

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

PETITION DATE 8/26/2016

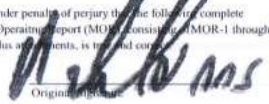
MONTHLY OPERATING REPORT SUMMARY FOR:

| MONTH                                  | JANUARY       | FEBRUARY      | MARCH         | APRIL         | MAY           | JUNE          | JULY          | AUGUST        | SEPTEMBER     | OCTOBER       | NOVEMBER      |
|----------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| REVENUES (MOR-6)                       | \$ 263,281.09 | \$ 247,370.84 | \$ 301,544.56 | \$ 269,001.81 | \$ 232,031.05 | \$ 334,951.05 | \$ 365,017.13 | \$ 338,322.21 | \$ 269,977.58 | \$ 307,577.67 | \$ 278,449.52 |
| INCOME BEFORE INT, DEPREC./TAX (MOR-6) | 49,697.05     | 19,667.30     | 16,784.49     | 526.93        | (43,509.99)   | (12,506.08)   | 83,976.72     | 32,580.11     | (39,034.79)   | 37,155.8      | (75,016.21)   |
| NET INCOME (LOSS) (MOR-6)              | 48,790.69     | 18,712.24     | 15,861.98     | (331.15)      | (44,611.78)   | (13,419.48)   | 83,127.80     | 31,739.37     | (39,839.02)   | 36,413.00     | (75,733.11)   |
| PAYMENTS TO INSICERS (MOR-9)           | -             | -             | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     | 25,000.00     |
| PAYMENTS TO PROFESSIONALS (MOR-9)      | 94,852.89     | 29,408.74     | 2,852.31      | 18,593.00     | 16,259.59     | 643.63        | 32,254.91     | -             | 1,635.73      | -             | 42,763.21     |
| TOTAL DISBURSEMENTS (MOR-7)            | \$ 319,693.45 | \$ 258,682.61 | \$ 298,532.16 | \$ 263,929.65 | \$ 290,802.31 | \$ 291,100.05 | \$ 313,605.21 | \$ 314,803.75 | \$ 311,632.25 | \$ 274,021.31 | \$ 392,614.12 |

\*\*\*The original of this document must be filed with the United States Bankruptcy Court and a copy must be sent to the United States Trustee\*\*\*

|                                                       |                                                          |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
|-------------------------------------------------------|----------------------------------------------------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| REQUIRED INSURANCE MAINTAINED<br>AS OF SIGNATURE DATE |                                                          | EXP.<br>DATE | Are all accounts receivable being collected within terms?<br>Are all post-petition liabilities, including taxes, being paid within terms?<br>Have any pre-petition liabilities been paid?<br>If so, describe: <u>Per court order allowing for certain payments</u><br>Are all funds received being deposited into the DIP bank accounts?<br>Were any assets disposed of outside the normal course of business?<br>If so, describe: <u>Are all U.S. Trustee Quarterly Fee Payments current?</u><br>What is the status of the Plan of Reorganization? | Circle One<br>Yes<br>Yes<br>Yes<br>Yes<br>No<br>Yes<br>Yes |
| CASUALTY                                              | YES (x) NO ( )                                           | 7/20/2018    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
| LIABILITY                                             | YES (x) NO ( )                                           | 7/20/2018    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
| VEHICLE                                               | YES ( ) NO ( ) NA (x) (Debtor does not own any vehicles) |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
| WORKERS                                               | YES (x) NO ( )                                           | 3/30/2018    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
| FLOOD                                                 | YES (x) NO ( )                                           | 8/23/2018    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |
| PROFESSIONAL                                          | YES (x) NO ( )                                           | 3/18/2018    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                            |

ATTORNEY NAME Omar J. Alariz  
FIRM NAME Baker Botts L.L.P.  
ADDRESS 2001 Ross Avenue  
CITY, STATE, ZIP Dallas, TX, 75201-2980  
TELEPHONE 214-953-6593

I certify under penalty of perjury that the following is a complete  
Monthly Operating Report (MOR) consisting of MOR-1 through  
MOR-9 plus attachments, is true and correct.  
SIGNED:  TITLE: President  
Original Filed: 12/20/2017  
Inaj S. Jabbar, D.D.S.  
Print Name of Signatory

NOTES:

