account to cover an initial disbursement of funds to the Parties leaving a balance to date of \$38,399.98 with accrued interest.

12. Attached hereto and incorporated herein by reference is an accounting of the Receiver's CNB checking account and CNB Certificate of Deposit. It is identified as Receiver's Exhibit A.

13. The Receiver designated one of his secretary's to handle the substantial administrative work associated with the Receivership.

14. The Receiver's secretary kept track of her time dedicated to this matter. She met with representatives of each dentist's office on a bi-weekly basis for several months. She reviewed, paid bills, issued checks, balanced checking account and performed a great many other administrative functions. A true and correct time statement for her is hereto and incorporated herein by reference as Receiver's Exhibit B. Total due is \$2,532.66.

15. The Receiver reviewed every invoice submitted and every check before sent. The attorneys for the Parties received copies of each of these items throughout this receivership.

16. By fax sent February 25, 2009 the Receiver suggested to the Parties' counsel that he bill his secretary's administrative services at \$51.00 per hour. Neither objected.

17. The Receiver paid himself for his services rendered in this matter through September 5, 2008. This payment was approved by the Court's September 11, 2008 Order.

18. The Receiver attaches to this Report an invoice itemizing his services rendered from September 8, 2008 to the present. That invoice is incorporated herein by reference as Receiver's Exhibit C. The total amount due is \$5,904.58.

19. Toward the end of June 2008, the Landlord raised the subject corporation's rent for the real estate at which the practice was located from \$1,500 per month to \$6,000.

20. The property is owned by Defendant Dr. Boumerhi's wife. This increase was made unilaterally by the Defendant's wife.

The Receiver declines to recognize this rental increase or adjust the distributions to the Parties as a result of it. This act was taken outside the corporation's normal course of business by the Defendant without consulting Plaintiff, who owned 50% of the subject corporation's stock at that time. Defendant's objectivity and fairness was compromised by a conflict of interest, self-dealing and this litigation.

21. Plaintiff questioned bills submitted by Ted Pettko a CPA in Pittsburgh who has assisted the corporation and the Defendant with tax matters. After evaluation, the Receiver has paid all Mr. Pettko's bills to date. His services were rendered to the corporation

generally and benefited both Parties. This applies both to services rendered prior to the Receivership and during the Receivership.

The Receiver declines to make any further adjustment to the Parties' distribution in this regard.

22. Plaintiff's counsel questioned whether the Defendant took a \$12,000 bonus in 2007. Nothing was found by or submitted to the Receiver to substantiate a bonus was taken.

Therefore the Receiver declines to make any adjustment to the Parties' distribution in this regard.

23. Plaintiff questioned the bill submitted by Department of Revenue for 941 tax in the amount of \$493.52 with accrued penalty. The Receiver agrees that this tax penalty should be solely the responsibility of the Defendant. (ck #1022 & #1023) An appropriate adjustment has been made to Defendant's column on the Account attached as Exhibit A.

24. Plaintiff questioned the bill submitted by Christoff Mitchell Petroleum in the amount of \$419.67. (ck #1028) This fuel was delivered just days before Plaintiff and her staff vacated the premises. The Receiver agrees that this bill should be solely the responsibility of the Defendant since Plaintiff did not occupy the office building and benefit from this delivery of fuel. The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

25. Plaintiff questioned the additional charges of \$353.53 for the Verizon Remote Call Forwarding. Upon review of the monthly statement Remote Call Forwarding is \$16.50, each doctor's share would be \$8.25 which includes their respective share of taxes and surcharges. Receiver agrees that any charges above that amount should be the sole

responsibility of the Defendant. (check #s 1029, 1031, 1033, 1035 thru 1042) The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

26. Plaintiff and Defendant are in agreement that the Henry Schein invoice for the amount of \$7.99 that was paid for on January 6, 2009 is Dr. Boumerhi's alone. This was for equipment repair and should have not been billed to Moshannon Valley Family Dentistry. (ck # 1030) The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

27. The Parties split general overhead expense, such as utilities and rent, 50 - 50.

28. They allocated the cost of supplies in proportion to their relative billings.

Supplies consist of expendable items, such as gloves, medications, disposable items, etc.

29. The Attorneys for the Parties have agreed that the supply allocation during the period of Receivership should be made 18.5% Dr. Gavlak and 81.5% Dr. Boumerhi.

30. Attached hereto and incorporated herein by reference as Receiver's Exhibits D & E is a schedule of all checks issued by the Receiver. The Receiver and his secretary have reviewed the underlying invoices for each. Each spreadsheet is identified at its top: Exhibit C being the Overhead Expenses and Exhibit D being the Supply Expenses, respectively.

31. On the basis on this review the Receiver concludes \$10,089.46 represents general overhead expenses to be split 50- 50 between the Parties, and \$4,647.77 represents supply expenses that should be allocated 18.5% - 81.5% between the Parties.

29

32. This results in the following monetary allocation of these expenses:

Dr. Gavlak (Plaintiff)

Dr. Boumerhi (Defendant)

Overhead Expense 50 - 50

\$140.95	Penelec	\$140.95	ck #1002
\$30.28	Veolia ES	\$30.29	ck #1003
\$25.67	Paris Uniform Rental	\$25.66	ck #1005
\$13.37	Mineral Springs Bottling	\$13.38	ck #1006
\$1,942.50	Peter F. Smith, Atty.	\$1,942.50	ck #1008
\$87.80	John Glenn Sanitation	\$87.80	ck #1009
\$82.61	Paris Uniform Rental	\$82.60	ck #1010
\$93.83	Veolia ES	\$93.83	ck #1012
\$250.00	Ted M. Pettko, CPA	\$250.00	ck #1014
\$98.11	Verizon	\$98.11	ck #1015
\$39.10	Verizon	\$39.11	ck #1016
\$130.68	Penelec	\$130.68	ck #1018
\$118.00	Municipal Sewer of Houtzdale	\$118.00	ck #1020
\$28.47	Paris Uniform Rental	\$28.47	ck #1021
\$1,675.00	Ted M. Pettko, CPA	\$1,675.00	ck #1027
\$23.48	Verizon	\$23.48	ck #1029
\$11.75	Verizon	\$11.74	ck #1031
\$89.96	Idearc	\$89.96	ck #1032
\$14.25	Verizon	\$14.26	ck #1033
\$27.19	Idearc	\$27.20	ck #1034
\$27.53	Verizon	\$27.52	ck #1035
\$13.53	Verizon	\$13.53	ck #1036
\$13.45	Verizon	\$13.45	ck #1037
\$13.32	Verizon	\$13.33	ck #1038
\$13.41	Verizon	\$13.42	ck #1039
\$13.64	Verizon	\$13.64	ck #1040
\$13.51	Verizon	\$13.50	ck #1041
<u>\$13.34</u>	Verizon	<u>\$13.34</u>	ck #1042
\$5,044.73		\$5,044.73	

Dr. Gavlak (Plaintiff)

Dr. Boumerhi (Defendant)

Supply Expense 18.5% - 81.5%

\$19.59	Dental City	\$86.32	ck #1001
\$48.17	Valley National Gases	\$212.21	ck #1004
\$93.30	Darby Dental Supply, Inc.	\$411.03	ck #1007
\$127.75	Valley National Gases	\$562.79	ck #1011

\$27.20	Darby Dental Supply, Inc.	\$119.84	ck #1013
\$426.32	Henry Schein	\$1,878.11	ck #1017
<u>\$117.50</u>	Henry Schein	<u>\$517.64</u>	ck #1019
\$859.84		\$3,787.93	

33. Item 14 of the Parties' Stipulation which was entered as an Order of this Court requires that a telephonic message service be maintained for 1 year following the Stipulation ending on September 1, 2009.

34. The fee for this service through Verizon is \$16.50 per month plus the accrued taxes and surcharges.

35. For reasons unknown the messaging service did not end on September 1, 2009 and last invoice of \$16.50 plus the accrued taxes and surcharges was paid by the Receiver on December 4, 2009.

36. The Receiver has continued to pay this bill through December 4, 2009,

37. Dr. Boumerhi established this service on behalf of the Parties. Perhaps Verizon must hear from him. The number was associated with his earlier dental practice.

38. Therefore the Receiver proposes that responsibility for any subsequent bills for termination of this service be delegated to Dr. Boumerhi.

39. The Receiver has submitted two written requests to Idearc which provides the ads in the Yellow Pages, to request that it be terminated. The Receiver was informed by a representative on November 30, 2009 that advertisement services for Moshannon Valley Family Dentistry were paid and concluded on July of 2009. For reasons unknown to the Receiver, Idearc has disregarded these requests and the service still continues.

40. Therefore the Receiver proposes that responsibility for any subsequent bills for termination of this service be delegated to Dr. Boumerhi.

41. Moshannon Valley Family Dentistry, Inc. maintained an Employee Retirement Plan through Fidelity Investments. Both Plaintiff and defendant were trustees. The Defendant has continued to use this plan for the subject corporation, of which Defendant is now the sole owner. Therefore the Plaintiff should resign as Plan Trustee, unless she had already done so, and terminate any other relationships with this plan. The Receiver has suggested appropriate language in the proposed Order.

42. Throughout administration the Receiver has had mail to the subject corporation directed to the Receiver's post office box. There has been no mail for several weeks. The Receiver has been advised thorough his secretary who in consultation with the representative's from each dentist's office has concluded that all bills of the subject corporation have been paid and checks to the subject corporation received.

43. The Parties have spent the period of April through November of 2009 debating who is entitled to adjustment of paid by deducting the funding from the other party for supplies and overhead expense incurred during the first five months of 2008. That period preceded the appointment of the Receiver.

44. Dr. Gavlak claims she is entitled to \$7,309.01, and Dr. Boumerhi claims that he is entitled to \$11,337.71.

45. The Receiver has given the Parties and their counsel adequate opportunity to review and to develop support for their positions on this issue. Dr. Boumerhi retained the services of Douglas Shimmel, CPA, but Dr. Gavlak and her counsel did not find Mr. Shimmel's report persuasive.

46. The Receiver offered to conduct a hearing on this issue. The Parties declined.

47. The Receiver finds that neither Party has carried his or her burden of proof, and the Receiver therefore makes no additional adjustment to reconcile supply and overhead expense as alleged by each party.

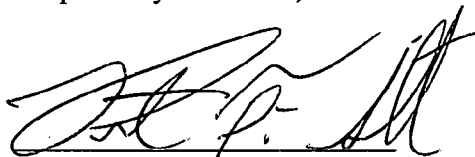
48. The Receiver believes that the Receiver's Proposed Order which is submitted with this Report addresses all remaining issues and that it is appropriate to conclude the Receivership at this time.

WHEREFORE, the Receiver prays this Honorable Court to enter the proposed Order which approves this Report, approves and directs the payments and distributions indicated on the Receiver's Exhibit A, terminates the Receivership and provides other relief which the Court in its discretion shall find appropriate.

Respectfully submitted,

Date:

12/10/09

A handwritten signature in black ink, appearing to read "P. F. Smith", written over a horizontal line.

Peter F. Smith, Receiver

VERIFICATION

I verify that the statements made in this Receiver's Report are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities.

Dated: 12-10-09

By: 

Peter F. Smith,
Court Appointed Receiver

Total deposits in Receiver's Account: **\$110,789.11**
As of 12/07/2009 w/ accrued interest

Allocation between the Parties according to their review of each check deposited and approved:

	<u>Dr. Gavlak (Plaintiff)</u>	<u>Dr. Boumerhi (Defendant)</u>
	\$24,095.87	\$85,664.75
Interim distribution:	<u>\$619.32</u>	<u>\$45,015.31</u>
	\$23,476.55	\$46,649.44
<u>LESS:</u>		
Receiver's fees to 9/8/08 -	\$1,942.50	\$1,942.50
50/50 Overhead:	\$5,044.69	\$5,394.90
18.5/ 81.5 Supplies:	\$859.84	\$3,787.93
Fees due Receive	\$4,218.62	\$4,218.62
Disputed Rent:		
No Allocation	-0-	-0-
Per # 18		
Pettko's fees:		
No allocation	-0-	-0-
Per # 19		
Bonus:		
No allocation	-0-	-0-
Per # 20		
941 Tax	-0-	\$493.52
w/ interest		
Christoff Mitchell		
Petroleum Fuel	-0-	\$419.67
Additional charges		
For Verizon	-0-	\$353.53
Henry Schein	-0-	\$7.99
Due each respective Dr.:	\$ _____	\$ _____

November 17, 2009

Dr. Jolene Gavlak-Vaughn
C/o Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

Dr. Pierre Boumerhi
C/o Robert E. Dauer, Jr. Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

PETER F. SMITH
Attorney
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

(814) 765-5595

BILL FOR ADMINISTRATIVE SERVICES
Gavlak-Vaughn v. Boumerhi
Clearfield County Docket No. 2008-109-CD

ADMINISTRATIVE INVOICE:

10/07/08	Worked on Spreadsheets	30 min.
10/10/08	Worked on bills	30 min.
10/13/08	Worked on bills started calling businesses to establish Priority of invoices Drafted new spreadsheets for Dr Boumerhi's invoices Called Paris spoke with Shannon Called Sullivan-Schein Dental spoke with Tamelia	4 hrs.
10/14/08	Worked on bills and spreadsheets Called Valley National Gas left message	3 hrs.

10/15/08	Worked on bills and paid bills, called Veolia spoke with Karen, called Darby Dental spoke with Wilma Call Ted Pettko regarding invoice	2 hrs.
10/16/08	Looked over two Verizon invoices, call to Dr. Boumerhi's office	1 hr.
10/21/08	Worked on bills, made calls to Sullivan Schein Dental Talked with Tameila to verify invoice	30 min.
10/23/08	Conference with Lynne & Linsey reviewed mail, sorted bills, copied and drafted letters Called Dr. Boumerhi's and Dr. Gavlak's offices	4 hrs.
10/24/08	Worked on spreadsheets	1 hr.
10/30/08	Copied and mailed documents to each Doctor	2 hrs.
11/07/08	Worked on bills and reviewed with PFS Paid bills	2 hrs.
11/13/08	Conference with Lynne and Linsey reviewed mail, sorted bills, made copies, drafted letters and reviewed CMP invoice made calls Calls to Dr. Boumerhi's and Dr. Gavlak's offices	3 hrs.
11/17/08	Reviewed documents with PFS	30 min.
11/24/08	Worked on spreadsheets	1 hr.
11/25/08	Revised Spreadsheets worked on Fidelity disbursement	1 hr.
12/4/08	Conference with Lynne and Linsey reviewed mail, Sorted bills, made copies, drafted letters and reviewed	2 hrs.
12/8/08	Reviewed with PFS, IRS invoice Re: penalty tax from 6/2008 and paid IRS	30 min.
12/9/08	Sent out copies to Dr. Boumerhi	15 min.
12/11/08	Worked on spreadsheets	1 hr.
12/23/08	Reviewed filed sent copies to Dr. Gavlak	20 min.
12/30/08	Conference with Lynne and Linsey, reviewed mail, Sorted bills, made copies, drafted letters and reviewed	2 hrs.

01/05/09	Several calls from Dr. Boumerhi's office Re: CMP & Verizon	20 min.
01/07/09	Worked on spreadsheets	30 min.
01/15/09	Conference with Lynne and Linsey, reviewed mail, Sorted bills, made copies, drafted letters and reviewed	1 hr. 30 min.
01/16/09	Worked on spreadsheets	30 min.
01/21/09	Worked on review of documents	30 min.
01/23/09	Letters to each doctors with original documents	30 min.
01/26/09	Worked on spreadsheets	20 min.
01/28/09	Worked on spreadsheets	30 min.
02/04/09	Organized file, prepared mail to be opened for ladies	30 min.
02/05/09	Conference with Lynne and Linsey, reviewed mail, Sorted bills and letters	1 hr.
02/06/09	Made copies, drafted letters and reviewed	30 min.
02/17/09	Agendized file worked on spreadsheets	20 min.
02/19/09	Conference with Lynne and Linsey, reviewed mail, Made copies and letters	1 hr.
02/24/09	Worked in file regarding bills, incoming mail, 1099s And spreadsheets	1 hr. 30 min.
02/25/09	Worked on 1099s to go to the accountant	30 min.
03/06/09	Worked on spreadsheets	1 hr.
03/09/09	Worked on spreadsheets	1 hr.
03/16/09	Worked on spreadsheets	1 hr. 30 min.
03/20/09	Worked on spreadsheets	1 hr.
04/02/09	Conference with Lynne and Linsey, reviewed & sorted mail, made copies	1 hr.
06/25/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	20 min. 10 min.

07/01/09	Talked with Lynne at Dr. Boumerhi's office regarding the Trustee Certification for Dr. Gavlak to sign off as Trustee of the Fidelity accounts, researched the files	30 min.
07/30/09	Copied and forwarded Fidelity information to Lynne	15 min.
8/27/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	30 min.
11/17/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	20 min. 10 min.

Total time: 49.66 Hours

TOTAL AMOUNT DUE PETER F. SMITH, ATTORNEY - \$2,532.66

November 17, 2009

Dr. Jolene Gavlak-Vaughn
C/o Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

Dr. Pierre Boumerhi
C/o Robert E. Dauer, Jr. Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

PETER F. SMITH
Attorney
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

(814) 765-5595

RECEIVER'S BILL
Gavlak-Vaughn v. Boumerhi
Clearfield County Docket No. 2008-109-CD

09/08/08	Drafted Order and letter, reviewed	20 min.
09/09/08	Letter Judge with Order and Stipulation	15 min.
09/12/08	Letter	15 min.
09/16/08	Deposited checks	20 min.
09/22/08	Letter	15 min.
09/23/08	Calls Atty. Yurchak and Atty. Dauer	05 min.
09/25/08	Prep travel Houtzdale, inspection of equipment	3 hrs. 15 min.
09/26/08	Letter Attys. Yurchak and Dauer, revised letter x3	45 min.
09/29/08	Drafted Order and letter, revised	30 min.

10/02/08	Letter Judge and letter Attys. Yurchak & Dauer Certified copies of Order	25 min. 15 min.
10/03/08	Emails	05 min.
10/06/08	Call Atty. Yurchak, message Atty. Dauer Reviewed Stock Power, Affidavit	15 min. 15 min.
10/07/08	Prep travel Houtzdale, drafted letter Revised letter Revised spreadsheets Emails w/ Atty. Dauer	3 hrs. 55 min. 15 min. 20 min. 10 min.
10/08/08	Worked on Response Revised	2 hrs. 15 min. 50 min.
10/10/08	Letter Attys. Yurchak and Dauer Reviewed Dr. Boumerhi's email, revised letter	20 min. 10 min.
10/11/08	Worked on bills	30 min.
10/15/08	Call Valley National Gas	05 min.
10/16/08	Two messages for Linda at Valley National Gas Calls with loan officers @ Citi, Message Atty. Dauer and call Atty. Yurchak	05 min. 30 min.
10/20/08	Emails, reviewed closing documents, bills paid and letter	40 min.
10/24/08	Worked on bills	30 min.
11/07/08	Paid bills, reviewed bank statement and spreadsheets	25 min.
11/10/08	Letter Attys. Yurchak and Dauer Letter to Ted Pettko, CPA, revised	25 min.
11/13/08	Reviewed recent mail	10 min.
11/17/08	Reviewed mail w/ Jenn, call CNB	35 min.
11/18/08	Letter Attys. Yurchak and Dauer, revised	25 min.
11/24/08	Call Pettko, letter Attys. Yurchak and Dauer	20 min.
2/18/09	Reviewed recent correspondence, Call Atty. Dauer	15 min.

2/19/09	Letter Re: Idreac	15 min.
2/27/09	Paid Idearc	05 min.
3/4/09	Read Atty. Yurchak's letter	10 min.
3/10/09	Worked on Report and drafted proposed Order, Email Atty. Yurchak and Dauer	40 min.
3/12/09	Letters for bill approval, worked on proposed Order Letter Pettko	10 min.
3/17/09	Worked on Report and Order	15 min.
3/19/09	Worked on Report and Order	45 min.
3/24/09	Worked on Report	20 min.
3/27/09	Conference with Jenn	10 min.
4/1/09	Worked on Accounting and Report	30 min.
4/6/09	Letter Attorneys Revision	20 min. 10 min.
4/13/09	Revised Report and Preliminary Order and Letter to Judge	30 min.
4/14/09	Worked on Report and Orders	35 min.
4/15/09	Worked on Report, Orders and Praeipce to Transmit	40 min.
4/27/09	Call Judge Ammerman and Court Adm.	10 min.
5/4/09	Reviewed Supply Reconciliation, letter to Attorneys	25 min.
5/12/09	Letter and reviewed checks, etc.	20 min.
5/18/09	Reviewed email	10 min.
5/20/09	Call Atty. Dauer	05 min.
5/28/09	Conference w/ Judge Ammerman	25 min.
5/29/09	Letter to Attorneys	15 min.
6/11/09	Reviewed letter Atty. Dauer	15 min.
8/10/09	Letter to Fidelity Re: Trustee Certification Forms	15 min.

9/9/09	Reviewed letter Atty. Dauer	10 min.
9/11/09	Letter to Attorneys Dauer and Yurchak	10 min.
9/14/09	Reviewed letter Atty. Yurchak	05 min.
10/2/09	Letter Attorneys regarding dates	10 min.
10/5/09	Reviewed email	10 min.
10/16/09	Letter to Attorneys Yurchak and Dauer	10 min.
10/23/09	Letter Atty. Yurchak	10 min.
11/5/09	Revised Report and Order	45 min.

Total time: 30.16 Hours @ \$195.00 = \$5,881.20

ADVANCED FEES:

8/28/09	Fed Ed - Fidelity Inv. (2 Trustee Certification Forms) -	\$23.38
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TOTAL AMOUNT DUE PETER F. SMITH, ATTORNEY - \$5,904.58

MOSHANNON VALLEY FAMILY DENTISTRY

OVERHEAD EXPENSES ONLY

Paid By Attorney Peter F. Smith, Receiver

Date of Bill	Date paid	Name of Invoice	amt paid	check no.	Boumerhi 50%	Gavlek 50%
7/31/2008	8/8/2008	Penelec	\$281.90	1002	\$140.95	\$140.95
6/25/2008	8/8/2008	Veolia ES	\$60.57	1003	\$30.29	\$30.28
6/30/2008	8/8/2008	Paris Uniform Rental	\$51.33	1005	\$25.66	\$25.67
7/18/2008	8/8/2008	Mineral Springs Bottling	\$26.75	1006	\$13.38	\$13.37
9/1/2008	9/12/2008	Peter F. Smith, Receiver	\$3,885.00	1008	\$1,942.50	\$1,942.50
10/1/2008	10/15/2008	John Glenn Sanitation	\$175.60	1009	\$87.80	\$87.80
9/22/2008	10/15/2008	Paris Uniform Rental	\$165.21	1010	\$82.60	\$82.61
9/30/2008	10/15/2008	Veolia ES	\$187.66	1012	\$93.83	\$93.83
8/5/2008	10/15/2008	Ted M. Pettko, CPA	\$500.00	1014	\$250.00	\$250.00
9/19/2008	10/16/2008	Verizon	\$196.22	1015	\$98.11	\$98.11
10/14/2008	10/16/2008	Verizon	\$78.21	1016	\$39.11	\$39.10
10/14/2008	10/21/2008	Penelec	\$261.36	1018	\$130.68	\$130.68
9/30/2008	11/7/2008	Municipal Sewer of Hout	\$236.00	1020	\$118.00	\$118.00
10/20/2008	11/7/2008	Paris Uniform Rental	\$56.94	1021	\$28.47	\$28.47
10/10/2008	12/9/2008	Pierre Boumerhi, DMD	\$45,015.31	1024	\$0.00	\$0.00
	12/9/2008	Jolene Gavlek-Vaughn, DMD	\$619.32	1025	\$0.00	\$0.00
9/3 & 10/16/08	11/22/2008	Pierre Boumerhi, DMD	\$65.00	1026	\$0.00	\$0.00
12/19/2008	12/23/2008	Ted M. Pettko, CPA	\$3,350.00	1027	\$1,675.00	\$1,675.00
1/19/2009	1/6/2009	Verizon	\$117.20	1029	\$23.48	\$23.48
	2/11/2009	Verizon	\$57.01	1031	\$11.74	\$11.75
2/19/2009	2/26/2009	Idearc	\$179.91	1032	\$89.95	\$89.96
	3/10/2009	Verizon	\$67.59	1033	\$14.26	\$14.25
	4/6/2009	Idearc	\$54.39	1034	\$27.20	\$27.19
	5/13/2009	Verizon	\$112.25	1035	\$27.52	\$27.53
	5/28/2009	Verizon	\$50.06	1036	\$13.52	\$13.53
	7/6/2009	Verizon	\$48.12	1037	\$13.45	\$13.45
	8/10/2009	Verizon	\$45.20	1038	\$13.33	\$13.32
	8/25/2009	Verizon	\$47.33	1039	\$13.41	\$13.42
	9/30/2009	Verizon	\$52.72	1040	\$13.64	\$13.64
	11/13/2009	Verizon	\$49.37	1041	\$13.51	\$13.50
	12/4/2009	Verizon	\$45.39	1042	\$13.34	\$13.34
Total			\$5,044.73		\$5,044.73	\$5,044.73
					Dr. Boumerhi	Dr. Gavlek

TOTAL AMT: \$56,138.92

Receiver's Exhibit D

MOSHANNON VALLEY FAMILY DENTISTRY

SUPPLY EXPENSES ONLY

Paid By Attorney Peter F. Smith, Receiver

Date paid	Name of Invoice	amt paid	Check No.	Baumerhi 0.815	Gavlak 0.185
8/8/2008	Dental City	\$105.91	1001	\$86.32	\$19.59
8/8/2008	Valley National Gas	\$260.38	1004	\$212.21	\$48.17
8/8/2008	Darby Dental Supply, LLC	\$504.33	1007	\$411.03	\$93.30
10/15/2008	Valley National Gas	\$690.54	1011	\$562.79	\$127.75
10/15/2008	Darby Dental Supply, LLC	\$147.04	1013	\$119.84	\$27.20
10/21/2008	Henry Schein	\$2,304.43	1017	\$1,878.11	\$426.32
11/7/2008	Henry Schein	\$635.14	1019	\$517.64	\$117.50
1/6/2009	Henry Schein	\$7.99	1030	\$7.99	
			Dr. B's only		

Total \$3,787.93 \$859.84

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

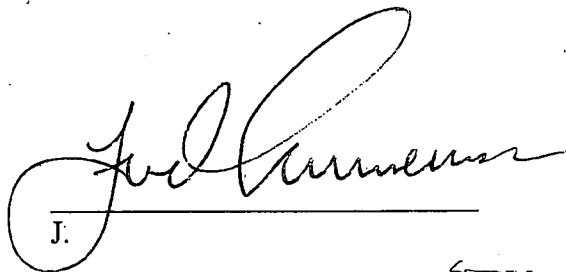
PRELIMINARY ORDER

AND NOW, 14th day of December, 2009, Peter F. Smith, Court appointed Receiver in this matter, having filed a final Report, proposed Order and a Certificate of Service indicating that he served true and correct copies of the same on counsel for the Parties by U.S. First Class Mail Postage Prepaid, it is,

ORDERED, ADJUDGED and DECREED, that the Parties have 30 days from the date of this Order to file written exceptions to the Receiver's Report and proposed Order if they choose.