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**COMPARATIVE BALANCE SHEETS**

| ASSETS                               | MONTH<br>JANUARY  | MONTH<br>FEBRUARY | MONTH<br>MARCH    | MONTH<br>APRIL    | MONTH<br>MAY      | MONTH<br>JUNE     | MONTH<br>JULY     | MONTH<br>AUGUST   | MONTH<br>SEPTEMBER | MONTH<br>OCTOBER  | MONTH<br>NOVEMBER |
|--------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| <b>CURRENT ASSETS</b>                |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
| Cash                                 | 2,772.01          | 9,835.34          | 16,412.02         | 23,750.98         | 8,288.81          | 11,734.56         | 18,094.44         | 137,956.01        | 81,355.90          | 113,337.82        | 21,942.04         |
| Accounts Receivable, Net             | 218,383.09        | 205,334.87        | 191,039.04        | 197,282.71        | 134,884.03        | 182,076.16        | 236,936.28        | 247,106.60        | 176,824.94         | 103,976.57        | 169,948.19        |
| Intercompany Accounts Receivable     | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37        | 234,088.37         | 234,088.37        | 234,088.37        |
| Other Current Assets - 1             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| Other Current Assets - 2             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| <b>TOTAL CURRENT ASSETS</b>          | <b>455,243.47</b> | <b>449,258.58</b> | <b>441,539.43</b> | <b>455,122.06</b> | <b>377,261.21</b> | <b>427,899.09</b> | <b>489,119.09</b> | <b>619,150.98</b> | <b>492,269.21</b>  | <b>451,402.76</b> | <b>425,978.60</b> |
| Property, Plant & Equipment, at Cost | 643,561.08        | 643,561.08        | 643,561.08        | 643,909.26        | 644,445.24        | 644,445.24        | 644,445.24        | 644,972.07        | 645,962.97         | 647,418.65        | 648,880.83        |
| Less: Accumulated Depreciation       | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12        | 475,555.12         | 475,555.12        | 475,555.12        |
| <b>NET BOOK VALUE OF PP&amp;E</b>    | <b>168,005.96</b> | <b>168,005.96</b> | <b>168,005.96</b> | <b>168,354.14</b> | <b>168,890.12</b> | <b>168,890.12</b> | <b>168,890.12</b> | <b>169,416.95</b> | <b>170,407.85</b>  | <b>171,863.53</b> | <b>173,325.71</b> |
| <b>OTHER ASSETS</b>                  |                   |                   |                   |                   |                   |                   |                   |                   |                    |                   |                   |
| Deposit - Security                   | 15,007.27         | 14,321.00         | 14,321.00         | 14,321.00         | 14,321.00         | 14,321.00         | 14,321.00         | 14,321.00         | 14,321.00          | 14,321.00         | 14,321.00         |
| Other - 1                            | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                  | -                 | -                 |
| <b>TOTAL OTHER ASSETS</b>            | <b>15,007.27</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>  | <b>14,321.00</b>   | <b>14,321.00</b>  | <b>14,321.00</b>  |
| <b>TOTAL ASSETS</b>                  | <b>638,256.70</b> | <b>631,585.54</b> | <b>623,866.39</b> | <b>637,797.20</b> | <b>560,472.33</b> | <b>611,110.21</b> | <b>672,330.21</b> | <b>802,888.93</b> | <b>676,998.06</b>  | <b>637,587.29</b> | <b>613,625.31</b> |

Notes:

In March as part of the year-end close process, the Debtors made revisions to year-end 2016 depreciation expense and recognized a utility credit. There were no changes to cash disbursements.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME  
CASE NUMBER

ABC Dentistry West Orem, P.L.L.C.  
16-34225

**COMPARATIVE BALANCE SHEETS**

| <b>LIABILITIES &amp; OWNER'S EQUITY</b>       | <b>MONTH<br/>JANUARY</b> | <b>MONTH<br/>FEBRUARY</b> | <b>MONTH<br/>MARCH</b> | <b>MONTH<br/>APRIL</b> | <b>MONTH<br/>MAY</b> | <b>MONTH<br/>JUNE</b> | <b>MONTH<br/>JULY</b> | <b>MONTH<br/>AUGUST</b> | <b>MONTH<br/>SEPTEMBER</b> | <b>MONTH<br/>