By the Court,

Date:


J.

FILED 302
014:00801 Atty
DEC 14 2009 P Smith
William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

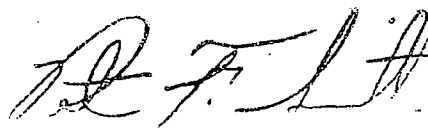
CERTIFICATE OF SERVICE

I, Peter F. Smith, Court appointed Receiver in the above-captioned matter, certify that a true and correct copies of the **PRELIMINARY ORDER, RECEIVER'S REPORT and Proposed FINAL ORDER** was sent via facsimile and U.S. First Class to Kathleen V. Yurchak, Attorney for the Plaintiff and was sent via facsimile and U.S. First Class Post Prepaid to Robert E. Dauer, Jr. Attorney the Defendant on December 16, 2009 at the following address:

**Via Facsimile (814) 237-1497
& U.S. First Class**
Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 South Atherton Street
State College, PA 16801

**Via Facsimile (412) 456-2864
& U.S. First Class**
Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

Respectfully submitted,



Peter F. Smith, Esquire
Attorney for Plaintiff
P.O. Box 130, 30 South Second St.
Clearfield, PA 16830
(814) 765-5595

Date: December 16, 2009

FILED
DEC 21 2009

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN :
Plaintiff :

NO. 2008-109-CD

vs. :

PIERRE BOUMERHI :
Defendant :

PRAECIPE

FILED NO
01240601
JAN 26 2010
William A. Shaw
Prothonotary/Clerk of Courts

TO: William A. Shaw, Clearfield County Prothonotary

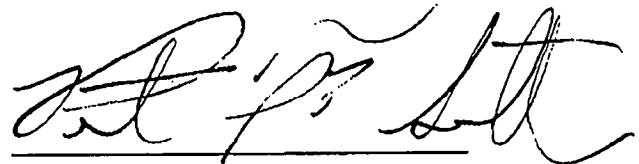
Dear Sir:

I am the Court appointed Receiver in the above-captioned matter. I filed my Report and a Preliminary Order in this matter with your office. The Preliminary Order was entered by Court on December 14, 2009. That Order gave the parties 30 days to file exceptions. More than 30 days have elapsed, and no exceptions have been filed.

Please forward this Praecipe to the Court with the proposed final order and suggest that the Court enter it.

Respectfully submitted,

Date: January 25, 2010


Peter F. Smith, Receiver

replace original 4-23-10
(m)

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

ORDER

AND NOW _____ day of _____, 2010, upon consideration of the Receiver's Report dated December 10, 2009 and filed in this matter, no objection thereto having been made by the Parties, it is,

ORDERED, ADJUDGED and DECREED as follows:

1. The Receiver's Report is approved.
2. The Receiver's bill for his services and his secretary's services are approved, and the Receiver is authorized to issue a check to himself for the total amount due for those services of \$8,437.24 from the Receiver's account.
3. As directed by the Receiver, Dr. Boumerhi continued the telephonic message service established by Item 14 of the Parties' September 11, 2008 Stipulation through September 1, 2009, the \$16.50 per month fee with accrued taxes and surcharges for this service has been paid by the Receiver in full.
4. Dr. Boumerhi is now the sole owner of the subject Corporation. Therefore he is directed to make sure that the Corporation files in a timely fashion all Workmen's Compensation, Unemployment Compensation, local, state and federal tax reports, returns and all other documents required, and the Corporation Moshannon Valley Family Dentistry, Inc.

is wholly and solely liable for any additional tax, interest, penalties, contributions or assessments in those regards and shall indemnify and hold the Plaintiff Dr. Gavlak-Vaughn and the Receiver harmless therefrom.

5. Each Party is placed under a continuing obligation to promptly provide the other upon written request with such information as is reasonably necessary for the requesting party to complete their taxes or respond to other legitimate inquiries.

6. The Receiver is direct to terminate the Receiver's bank account and CD by making distribution to the parties as specified in Receiver's Exhibit A, to wit:

- i. To Plaintiff Dr. Jolene Gavlak- Vaughn - \$ _____
- ii. To Defendant Dr. Pierre Boumerhi - \$ _____

Together with the respective shares of any interest accruing thereon after the date of the Receiver's Report.

7. Dr. Boumerhi shall be responsible for any further bills for the answering service issued by Verizon after the last invoice was paid by the Receiver which was dated December 4, 2009 and for the services provided by Idearc that was last paid by the Receiver dated April 2009.

8. Dr. Boumerhi shall also be responsible for maintaining, changing or terminating this service.

9. Unless she has already done so, Plaintiff is directed to immediately execute a written resignation from her position as Trustee of any and all pension or retirement plans for the subject corporation, specifically the plan at Fidelity Investments, Moshannon Valley Family Dentistry, Inc.

10. Unless she has already done so, Plaintiff is further directed to terminate any further relations she may have with the pension or retirement plans of the subject corporation and is directed to comply with all reasonable requests in this regard in the future.

11. Unless he has already done so and to the extent necessary in the future, the Defendant shall promptly provide to Plaintiff any information regarding the plan during Plaintiff's period of participation necessary or convenient for the Plaintiff to complete her federal, state or local tax reporting requirements or for legitimate accounting or plan administration reasons.

12. Upon completion of the final responsibilities, specified in this Order, the Receivership is terminated, and the Receiver is discharged from further responsibility or liability.

By the Court,

Date:

Judge

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN :
Plaintiff :

NO. 2008-109-CD

vs. :

PIERRE BOUMERHI :
Defendant :

CERTIFICATE OF SERVICE

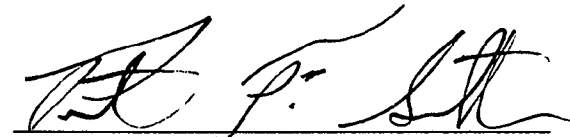
I, Peter F. Smith, Court appointed Receiver in the above-captioned matter, certify that a true and correct copies of the PRAECIPE to enter Proposed FINAL ORDER was sent U.S. First Class to Kathleen V. Yurchak, Attorney for the Plaintiff and was sent U.S. First Class Post Prepaid to Robert E. Dauer, Jr. Attorney the Defendant on January 25, 2010 at the following address:

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 South Atherton Street
State College, PA 16801

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

Respectfully submitted,

Date: January 25, 2010



Peter F. Smith, Esquire
Attorney for Plaintiff
P.O. Box 130, 30 South Second St.
Clearfield, PA 16830
(814) 765-5595

FILED NO
01/25/2010 CC
JAN 27 2010 (60)

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff/Petitioner

Vs.

PIERRE BOUMERHI,
Defendant/Respondent

NO. 2008-0109-CD

FILED
FEB 24 2010

3CC *Att'y*
P. Smith

William A. Shaw

TYPE OF PLEADING: Prothonotary/Clerk of Courts

**REVISED RECEIVER'S
REPORT WITH AMENDED
AMOUNTS TO EXHIBIT A
& PROPOSED ORDER**

FILED BY:
Court Appointed Receiver
Peter F. Smith, Esquire
PA ID No. 34291
P.O. Box 130
Clearfield, PA 16830
(814) 765-5595

COUNSEL FOR
PLAINTIFF/PETITIONER:
Kathleen V. Yurchak, Esquire
PA ID No. 55948
GOODALL & YURCHAK
328 South Atherton Street
State College, PA 16801
(814) 234-

COUNSEL FOR
DEFENDANT/RESPONDENT:
Robert E. Dauer, Jr., Esquire
PA ID No. 61699
MEYER, UNKOVIC & SCOTT LLP
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304
(412) 456-2800

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN	:	
Plaintiff/Petitioner	:	NO. 2008-0109-CD
	:	
Vs.	:	
	:	
PIERRE BOUMERHI,	:	
Defendant/Respondent	:	

**REVISED RECEIVER'S REPORT
WITH AMENDED AMOUNTS TO EXHIBIT A**

COMES NOW, Peter F. Smith, Court appointed Receiver in the above captioned Involuntary Winding Up and Dissolution of a Corporation, who reports to the Court as follows:

1. The undersigned was appointed Receiver in this matter by Order dated June 2, 2008.
2. The Receiver engaged in extensive discussions and correspondence with the parties and their counsel.
3. Those discussions produced a Stipulation signed by the Defendant on September 2, 2008 and by the Plaintiff on September 3, 2008.
4. The Parties' Stipulation was incorporated in an Order entered by this Court on September 11, 2008.
5. Through the offices of the Receiver, the various provisions of the Parties' Stipulation were implemented.
6. Specifically Dr. Gavlak sold her stock in the subject Corporation to Dr. Boumerhi on or about October 8, 2008. Dr. Boumerhi is the sole shareholder and owner.

7. The Receiver opened checking account number 2515310 at CNB Bank on July 15, 2008 to hold and disburse funds of the subject corporation.

8. Total deposits over the course of the Receiver's administration have been \$110,141.00 including accrued interest.

9. Total disbursements from the Receiver's Account to the date of this Report have been \$61,707.87.

10. A substantial balance was carried in this account. Therefore the Receiver purchased a Certificate of Deposit No. 271754/1 in the amount of \$70,000 with CNB Bank. The purpose was to obtain a better interest rate for the funds on deposit.

11. On December 9, 2008 the Receiver transferred \$32,000.00 from this Certificate of Deposit to the Receiver's Checking account to cover an initial disbursement of funds to the Parties leaving a balance to date of \$38,399.98 with accrued interest.

12. Attached hereto and incorporated herein by reference is an accounting of the Receiver's CNB checking account and CNB Certificate of Deposit. It is identified as Receiver's Exhibit A.

13. The Receiver designated one of his secretary's to handle the substantial administrative work associated with the Receivership.

14. The Receiver's secretary kept track of her time dedicated to this matter. She met with representatives of each dentist's office on a bi-weekly basis for several months. She reviewed, paid bills, issued checks, balanced checking account and performed a great many other administrative functions. A true and correct time statement for her is hereto and incorporated herein by reference as Receiver's Exhibit B. Total due is \$2,532.66.

15. The Receiver reviewed every invoice submitted and every check before sent. The attorneys for the Parties received copies of each of these items throughout this receivership.

16. By fax sent February 25, 2009 the Receiver suggested to the Parties' counsel that he bill his secretary's administrative services at \$51.00 per hour. Neither objected.

17. The Receiver paid himself for his services rendered in this matter through September 5, 2008. This payment was approved by the Court's September 11, 2008 Order.

18. The Receiver attaches to this Report an invoice itemizing his services rendered from September 8, 2008 to the present. That invoice is incorporated herein by reference as Receiver's Exhibit C. The total amount due is \$5,904.58.

19. Toward the end of June 2008, the Landlord raised the subject corporation's rent for the real estate at which the practice was located from \$1,500 per month to \$6,000.

20. The property is owned by Defendant Dr. Bomerhi's wife. This increase was made unilaterally by the Defendant's wife.

The Receiver declines to recognize this rental increase or adjust the distributions to the Parties as a result of it. This act was taken outside the corporation's normal course of business by the Defendant without consulting Plaintiff, who owned 50% of the subject corporation's stock at that time. Defendant's objectivity and fairness was compromised by a conflict of interest, self-dealing and this litigation.

21. Plaintiff questioned bills submitted by Ted Pettko a CPA in Pittsburgh who has assisted the corporation and the Defendant with tax matters. After evaluation, the Receiver has paid all Mr. Pettko's bills to date. His services were rendered to the corporation

generally and benefited both Parties. This applies both to services rendered prior to the Receivership and during the Receivership.

The Receiver declines to make any further adjustment to the Parties' distribution in this regard.

22. Plaintiff's counsel questioned whether the Defendant took a \$12,000 bonus in 2007. Nothing was found by or submitted to the Receiver to substantiate a bonus was taken.

Therefore the Receiver declines to make any adjustment to the Parties' distribution in this regard.

23. Plaintiff questioned the bill submitted by Department of Revenue for 941 tax in the amount of \$493.52 with accrued penalty. The Receiver agrees that this tax penalty should be solely the responsibility of the Defendant. (ck #1022 & #1023) An appropriate adjustment has been made to Defendant's column on the Account attached as Exhibit A.

24. Plaintiff questioned the bill submitted by Christoff Mitchell Petroleum in the amount of \$419.67. (ck #1028) This fuel was delivered just days before Plaintiff and her staff vacated the premises. The Receiver agrees that this bill should be solely the responsibility of the Defendant since Plaintiff did not occupy the office building and benefit from this delivery of fuel. The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

25. Plaintiff questioned the additional charges of \$353.53 for the Verizon Remote Call Forwarding. Upon review of the monthly statement Remote Call Forwarding is \$16.50, each doctor's share would be \$8.25 which includes their respective share of taxes and surcharges. Receiver agrees that any charges above that amount should be the sole

responsibility of the Defendant. (check #s 1029, 1031, 1033, 1035 thru 1042) The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

26. Plaintiff and Defendant are in agreement that the Henry Schein invoice for the amount of \$7.99 that was paid for on January 6, 2009 is Dr. Boumerhi's alone. This was for equipment repair and should have not been billed to Moshannon Valley Family Dentistry. (ck # 1030) The Receiver made an appropriate adjustment to Defendant's column of the Account attached as Exhibit A.

27. The Parties split general overhead expense, such as utilities and rent, 50 - 50.

28. They allocated the cost of supplies in proportion to their relative billings. Supplies consist of expendable items, such as gloves, medications, disposable items, etc.

29. The Attorneys for the Parties have agreed that the supply allocation during the period of Receivership should be made 18.5% Dr. Gavlak and 81.5% Dr. Boumerhi.

30. Attached hereto and incorporated herein by reference as Receiver's Exhibits D & E is a schedule of all checks issued by the Receiver. The Receiver and his secretary have reviewed the underlying invoices for each. Each spreadsheet is identified at its top: Exhibit C being the Overhead Expenses and Exhibit D being the Supply Expenses, respectively.

31. On the basis on this review the Receiver concludes \$10,089.46 represents general overhead expenses to be split 50- 50 between the Parties, and \$4,647.77 represents supply expenses that should be allocated 18.5% - 81.5% between the Parties.

32. This results in the following monetary allocation of these expenses:

Dr. Gavlak (Plaintiff)

Dr. Boumerhi (Defendant)

Overhead Expense 50 - 50

\$140.95	Penelec	\$140.95	ck #1002
\$30.28	Veolia ES	\$30.29	ck #1003
\$25.67	Paris Uniform Rental	\$25.66	ck #1005
\$13.37	Mineral Springs Bottling	\$13.38	ck #1006
\$1,942.50	Peter F. Smith, Atty.	\$1,942.50	ck #1008
\$87.80	John Glenn Sanitation	\$87.80	ck #1009
\$82.61	Paris Uniform Rental	\$82.60	ck #1010
\$93.83	Veolia ES	\$93.83	ck #1012
\$250.00	Ted M. Pettko, CPA	\$250.00	ck #1014
\$98.11	Verizon	\$98.11	ck #1015
\$39.10	Verizon	\$39.11	ck #1016
\$130.68	Penelec	\$130.68	ck #1018
\$118.00	Municipal Sewer of Houtzdale	\$118.00	ck #1020
\$28.47	Paris Uniform Rental	\$28.47	ck #1021
\$1,675.00	Ted M. Pettko, CPA	\$1,675.00	ck #1027
\$23.48	Verizon	\$23.48	ck #1029
\$11.75	Verizon	\$11.74	ck #1031
\$89.96	Idearc	\$89.96	ck #1032
\$14.25	Verizon	\$14.26	ck #1033
\$27.19	Idearc	\$27.20	ck #1034
\$27.53	Verizon	\$27.52	ck #1035
\$13.53	Verizon	\$13.53	ck #1036
\$13.45	Verizon	\$13.45	ck #1037
\$13.32	Verizon	\$13.33	ck #1038
\$13.41	Verizon	\$13.42	ck #1039
\$13.64	Verizon	\$13.64	ck #1040
\$13.51	Verizon	\$13.50	ck #1041
<u>\$13.34</u>	Verizon	<u>\$13.34</u>	ck #1042
\$5,044.73		\$5,044.73	

Dr. Gavlak (Plaintiff)

Dr. Boumerhi (Defendant)

Supply Expense 18.5% - 81.5%

\$19.59	Dental City	\$86.32	ck #1001
\$48.17	Valley National Gases	\$212.21	ck #1004
\$93.30	Darby Dental Supply, Inc.	\$411.03	ck #1007
\$127.75	Valley National Gases	\$562.79	ck #1011

\$27.20	Darby Dental Supply, Inc.	\$119.84	ck #1013
\$426.32	Henry Schein	\$1,878.11	ck #1017
<u>\$117.50</u>	Henry Schein	<u>\$517.64</u>	ck #1019
\$859.84		\$3,795.93	

33. Item 14 of the Parties' Stipulation which was entered as an Order of this Court requires that a telephonic message service be maintained for 1 year following the Stipulation ending on September 1, 2009.

34. The fee for this service through Verizon is \$16.50 per month plus the accrued taxes and surcharges.

35. For reasons unknown the messaging service did not end on September 1, 2009 and last invoice of \$16.50 plus the accrued taxes and surcharges was paid by the Receiver on December 4, 2009.

36. The Receiver has continued to pay this bill through December 4, 2009,

37. Dr. Boumerhi established this service on behalf of the Parties. Perhaps Verizon must hear from him. The number was associated with his earlier dental practice.

38. Therefore the Receiver proposes that responsibility for any subsequent bills for termination of this service be delegated to Dr. Boumerhi.

39. The Receiver has submitted two written requests to Idearc which provides the ads in the Yellow Pages, to request that it be terminated. The Receiver was informed by a representative on November 30, 2009 that advertisement services for Moshannon Valley Family Dentistry were paid and concluded on July of 2009. For reasons unknown to the Receiver, Idearc has disregarded these requests and the service still continues.

40. Therefore the Receiver proposes that responsibility for any subsequent bills for termination of this service be delegated to Dr. Boumerhi.

41. Moshannon Valley Family Dentistry, Inc. maintained an Employee Retirement Plan through Fidelity Investments. Both Plaintiff and defendant were trustees. The Defendant has continued to use this plan for the subject corporation, of which Defendant is now the sole owner. Therefore the Plaintiff should resign as Plan Trustee, unless she had already done so, and terminate any other relationships with this plan. The Receiver has suggested appropriate language in the proposed Order.

42. Throughout administration the Receiver has had mail to the subject corporation directed to the Receiver's post office box. There has been no mail for several weeks. The Receiver has been advised through his secretary who in consultation with the representative's from each dentist's office has concluded that all bills of the subject corporation have been paid and checks to the subject corporation received.

43. The Parties have spent the period of April through November of 2009 debating who is entitled to adjustment of paid by deducting the funding from the other party for supplies and overhead expense incurred during the first five months of 2008. That period preceded the appointment of the Receiver.

44. Dr. Gavlak claims she is entitled to \$7,309.01, and Dr. Boumerhi claims that he is entitled to \$11,337.71.

45. The Receiver has given the Parties and their counsel adequate opportunity to review and to develop support for their positions on this issue. Dr. Boumerhi retained the services of Douglas Shimmel, CPA, but Dr. Gavlak and her counsel did not find Mr. Shimmel's report persuasive.


46. The Receiver offered to conduct a hearing on this issue. The Parties declined.

47. The Receiver finds that neither Party has carried his or her burden of proof, and the Receiver therefore makes no additional adjustment to reconcile supply and overhead expense as alleged by each party.

48. The Receiver believes that the Receiver's Proposed Order which is submitted with this Report addresses all remaining issues and that it is appropriate to conclude the Receivership at this time.

WHEREFORE, the Receiver prays this Honorable Court to enter the proposed Order which approves this Report, approves and directs the payments and distributions indicated on the Receiver's Exhibit A, terminates the Receivership and provides other relief which the Court in its discretion shall find appropriate.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'P. F. Smith', written over a horizontal line.

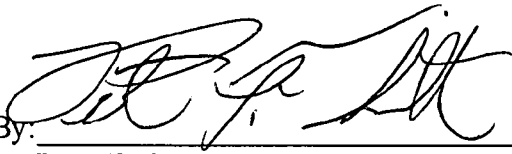
Peter F. Smith, Receiver

Date: February 24, 2010

VERIFICATION

I verify that the statements made in this Receiver's Report are true and correct. I understand that false statements herein are made subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities.

Dated: 2/24/2010

By: 
Peter F. Smith,
Court Appointed Receiver

Total deposits in Receiver's Account: **\$110,794.01 - \$653.01 (credit deposit) \$110,141.00**
As of 12/07/2009

Interim Distribution:	\$45,699.93	<u>Dr. Gavlak</u> \$619.32	<u>Dr. Boumerhi</u> \$45,015.31 <u>\$ 65.00</u> \$45,080.31
50/50 Overhead: (Including Receiver's fees)	\$10,089.46	\$5,044.73	\$5,044.73
18.5/ 81.5 Supplies:	\$4,647.77	\$859.83	\$3,787.94
941 Tax w/ interest	\$493.52	-0-	\$493.52
Christoff Mitchell Petroleum Fuel	\$419.67	-0-	\$419.67
Additional charges For Verizon	\$349.83	-0-	\$349.83
Henry Schein	\$7.99	-0-	\$7.99
Disputed Rent: No Allocation Per # 18	\$0.00	-0-	-0-
Pettko's fees: No allocation Per # 19	\$0.00	-0-	-0-
Bonus: No allocation Per # 20	\$0.00	-0-	-0-
Paid disbursements:	\$61,707.87	\$6,523.88	\$55,183.99
Total Cks paid	\$61,707.87	Bills Pd by Dr. B	\$10,103.68
Total Pd To Drs.	<u>\$45,699.63</u>	Bills Pd by Dr. G	<u>\$ 5,904.56</u>
Total	<u>\$16,008.24</u>		<u>\$16,008.24</u>
Total Deposits	\$110,794.01	Original CD	\$70,000.00
Disbursements Pd	<u>\$ 61,707.87</u>	deducted from CD	<u>\$32,000.00</u>
	\$49,086.14	Left in CD	\$38,000.00
Money for CD	<u>\$38,000.00</u>	Interest	<u>\$ 399.98</u>
Balance in Ck.	\$11,086.14	Balance from CD	\$38,399.98
Total in CD and Checking Account	\$49,486.12		
Unpaid disbursements Due Receiver	<u>\$ 8,437.24</u>		
Left to be disbursed	<u>\$41,048.88</u>		
Due each respective Dr.:		\$7,594.04	\$33,454.84

November 17, 2009

Dr. Jolene Gavlak-Vaughn
C/o Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

Dr. Pierre Boumerhi
C/o Robert E. Dauer, Jr. Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

PETER F. SMITH
Attorney
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

(814) 765-5595

BILL FOR ADMINISTRATIVE SERVICES
Gavlak-Vaughn v. Boumerhi
Clearfield County Docket No. 2008-109-CD

ADMINISTRATIVE INVOICE:

10/07/08	Worked on Spreadsheets	30 min.
10/10/08	Worked on bills	30 min.
10/13/08	Worked on bills started calling businesses to establish Priority of invoices Drafted new spreadsheets for Dr Boumerhi's invoices Called Paris spoke with Shannon Called Sullivan-Schein Dental spoke with Tamelia	4 hrs.
10/14/08	Worked on bills and spreadsheets Called Valley National Gas left message	3 hrs.

Receiver's Exhibit B

10/15/08	Worked on bills and paid bills, called Veolia spoke with Karen, called Darby Dental spoke with Wilma Call Ted Pettko regarding invoice	2 hrs.
10/16/08	Looked over two Verizon invoices, call to Dr. Boumerhi's office	1 hr.
10/21/08	Worked on bills, made calls to Sullivan Schein Dental Talked with Tameila to verify invoice	30 min.
10/23/08	Conference with Lynne & Linsey reviewed mail, sorted bills, copied and drafted letters Called Dr. Boumerhi's and Dr. Gavlak's offices	4 hrs.
10/24/08	Worked on spreadsheets	1 hr.
10/30/08	Copied and mailed documents to each Doctor	2 hrs.
11/07/08	Worked on bills and reviewed with PFS Paid bills	2 hrs.
11/13/08	Conference with Lynne and Linsey reviewed mail, sorted bills, made copies, drafted letters and reviewed CMP invoice made calls Calls to Dr. Boumerhi's and Dr. Gavlak's offices	3 hrs.
11/17/08	Reviewed documents with PFS	30 min.
11/24/08	Worked on spreadsheets	1 hr.
11/25/08	Revised Spreadsheets worked on Fidelity disbursement	1 hr.
12/4/08	Conference with Lynne and Linsey reviewed mail, Sorted bills, made copies, drafted letters and reviewed	2 hrs.
12/8/08	Reviewed with PFS, IRS invoice Re: penalty tax from 6/2008 and paid IRS	30 min.
12/9/08	Sent out copies to Dr. Boumerhi	15 min.
12/11/08	Worked on spreadsheets	1 hr.
12/23/08	Reviewed filed sent copies to Dr. Gavlak	20 min.
12/30/08	Conference with Lynne and Linsey, reviewed mail, Sorted bills, made copies, drafted letters and reviewed	2 hrs.

01/05/09	Several calls from Dr. Boumerhi's office Re: CMP & Verizon	20 min.
01/07/09	Worked on spreadsheets	30 min.
01/15/09	Conference with Lynne and Linsey, reviewed mail, Sorted bills, made copies, drafted letters and reviewed	1 hr. 30 min.
01/16/09	Worked on spreadsheets	30 min.
01/21/09	Worked on review of documents	30 min.
01/23/09	Letters to each doctors with original documents	30 min.
01/26/09	Worked on spreadsheets	20 min.
01/28/09	Worked on spreadsheets	30 min.
02/04/09	Organized file, prepared mail to be opened for ladies	30 min.
02/05/09	Conference with Lynne and Linsey, reviewed mail, Sorted bills and letters	1 hr.
02/06/09	Made copies, drafted letters and reviewed	30 min.
02/17/09	Agendized file worked on spreadsheets	20 min.
02/19/09	Conference with Lynne and Linsey, reviewed mail, Made copies and letters	1 hr.
02/24/09	Worked in file regarding bills, incoming mail, 1099s And spreadsheets	1 hr. 30 min.
02/25/09	Worked on 1099s to go to the accountant	30 min.
03/06/09	Worked on spreadsheets	1 hr.
03/09/09	Worked on spreadsheets	1 hr.
03/16/09	Worked on spreadsheets	1 hr. 30 min.
03/20/09	Worked on spreadsheets	1 hr.
04/02/09	Conference with Lynne and Linsey, reviewed & sorted mail, made copies	1 hr.
06/25/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	20 min. 10 min.

07/01/09	Talked with Lynne at Dr. Boumerhi's office regarding the Trustee Certification for Dr. Gavlak to sign off as Trustee of the Fidelity accounts, researched the files	30 min.
07/30/09	Copied and forwarded Fidelity information to Lynne	15 min.
8/27/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	30 min.
11/17/09	Conference with Lynne and Lindsey, reviewed mail Sorted and consulted with Mr. Smith	20 min. 10 min.

Total time: 49.66 Hours

TOTAL AMOUNT DUE PETER F. SMITH, ATTORNEY - \$2,532.66

November 17, 2009

Dr. Jolene Gavlak-Vaughn
C/o Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 S. Atherton Street
State College, PA 16801

Dr. Pierre Boumerhi
C/o Robert E. Dauer, Jr. Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

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Clearfield, PA 16830

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RECEIVER'S BILL
Gavlak-Vaughn v. Boumerhi
Clearfield County Docket No. 2008-109-CD

09/08/08	Drafted Order and letter, reviewed	20 min.
09/09/08	Letter Judge with Order and Stipulation	15 min.
09/12/08	Letter	15 min.
09/16/08	Deposited checks	20 min.
09/22/08	Letter	15 min.
09/23/08	Calls Atty. Yurchak and Atty. Dauer	05 min.
09/25/08	Prep travel Houtzdale, inspection of equipment	3 hrs. 15 min.
09/26/08	Letter Attys. Yurchak and Dauer, revised letter x3	45 min.
09/29/08	Drafted Order and letter, revised	30 min.

Receiver's Exhibit C

10/02/08	Letter Judge and letter Attys. Yurchak & Dauer Certified copies of Order	25 min. 15 min.
10/03/08	Emails	05 min.
10/06/08	Call Atty. Yurchak, message Atty. Dauer Reviewed Stock Power, Affidavit	15 min. 15 min.
10/07/08	Prep travel Houtzdale, drafted letter Revised letter Revised spreadsheets Emails w/ Atty. Dauer	3 hrs. 55 min. 15 min. 20 min. 10 min.
10/08/08	Worked on Response Revised	2 hrs. 15 min. 50 min.
10/10/08	Letter Attys. Yurchak and Dauer Reviewed Dr. Bomerhi's email, revised letter	20 min. 10 min.
10/11/08	Worked on bills	30 min.
10/15/08	Call Valley National Gas	05 min.
10/16/08	Two messages for Linda at Valley National Gas Calls with loan officers @ Citi, Message Atty. Dauer and call Atty. Yurchak	05 min. 30 min.
10/20/08	Emails, reviewed closing documents, bills paid and letter	40 min.
10/24/08	Worked on bills	30 min.
11/07/08	Paid bills, reviewed bank statement and spreadsheets	25 min.
11/10/08	Letter Attys. Yurchak and Dauer Letter to Ted Pettko, CPA, revised	25 min.
11/13/08	Reviewed recent mail	10 min.
11/17/08	Reviewed mail w/ Jenn, call CNB	35 min.
11/18/08	Letter Attys. Yurchak and Dauer, revised	25 min.
11/24/08	Call Pettko, letter Attys. Yurchak and Dauer	20 min.
2/18/09	Reviewed recent correspondence, Call Atty. Dauer	15 min.

2/19/09	Letter Re: Idreac	15 min.
2/27/09	Paid Idearc	05 min.
3/4/09	Read Atty. Yurchak's letter	10 min.
3/10/09	Worked on Report and drafted proposed Order, Email Atty. Yurchak and Dauer	40 min.
3/12/09	Letters for bill approval, worked on proposed Order Letter Pettko	10 min.
3/17/09	Worked on Report and Order	15 min.
3/19/09	Worked on Report and Order	45 min.
3/24/09	Worked on Report	20 min.
3/27/09	Conference with Jenn	10 min.
4/1/09	Worked on Accounting and Report	30 min.
4/6/09	Letter Attorneys Revision	20 min. 10 min.
4/13/09	Revised Report and Preliminary Order and Letter to Judge	30 min.
4/14/09	Worked on Report and Orders	35 min.
4/15/09	Worked on Report, Orders and Praeipce to Transmit	40 min.
4/27/09	Call Judge Ammerman and Court Adm.	10 min.
5/4/09	Reviewed Supply Reconciliation, letter to Attorneys	25 min.
5/12/09	Letter and reviewed checks, etc.	20 min.
5/18/09	Reviewed email	10 min.
5/20/09	Call Atty. Dauer	05 min.
5/28/09	Conference w/ Judge Ammerman	25 min.
5/29/09	Letter to Attorneys	15 min.
6/11/09	Reviewed letter Atty. Dauer	15 min.
8/10/09	Letter to Fidelity Re: Trustee Certification Forms	15 min.

9/9/09	Reviewed letter Atty. Dauer	10 min.
9/11/09	Letter to Attorneys Dauer and Yurchak	10 min.
9/14/09	Reviewed letter Atty. Yurchak	05 min.
10/2/09	Letter Attorneys regarding dates	10 min.
10/5/09	Reviewed email	10 min.
10/16/09	Letter to Attorneys Yurchak and Dauer	10 min.
10/23/09	Letter Atty. Yurchak	10 min.
11/5/09	Revised Report and Order	45 min.

Total time: 30.16 Hours @ \$195.00 = \$5,881.20

ADVANCED FEES:

8/28/09	Fed Ed - Fidelity Inv. (2 Trustee Certification Forms) -	\$23.38
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TOTAL AMOUNT DUE PETER F. SMITH, ATTORNEY - \$5,904.58

MOSHANNON VALLEY FAMILY DENTISTRY

OVERHEAD EXPENSES ONLY

Paid By Attorney Peter F. Smith, Receiver

Date of Bill	Date paid	Name of Invoice	amt paid	check no.	Boumerhi 50%	Gavlak 50%
7/31/2008	8/8/2008	Penelec	\$281.90	1002	\$140.95	\$140.95
6/25/2008	8/8/2008	Veolia ES	\$60.57	1003	\$30.29	\$30.28
6/30/2008	8/8/2008	Paris Uniform Rental	\$51.33	1005	\$25.66	\$25.67
7/18/2008	8/8/2008	Mineral Springs Bottling	\$26.75	1006	\$13.38	\$13.37
9/8/2008	9/12/2008	Peter F. Smith, Receiver	\$3,885.00	1008	\$1,942.50	\$1,942.50
10/1/2008	10/15/2008	John Glenn Sanitation	\$175.60	1009	\$87.80	\$87.80
9/22/2008	10/15/2008	Paris Uniform Rental	\$165.21	1010	\$82.61	\$82.61
9/30/2008	10/15/2008	Veolia ES	\$187.66	1012	\$93.83	\$93.83
8/5/2008	10/15/2008	Ted M. Pettka, CPA	\$500.00	1014	\$250.00	\$250.00
9/19/2008	10/16/2008	Verizon	\$196.22	1015	\$98.11	\$98.11
9/19/2008	10/16/2008	Verizon	\$78.21	1016	\$39.11	\$39.10
10/14/2008	10/21/2008	Penelec	\$261.36	1018	\$130.68	\$130.68
9/30/2008	11/7/2008	Municipal Sewer of Haut	\$236.00	1020	\$118.00	\$118.00
10/20/2008	11/7/2008	Paris Uniform Rental	\$56.94	1021	\$28.47	\$28.47
10/10/2008	12/9/2008	Pierre Boumerhi, DMD	\$45,015.31	1024	\$0.00	\$0.00
	12/9/2008	Jolene Gavlak-Vaughn, DMD	\$619.32	1025	\$0.00	\$0.00
	11/22/2008	Pierre Boumerhi, DMD	\$65.00	1026	\$0.00	\$0.00
9/3 & 10/16/08	12/23/2008	Ted M. Pettka, CPA	\$3,350.00	1027	\$1,675.00	\$1,675.00
12/19/2008	1/6/2009	Verizon	\$117.20	1029	\$23.48	\$23.48
1/19/2009	2/11/2009	Verizon	\$57.01	1031	\$11.74	\$11.75
	2/26/2009	Idearc	\$179.91	1032	\$89.95	\$89.96
2/19/2009	3/10/2009	Verizon	\$67.59	1033	\$14.26	\$14.25
	4/6/2009	Idearc	\$54.39	1034	\$27.20	\$27.19
	5/13/2009	Verizon	\$112.25	1035	\$27.52	\$27.53
	5/28/2009	Verizon	\$50.06	1036	\$13.52	\$13.53
9/3	7/6/2009	Verizon	\$48.12	1037	\$13.45	\$13.45
	8/10/2009	Verizon	\$45.20	1038	\$13.33	\$13.32
	8/25/2009	Verizon	\$47.33	1039	\$13.41	\$13.42
	9/30/2009	Verizon	\$52.72	1040	\$13.64	\$13.64
	11/13/2009	Verizon	\$49.37	1041	\$13.51	\$13.50
	12/4/2009	Verizon	\$45.39	1042	\$13.34	\$13.34
Total					\$5,044.73	\$5,044.73
				Dr. Boumerhi		Dr. Gavlak

TOTAL AMT: \$56,138.92

Receiver's Exhibit D

MOSHANNON VALLEY FAMILY DENTISTRY

SUPPLY EXPENSES ONLY

Paid By Attorney Peter F. Smith, Receiver

Date paid	Name of Invoice	amt paid	Check No.	Boumerhi 0.815	Gavlak 0.185
8/8/2008	Dental City	\$105.91	1001	\$86.32	\$19.59
8/8/2008	Valley National Gas	\$260.38	1004	\$212.21	\$48.17
8/8/2008	Darby Dental Supply, LLC	\$504.33	1007	\$411.03	\$93.30
10/15/2008	Valley National Gas	\$690.54	1011	\$562.79	\$127.75
10/15/2008	Darby Dental Supply, LLC	\$147.04	1013	\$119.84	\$27.20
10/21/2008	Henry Schein	\$2,304.43	1017	\$1,878.11	\$426.32
11/7/2008	Henry Schein	\$635.14	1019	\$517.64	\$117.50
1/6/2009	Henry Schein	\$7.99	1030	\$7.99	
	Dr. B's only				
		\$4,655.76			
	Total			\$3,795.93	\$859.83

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

NO. 08-109-CD

vs.

PIERRE BOUMERHI
Defendant

FILED

FEB 25 2010

William A. Shaw
Prothonotary/Clerk of Courts

3 sent to

Att

ORDER

AND NOW 24 day of February, 2010, upon consideration of the
Receiver's Report dated December 10, 2009 and filed in this matter, no objection thereto
having been made by the Parties, it is,

ORDERED, ADJUDGED and DECREED as follows:

1. The Receiver's Report is approved.
2. The Receiver's bill for his services and his secretary's services are approved,
and the Receiver is authorized to issue a check to himself for the total amount due for those
services of \$8,437.24 from the Receiver's account.
3. As directed by the Receiver, Dr. Boumerhi continued the telephonic message
service established by Item 14 of the Parties' September 11, 2008 Stipulation through
September 1, 2009, the \$16.50 per month fee with accrued taxes and surcharges for this
service has been paid by the Receiver in full.
4. Dr. Boumerhi is now the sole owner of the subject Corporation. Therefore he
is directed to make sure that the Corporation files in a timely fashion all Workmen's
Compensation, Unemployment Compensation, local, state and federal tax reports, returns and
all other documents required, and the Corporation Moshannon Valley Family Dentistry, Inc.

is wholly and solely liable for any additional tax, interest, penalties, contributions or assessments in those regards and shall indemnify and hold the Plaintiff Dr. Gavlak-Vaughn and the Receiver harmless therefrom.

5. Each Party is placed under a continuing obligation to promptly provide the other upon written request with such information as is reasonably necessary for the requesting party to complete their taxes or respond to other legitimate inquiries.

6. The Receiver is direct to terminate the Receiver's bank account and CD by making distribution to the parties as specified in Receiver's Exhibit A, to wit:

- i. To Plaintiff Dr. Jolene Gavlak- Vaughn - \$7,594.04
- ii. To Defendant Dr. Pierre Bomerhi - \$33,454.84

Together with the respective shares of any interest accruing thereon after the date of the Receiver's Report.

7. Dr. Bomerhi shall be responsible for any further bills for the answering service issued by Verizon after the last invoice was paid by the Receiver which was dated December 4, 2009 and for the services provided by Idearc that was last paid by the Receiver dated April 2009.

8. Dr. Bomerhi shall also be responsible for maintaining, changing or terminating this service.

9. Unless she has already done so, Plaintiff is directed to immediately execute a written resignation from her position as Trustee of any and all pension or retirement plans for the subject corporation, specifically the plan at Fidelity Investments, Moshannon Valley Family Dentistry, Inc.

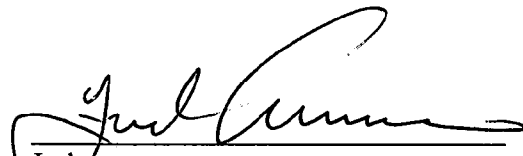
10. Unless she has already done so, Plaintiff is further directed to terminate any further relations she may have with the pension or retirement plans of the subject corporation and is directed to comply with all reasonable requests in this regard in the future.

11. Unless he has already done so and to the extent necessary in the future, the Defendant shall promptly provide to Plaintiff any information regarding the plan during Plaintiff's period of participation necessary or convenient for the Plaintiff to complete her federal, state or local tax reporting requirements or for legitimate accounting or plan administration reasons.

12. Upon completion of the final responsibilities, specified in this Order, the Receivership is terminated, and the Receiver is discharged from further responsibility or liability.

By the Court,

Date:


Judge

William A. Shaw
Prothonotary/Clerk of Courts

FEB 25 2010

FILED

DATE: 2-25-10
X You are responsible for serving all appropriate parties.
The Prothonotary's office has provided service to the following parties:
Plaintiff(s) _____
Defendant(s) _____
Plaintiff(s) Attorney _____
Defendant(s) Attorney _____
Other _____
Special Instructions: _____

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN :
Plaintiff :

NO. 2008-109-CD

vs. :

PIERRE BOUMERHI :
Defendant :

FILED

FEB 26 2010

0 7:10:40/W
William A. Shaw
Prothonotary/Clerk of Courts

1 sent to

Att (60)

CERTIFICATE OF SERVICE

I, Peter F. Smith, Court appointed Receiver in the above-captioned matter, certify that a true, correct and certified copies of the **FINAL ORDER** dated February 25, 2010 was sent U.S. First Class to Kathleen V. Yurchak, Attorney for the Plaintiff and was sent U.S. First Class Post Prepaid to Robert E. Dauer, Jr. Attorney the Defendant on February 25, 2010 at the following address:

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 South Atherton Street
State College, PA 16801

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

Respectfully submitted,

Date: February 25, 2010



Peter F. Smith, Esquire
Attorney for Plaintiff
P.O. Box 130, 30 South Second St.
Clearfield, PA 16830
(814) 765-5595

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY,
PENNSYLVANIA CIVIL DIVISION

JOLENE GAVLAK-VAUGHN :
Plaintiff :

vs. :

PIERRE BOUMERHI :
Defendant :

NO. 2008-109-CD ~~I hereby certify this to be a true
and attested copy of the original
statement filed in this case.~~

~~FEB 26 2010~~

~~Attest.~~

~~William A. Shaw
Prothonotary/
Clerk of Courts~~

CERTIFICATE OF SERVICE

I, Peter F. Smith, Court appointed Receiver in the above-captioned matter, certify that a true and correct copies of the REVISED PROPOSED FINAL ORDER was sent U.S. First Class to Kathleen V. Yurchak, Attorney for the Plaintiff and was sent U.S. First Class Post Prepaid to Robert E. Dauer, Jr. Attorney the Defendant on February 24, 2010 at the following address:

Kathleen V. Yurchak, Esquire
Goodall & Yurchak
328 South Atherton Street
State College, PA 16801

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304

Respectfully submitted,



Date: February 24, 2010

Peter F. Smith, Esquire
Attorney for Plaintiff
P.O. Box 130, 30 South Second St.
Clearfield, PA 16830
(814) 765-5595

FILED NoCC.
01/10:48am
MAR -2 2010

William A. Shaw
Prothonotary/Clerk of Courts

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

:
:
:
:
:
:
:

No: 08-109-CD

TYPE OF MATTER:
Civil

TYPE OF FILING:
Motion to Set Aside Final Court Order Due to
Error of Receiver

FILED ON BEHALF OF:
Plaintiff, Jolene Gavlak-Vaughn

COUNSEL FOR PARTY:
Kathleen V. Yurchak, Esq.
Pa.I.D. 55948
GOODALL & YURCHAK, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
(814) 237-5601 -fax
yurchak@centrelaw.com

FILED

APR 19 2010

William A. Shaw
Prothonotary/Clerk of Courts

icc
MIT: 18/201
Atty
Yurchak

60

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,	:	
Plaintiff/Petitioner,	:	
	:	
v.	:	No: 08-109-CD
	:	
PIERRE BOUMERHI,	:	
Defendant/Respondent.	:	

**MOTION TO SET ASIDE FINAL COURT ORDER DUE TO
ERROR OF RECEIVER**

Plaintiff, Jolene Gavlak-Vaughn, by and through her attorneys, Goodall & Yurchak, P.C., files a Motion to Set Aside Final Court Order Due to Error of Receiver and states as follows:

1. By Order dated June 2, 2008, this Court appointed Peter F. Smith, Esquire as Receiver in this matter.
2. One of the Receiver's responsibilities in this matter was to collect deposits paid to the dissolving corporation Moshannon Valley Family Dentistry, Inc. ("the Corporation") and disburse those funds to pay any ongoing expenses.
3. The shareholders of the Corporation were Plaintiff Gavlak-Vaughn and Defendant Pierre Boumerhi., each practicing dentists.
4. The shareholders had a financial arrangement whereby income would be attributed to each dentist performing the service, with expenses paid by the Corporation on a 50/50 basis except for supplies, which were paid for based on a production formula.
5. After all corporate income was collected by the Receiver during the

pendency of the receivership, the Corporation had income in excess of expenses. The Receiver was then responsible for distributing the remainder to the shareholders, Jolene Gavlak-Vaughn and Pierre Boumerhi.

6. The process was a lengthy one, with Dr. Gavlak-Vaughn questioning certain expenditures such as the appropriate rental payments to be made to Dr. Boumerhi's wife, the appropriate allocation of charges to each doctors' practice and the appropriate payment to the corporation's accountant, who also assisted Dr. Boumerhi in individual matters.

7. The Receiver paid himself for his services rendered in this matter and also paid his secretary for administrative services at the rate of \$51.00 per hour. The charges for the Receiver were \$195.00 per hour. The Receiver paid himself and his staff in excess of \$12,322.34 from the Corporation income.

8. Ultimately, the Receiver made his determination regarding those questioned allocation and expenses. The Receiver included his determinations in an initial Receiver's Report and proposed Order filed with the Court on December 1, 2009 (The "December 2009 Report").

9. In the December 2009 Report, the Receiver attached an allocation of expenses indicating that he was splitting the overhead charges for the operation of the corporation on a 50/50 basis and splitting the allocation of supplies on a 81.5/18.5 basis based on production. Dr. Boumerhi and Dr. Gavlak-Vaughn consented to the 81.5/18.5 split. See p. 7. Dr. Boumerhi and Dr. Gavlak-Vaughn had an understanding that while overhead would be split on a 50/50 basis, supplies would be paid for based upon the volume of the business with Dr. Boumerhi paying for 81.5% of supplies and Dr. Gavlak-

Vaughn 18.5%. However, this 81.5/18.5% allocation was only applicable to supplies.

10. While the Receiver outlined his methodology for allocating the respective costs to each doctor in the December 2009 Report, he did not insert a final number to be distributed as he left the number blank on Receiver's Exhibit A. Plaintiff Gavlak assumed that the Receiver left the amounts due each respective doctor blank as additional Receiver fees would be added.

11. Once the December 2009 Report was filed, this Court entered an Order on December 14, 2009 providing the parties with 30 days from the date of the Order to file written exceptions.

12. As Dr. Gavlak-Vaughn had no objection to the methodology outlined by the Receiver in the Report, she did not file an objection.

13. After receiving no objection to the December 2009 Report, Receiver Smith filed a revised Receiver's Report dated February 24, 2010 (the February 2010 Report). In the February 2010 Report, the Receiver again explained that his methodology was to make the appropriate deductions based upon his determination regarding rental, accountant fees, etc. and split the general overhead expenses 50/50 and allocate the supplies 81.5/18.5 respectively. He then indicated on Receiver's Exhibit A (previously blank on the December 2009 Report) that the amount due each doctor was \$7,594.04 to Dr. Gavlak and \$33,454.84 to Dr. Boumerhi.

14. The Court allowed no objection period to this Final Order and then entered a Order approving the February 2010 Report.

15. On March 29, 2010, the Receiver sent a letter to counsel for Dr. Gavlak-Vaughn and Dr. Boumerhi indicating as follows:

"I enclose with each of your letters final disbursement checks. Included with each of your checks is the interest that accrued for the month of March.

I enclose with Kathleen's copy of this letter, a check payable to her as attorney for Dr. Jolene Gavlak-Vaughn, in the amount of \$7,619.65 which represents her 18.5% of distribution.

I enclose with Rob's copy of this letter, a check made payable to him as attorney for Dr. Pierre Boumerhi, in the amount of \$33,567.67 which represents 81.5% of distribution.

I am pleased to say that final distribution in this matter has been concluded."

16. In the March 29, 2010 correspondence, the Receiver for the first time indicated that his methodology of distributing the remaining corporate deposits was to split the amount 18.5% to Dr. Gavlak-Vaughn and 81.5% to Dr. Boumerhi.

17. This 18.5/81.5% distribution is an error made by the Receiver. The 18.5/81.5% split was only an agreement the shareholders had relating to supplies and should never have been used for all income.

18. Immediately upon receipt of the letter and check, Dr. Gavlak-Vaughn contacted the Receiver to advise him of his clear error in this matter, which was not disclosed in the previous Receiver's reports. The resulting error allowed Dr. Boumerhi to receive at least \$3,791.00 of Dr. Gavlak-Vaughn's income and \$5,477 that was simply income unaccounted for by the Receiver which he improperly awarded to Dr. Boumerhi under his 18.5/81.5 split.¹

¹Using the income and expense allocation on the December 2009 Report on Exhibit A, adjusted income less expenses show \$11,410.87 due to Dr. Gavlak-Vaughn and \$24,299.64 due to Dr. Boumerhi with \$5,477 unaccounted for by the Receiver. The Receiver then incorrectly awarded that entire \$5,477 to Dr. Boumerhi under his 18.5/81.5 split. See Exhibit B.

19. While the Receiver was paid both receiver's fees and secretarial services at the rate of \$51.00 per hour to arrive at this calculation, he has declined to remedy this situation indicating that he does not believe he has any authority to rectify his mistake. He suggested that Dr. Gavlak-Vaughn spend additional resources and contact Dr. Boumerhi's counsel to straighten out the matter.

20. Dr. Gavlak-Vaughn has contacted Dr. Boumerhi's counsel but has not received a response.

21. Unfortunately, Dr. Gavlak-Vaughn is in the position of spending additional monies in order to correct a mistake made by the Receiver which was not contrary to the methodology shown on the reports filed with this Court and only disclosed in the final disbursement check revealing the improper methodology in distribution.

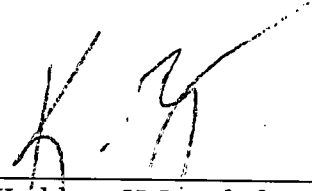
22. Dr. Gavlak-Vaughn requests that this Court remedy the situation by revising the distribution amount to the following:

a.) order that the amounts be adjusted by the Receiver as follows:

1. Dr. Gavlak-Vaughn receives the amount of \$11,410.00 based on the income and expenses reconciliation in Exhibit A.
2. Dr. Boumerhi received \$24,299 based upon the income and expenses reconciliation in Exhibit A.,
3. the remainder of \$5,477 which was not included by the Receiver in any reconciliation be divided 50/50 with each doctor receiving \$2,738.

WHEREFORE, Dr. Gavlak-Vaughn requests that the Court grant the relief requested or such other and further relief as the Court deems appropriate.

Dated: 04/16/10



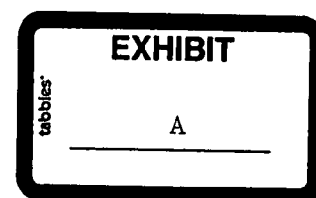
Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

Total deposits in Receiver's Account: \$110,789.11
As of 12/07/2009 w/ accrued interest

Allocation between the Parties according to their review of each check deposited and approved:

	<u>Dr. Gavlak (Plaintiff)</u>	<u>Dr. Boumerhi (Defendant)</u>
	<u>\$24,095.87</u>	<u>\$85,664.75</u>
Interim distribution:	<u>\$619.32</u>	<u>\$45,015.31</u>
	<u>\$23,476.55</u>	<u>\$46,649.44</u>
<u>LESS:</u>		
Receiver's fees to 9/8/08 -	\$1,942.50	\$1,942.50
50/50 Overhead:	\$5,044.69	\$5,394.90
18.5/ 81.5 Supplies:	\$859.84	\$3,787.93
Fees due Receive	\$4,218.62	\$4,218.62
Disputed Rent:		
No Allocation	-0-	-0-
Per # 18		
Pettko's fees:		
No allocation	-0-	-0-
Per # 19		
Bonus:		
No allocation	-0-	-0-
Per # 20		
941 Tax	-0-	\$493.52
w/ interest		
Christoff Mitchell		
Petroleum Fuel	-0-	\$419.67
Additional charges		
For Verizon	-0-	\$353.53
Henry Schein	-0-	\$7.99
Due each respective Dr.:	\$ _____	\$ _____

Receiver's Exhibit "A"



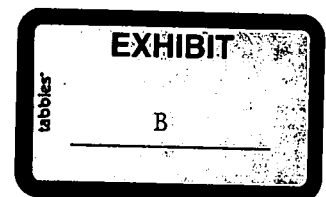
Total deposits in receivers account 12/7/09:

110,789.11

Allocation between parties according to their review of each check deposited and approved:

	Dr. Gavlak	Dr. Boumerhi
Income:	\$24,095.87	\$85,644.75
Interim Distribution:	<u>619.32</u>	45,015.31
		<u>65.00</u>
Adjusted Income:	23,476.55	40,564.44
Receiver's Fees to 9/8/08:	1942.50	1942.50
50/50 Overhead:	5,044.73	5,044.73
18.5/81.5 Supplies:	859.83	3,787.94
941 Tax:	0	493.52
Christoff Mitchell Oil	0	419.67
Verizon:	0	349.83
Henry Schein:	0	7.99
Disputed Rent:	0	0
Petko's Fees	0	0
Bonus:	0	0
Receiver Fees from 9/8/08:	<u>4218.62</u>	<u>4218.62</u>
Total Expenses:	12,065.68	16,264.80
Adjusted Income Less Expenses:	\$11,410.87	\$24,299.64

Plus Any Additional Interest From Bank:



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

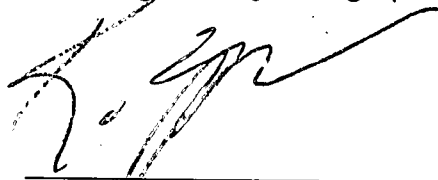
No: 08-109-CD

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Plaintiff's Motion to Set Aside Final Court Order Due to Error of Receiver has been sent on this 16th day of April, 2010, via United States first class mail, postage prepaid to the following:

Peter F. Smith, Esquire
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304



Kathleen V. Yurchak, Esq.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN
Plaintiff

vs

PIERRE BOUMERHI,
Defendant

*
*
*
*
*

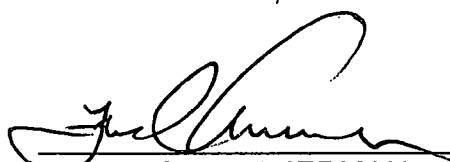
No. 08-109-CD

ORDER

NOW, this 26th day of April, 2010, the Court being in receipt of the Motion to Set Aside Final Court Order Due to Error of Receiver filed April 19, 2010 on behalf of the Plaintiff; upon review of the record the Court notes that the Final Order of the Court was dated February 24, 2010 (docketed February 25, 2010) and no timely Motion/Petition challenging the Final Order was filed. The time for filing an appeal has expired and the Court no longer has jurisdiction over the matter. The case is concluded.

Accordingly, it is the ORDER of this Court that the Plaintiff's aforesaid Motion be and is hereby DISMISSED.

BY THE COURT,



FREDRIC J. AMMERMAN
President Judge

FILED
APR 27 2010

William A. Shaw
Prothonotary/Clerk of Courts

1 CC
Attys:
Yurchak
Dauer
P. Smith

FILED

APR 27 2010

William A. Shaw
Prothonotary/Clerk of Courts
DATE: 4/27/10

 You are responsible for serving all appropriate parties.

X The Prothonotary's office has provided service to the following parties:

 Plaintiff(s) X Plaintiff(s) Attorney X Other

 Defendant(s) X Defendant(s) Attorney Atty Peter Smith

 Special Instructions:

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

FILED

MAY 06 2010

William A. Shaw
Prothonotary/Clerk of Courts

**MOTION FOR THIS COURT TO RECONSIDER ITS APRIL 26, 2010
ORDER REGARDING JURISDICTION AND/OR MOTION TO
REOPEN RECEIVERSHIP**

Plaintiff, Jolene Gavlak-Vaughn, by and through her attorneys, Goodall & Yurchak, P.C., files a Motion for this Court to Reconsider its April 26, 2010 Order Regarding Jurisdiction and/or Motion to Reopen Receivership and states as follows:

1. On April 26, 2010, this Court dismissed a Motion filed by Dr. Gavlak-Vaughn which was filed with the intent to cure a blatant error of the Receiver.
2. The grounds for dismissing Dr. Gavlak-Vaughn's Motion was this Court no longer had jurisdiction over the matter. Dr. Gavlak-Vaughn requests that this Court reconsider its decision based upon the following:
 - a. the case law provides that this court does have jurisdiction to fix a clear error; and
 - b. the error of the Receiver was not identified in the final Court Order but only identified after the Receiver made his distributions so it is not barred by the Final Court Order.
3. The factual basis for this Motion is as follows:
 - a. The Receiver distributed funds contrary to the representations

made to this Court in its initial Motion. That is, the Revised Receiver's Report, and proposed order filed with this Court on February 10, 2010 outlined a specific methodology whereby the Receiver was to make deductions, split expenses and allocate supply costs. That formula was indicated on the Receiver's Report.

- b. On February 24, 2010, this Court approved the Receiver's Report which was based upon the specific methodology identified in the Report.
- c. On March 29, 2010 after the expiration period for the Court Order, the Receiver sent a letter to counsel for Dr. Gavlak-Vaughn and Dr. Boumerhi indicating as follows:

"I enclose with each of your letters final disbursement checks. Included with each of your checks is the interest that accrued for the month of March.

I enclose with Kathleen's copy of this letter, a check payable to her as attorney for Dr. Jolene Gavlak-Vaughn, in the amount of \$7,619.65 which represents her 18.5% of distribution.

I enclose with Rob's copy of this letter, a check made payable to him as attorney for Dr. Pierre Boumerhi, in the amount of \$33,567.67 which represents 81.5% of distribution.

I am pleased to say that final distribution in this matter has been concluded."

- d. In the March 29, 2010 correspondence, the Receiver for the first time indicated that his methodology of distributing the remaining corporate deposits was to split the amount 18.5% to Dr. Gavlak-Vaughn and 81.5% to Dr. Boumerhi.

- e. This 18.5/81.5% distribution is an error made by the Receiver. The 18.5/81.5% split was only an agreement the shareholders had relating to supplies and should never have been used for all income.
 - f. Immediately upon receipt of the letter and check, Dr. Gavlak-Vaughn contacted the Receiver to advise him of his clear error in this matter, which was not disclosed in the previous Receiver's Reports. The resulting error allowed Dr. Boumerhi to receive at least \$3,791.00 of Dr. Gavlak-Vaughn's income and \$5,477 that was simply income unaccounted for by the Receiver which he improperly awarded to Dr. Boumerhi under his 18.5/81.5 split.¹
 - g. While the Receiver was paid both receiver's fees and secretarial services at the rate of \$51.00 per hour to arrive at this calculation, he has declined to remedy this situation indicating that he does not believe he has any authority to rectify his mistake. He suggested that Dr. Gavlak-Vaughn spend additional resources and contact Dr. Boumerhi's counsel to straighten out the matter.
 - h. As a result, it would have been impossible for Dr. Gavlak-Vaughn to file an objection to the Receiver's Report as the improper methodology was not revealed until the final distribution.
4. The Court has jurisdiction to revisit final orders in the event that

¹Using the income and expense allocation on the December 2009 Report on Exhibit A, adjusted income less expenses show \$11,410.87 due to Dr. Gavlak-Vaughn and \$24,299.64 due to Dr. Boumerhi with \$5,477 unaccounted for by the Receiver. The Receiver then incorrectly awarded that entire \$5,477 to Dr. Boumerhi under his 18.5/81.5 split. See Exhibit B.

“extraordinary cause” exist.

5. This Court indicated that it had no jurisdiction to revisit the Receivership Order. To the contrary, trial courts have jurisdiction to correct orders, even after expiration of the appeal period. As the Commonwealth of Pennsylvania and the Superior Court has found, courts have inherent power to correct their own judgments, even after expiration of the appeal period, and this power extends to the correction of obvious or patent mistakes, including those of a court officer, and to the amendment of court records. See DeMarco v. Borough of East McKeesport, Comm. Court, 125 Pa. Cmwlth. 13 (1988) and cases cited therein.

6. The Superior Court has found that circumstances which provide extraordinary cause to justify court intervention after expiration of the appeal period include circumstances which have customarily entailed an oversight or an act by the court or failure of the judicial process which operate to deny the losing party their rights. Id.

7. The exact circumstance exist herein for the following reasons:

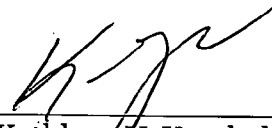
- a. A clear error was made by the Receiver as specifically identified in Dr. Gavlak-Vuahgn’s Motion to set Aside Final Court Order due to Error of Receiver. For purposes of convenience, a copy of that Motion is attached as Exhibit A.
- b. Upon receipt of the Motion to Set Aside Final Court Order, the staff for Receiver Peter Smith contacted this office in order to discuss calculation of the amount. During a conversation with staff, staff admitted that it had confusion and questions regarding the ultimate

distribution in the final letter sent to Dr. Gavlak-Vuaghñ as the Receiver's own staff did not believe it comported with the methodology approved by this Court.

- c. It would be a grave injustice to preclude Dr. Gavlak-Vuaghñ from this Court intervening. The Final Order requires that the Receiver distribute under a certain methodology. The Receiver failed to do that yet this Court has entered an Order stating that it is without jurisdiction to remedy that. This circumstance certainly constitute extraordinary cause for this Court to intervene and grant at minimum, a hearing on the actions of the Receiver in its final distribution.

WHEREFORE, Dr. Gavlak-Vaughñ requests that the Court grant the relief requested or such other and further relief as the Court deems appropriate.

Dated: 05/05/10



Kathleen W. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

:
:
:
:
:
:
:

No: 08-109-CD

TYPE OF MATTER:
Civil

TYPE OF FILING:
Motion to Set Aside Final Court Order Due to
Error of Receiver

FILED ON BEHALF OF:
Plaintiff, Jolene Gavlak-Vaughn

COUNSEL FOR PARTY:
Kathleen V. Yurchak, Esq.
Pa.I.D. 55948
GOODALL & YURCHAK, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100
(814) 237-5601 -fax
yurchak@centrelaw.com

I hereto certify that the foregoing is a true and correct copy of the original
and an
electronically filed document.

APR 19 2010

Attest.

Kathleen V. Yurchak
Kathleen V. Yurchak
Esq.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

No: 08-109-CD

**MOTION TO SET ASIDE FINAL COURT ORDER DUE TO
ERROR OF RECEIVER**

Plaintiff, Jolene Gavlak-Vaughn, by and through her attorneys, Goodall & Yurchak, P.C., files a Motion to Set Aside Final Court Order Due to Error of Receiver and states as follows:

1. By Order dated June 2, 2008, this Court appointed Peter F. Smith, Esquire as Receiver in this matter.
2. One of the Receiver's responsibilities in this matter was to collect deposits paid to the dissolving corporation Moshannon Valley Family Dentistry, Inc. ("the Corporation") and disburse those funds to pay any ongoing expenses.
3. The shareholders of the Corporation were Plaintiff Gavlak-Vaughn and Defendant Pierre Boumerhi, each practicing dentists.
4. The shareholders had a financial arrangement whereby income would be attributed to each dentist performing the service, with expenses paid by the Corporation on a 50/50 basis except for supplies, which were paid for based on a production formula.
5. After all corporate income was collected by the Receiver during the

pendency of the receivership, the Corporation had income in excess of expenses. The Receiver was then responsible for distributing the remainder to the shareholders, Jolene Gavlak-Vaughn and Pierre Boumerhi.

6. The process was a lengthy one, with Dr. Gavlak-Vaughn questioning certain expenditures such as the appropriate rental payments to be made to Dr. Boumerhi's wife, the appropriate allocation of charges to each doctors' practice and the appropriate payment to the corporation's accountant, who also assisted Dr. Boumerhi in individual matters.

7. The Receiver paid himself for his services rendered in this matter and also paid his secretary for administrative services at the rate of \$51.00 per hour. The charges for the Receiver were \$195.00 per hour. The Receiver paid himself and his staff in excess of \$12,322.34 from the Corporation income.

8. Ultimately, the Receiver made his determination regarding those questioned allocation and expenses. The Receiver included his determinations in an initial Receiver's Report and proposed Order filed with the Court on December 1, 2009 (The "December 2009 Report").

9. In the December 2009 Report, the Receiver attached an allocation of expenses indicating that he was splitting the overhead charges for the operation of the corporation on a 50/50 basis and splitting the allocation of supplies on a 81.5/18.5 basis based on production. Dr. Boumerhi and Dr. Gavlak-Vaughn consented to the 81.5/18.5 split. See p. 7. Dr. Boumerhi and Dr. Gavlak-Vaughn had an understanding that while overhead would be split on a 50/50 basis, supplies would be paid for based upon the volume of the business with Dr. Boumerhi paying for 81.5% of supplies and Dr. Gavlak-

Vaughn 18.5%. However, this 81.5/18.5% allocation was only applicable to supplies.

10. While the Receiver outlined his methodology for allocating the respective costs to each doctor in the December 2009 Report, he did not insert a final number to be distributed as he left the number blank on Receiver's Exhibit A. Plaintiff Gavlak assumed that the Receiver left the amounts due each respective doctor blank as additional Receiver fees would be added.

11. Once the December 2009 Report was filed, this Court entered an Order on December 14, 2009 providing the parties with 30 days from the date of the Order to file written exceptions.

12. As Dr. Gavlak-Vaughn had no objection to the methodology outlined by the Receiver in the Report, she did not file an objection.

13. After receiving no objection to the December 2009 Report, Receiver Smith filed a revised Receiver's Report dated February 24, 2010 (the February 2010 Report). In the February 2010 Report, the Receiver again explained that his methodology was to make the appropriate deductions based upon his determination regarding rental, accountant fees, etc. and split the general overhead expenses 50/50 and allocate the supplies 81.5/18.5 respectively. He then indicated on Receiver's Exhibit A (previously blank on the December 2009 Report) that the amount due each doctor was \$7,594.04 to Dr. Gavlak and \$33,454.84 to Dr. Boumerhi.

14. The Court allowed no objection period to this Final Order and then entered a Order approving the February 2010 Report.

15. On March 29, 2010, the Receiver sent a letter to counsel for Dr. Gavlak-Vaughn and Dr. Boumerhi indicating as follows:

"I enclose with each of your letters final disbursement checks. Included with each of your checks is the interest that accrued for the month of March.

I enclose with Kathleen's copy of this letter, a check payable to her as attorney for Dr. Jolene Gavlak-Vaughn, in the amount of \$7,619.65 which represents her 18.5% of distribution.

I enclose with Rob's copy of this letter, a check made payable to him as attorney for Dr. Pierre Boumerhi, in the amount of \$33,567.67 which represents 81.5% of distribution.

I am pleased to say that final distribution in this matter has been concluded."

16. In the March 29, 2010 correspondence, the Receiver for the first time indicated that his methodology of distributing the remaining corporate deposits was to split the amount 18.5% to Dr. Gavlak-Vaughn and 81.5% to Dr. Boumerhi.

17. This 18.5/81.5% distribution is an error made by the Receiver. The 18.5/81.5% split was only an agreement the shareholders had relating to supplies and should never have been used for all income.

18. Immediately upon receipt of the letter and check, Dr. Gavlak-Vaughn contacted the Receiver to advise him of his clear error in this matter, which was not disclosed in the previous Receiver's reports. The resulting error allowed Dr. Boumerhi to receive at least \$3,791.00 of Dr. Gavlak-Vaughn's income and \$5,477 that was simply income unaccounted for by the Receiver which he improperly awarded to Dr. Boumerhi under his 18.5/81.5 split.¹

¹Using the income and expense allocation on the December 2009 Report on Exhibit A, adjusted income less expenses show \$11,410.87 due to Dr. Gavlak-Vaughn and \$24,299.64 due to Dr. Boumerhi with \$5,477 unaccounted for by the Receiver. The Receiver then incorrectly awarded that entire \$5,477 to Dr. Boumerhi under his 18.5/81.5 split. See Exhibit B.

19. While the Receiver was paid both receiver's fees and secretarial services at the rate of \$51.00 per hour to arrive at this calculation, he has declined to remedy this situation indicating that he does not believe he has any authority to rectify his mistake. He suggested that Dr. Gavlak-Vaughn spend additional resources and contact Dr. Boumerhi's counsel to straighten out the matter.

20. Dr. Gavlak-Vaughn has contacted Dr. Boumerhi's counsel but has not received a response.

21. Unfortunately, Dr. Gavlak-Vaughn is in the position of spending additional monies in order to correct a mistake made by the Receiver which was not contrary to the methodology shown on the reports filed with this Court and only disclosed in the final disbursement check revealing the improper methodology in distribution.

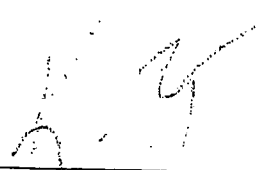
22. Dr. Gavlak-Vaughn requests that this Court remedy the situation by revising the distribution amount to the following:

a.) order that the amounts be adjusted by the Receiver as follows:

1. Dr. Gavlak-Vaughn receives the amount of \$11,410.00 based on the income and expenses reconciliation in Exhibit A.
2. Dr. Boumerhi received \$24,299 based upon the income and expenses reconciliation in Exhibit A.,
3. the remainder of \$5,477 which was not included by the Receiver in any reconciliation be divided 50/50 with each doctor receiving \$2,738.

WHEREFORE, Dr. Gavlak-Vaughn requests that the Court grant the relief requested or such other and further relief as the Court deems appropriate.

Dated: 04/16/10

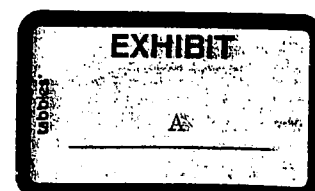


Kathleen V. Yurchak, Esquire
Goodall & Yurchak, P.C.
328 South Atherton Street
State College, PA 16801
(814) 237-4100

Total deposits in Receiver's Account: \$110,789.11
As of 12/07/2009 w/ accrued interest

Allocation between the Parties according to their review of each check deposited and approved:

	<u>Dr. Gavlak (Plaintiff)</u>	<u>Dr. Boumerhi (Defendant)</u>
	\$24,095.87	\$85,664.75
Interim distribution:	<u>\$619.32</u>	<u>\$45,015.31</u>
	\$23,476.55	\$46,649.44
<u>LESS:</u>		
Receiver's fees to 9/8/08 -	\$1,942.50	\$1,942.50
50/50 Overhead:	\$5,044.69	\$5,394.90
18.5/ 81.5 Supplies:	\$859.84	\$3,787.93
Fees due Receive	\$4,218.62	\$4,218.62
Disputed Rent:		
No Allocation	-0-	-0-
Per # 18		
Pettko's fees:		
No allocation	-0-	-0-
Per # 19		
Bonus:		
No allocation	-0-	-0-
Per # 20		
941 Tax	-0-	\$493.52
w/ interest		
Christoff Mitchell		
Petroleum Fuel	-0-	\$419.67
Additional charges		
For Verizon	-0-	\$353.53
Henry Schein	-0-	\$7.99
Due each respective Dr.:	\$ _____	\$ _____

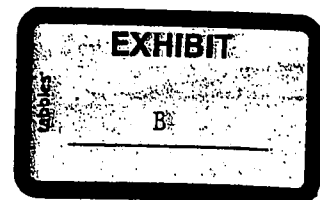


Total deposits in receivers account 12/7/09:

110,789.11

Allocation between parties according to their review of each check deposited and approved:

	Dr. Gavlak	Dr. Boumerhi
Income:	\$24,095.87	\$85,644.75
Interim Distribution:	<u>619.32</u>	45,015.31
Adjusted Income:	23,476.55	<u>65.00</u> 40,564.44
Receiver's Fees to 9/8/08:	1942.50	1942.50
50/50 Overhead:	5,044.73	5,044.73
18.5/81.5 Supplies:	859.83	3,787.94
941 Tax:	0	493.52
Christoff Mitchell Oil	0	419.67
Verizon:	0	349.83
Henry Schein:	0	7.99
Disputed Rent:	0	0
Petko's Fees	0	0
Bonus:	0	0
Receiver Fees from 9/8/08:	<u>4218.62</u>	<u>4218.62</u>
Total Expenses:	12,065.68	16,264.80
Adjusted Income Less Expenses:	\$11,410.87	\$24,299.64
Plus Any Additional Interest From Bank:		



IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

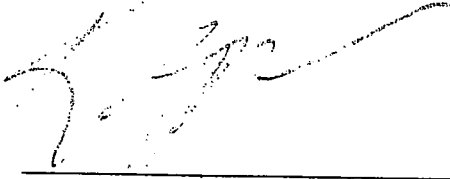
No: 08-109-CD

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Plaintiff's Motion to Set Aside Final Court Order Due to Error of Receiver has been sent on this 16th day of April, 2010, via United States first class mail, postage prepaid to the following:

Peter F. Smith, Esquire
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304



Kathleen V. Yurchak, Esq.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL ACTION - LAW

JOLENE GAVLAK-VAUGHN,
Plaintiff/Petitioner,

v.

PIERRE BOUMERHI,
Defendant/Respondent.

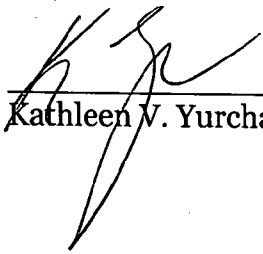
No: 08-109-CD

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Plaintiff's Motion to Reconsider has been sent on this 10th day of May, 2010, via United States first class mail, postage prepaid to the following:

Peter F. Smith, Esquire
30 South Second Street
P.O. Box 130
Clearfield, PA 16830

Robert E. Dauer, Jr., Esquire
1300 Oliver Building
535 Smithfield Street
Pittsburgh, PA 15222-2304


Kathleen V. Yurchak, Esq.

IN THE COURT OF COMMON PLEAS OF CLEARFIELD COUNTY, PENNSYLVANIA
CIVIL DIVISION

JOLENE GAVLAK-VAUGHN,
Plaintiff

VS

PIERRE BOUMERHI,
Defendant

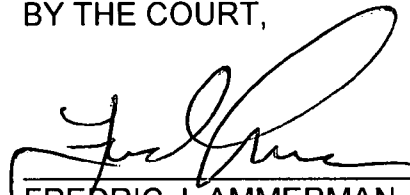
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NO. 08-109-CD

ORDER

AND NOW, this 8th day of June, 2010, upon review and consideration of the Plaintiff's Motion for this Court to Reconsider its April 26, 2010 Order Regarding Jurisdiction and/or Motion to Reopen Receivership filed by Kathleen V. Yurchak, Esquire; it is the ORDER of this Court that said Motion be and is hereby DENIED.

BY THE COURT,


FREDRIC J. AMMERMAN
President Judge

FILED 100
012:2761 Pths:
JUN 09 2010
S
William A. Shaw
Prothonotary/Clerk of Courts
Yurchak
Sauer
P. Smith
(60)

FILED

JUN 09 2010

William A. Shaw
Prothonotary/Clerk of Courts

DATE: 6/9/10

☐ You are responsible for serving all appropriate parties.

☒ The Prothonotary's office has provided service to the following parties:

☐ Plaintiff(s) ☒ Plaintiff(s) Attorney ☒ Other P. Smith

☐ Defendant(s) ☒ Defendant(s) Attorney

☐ Special Instructions: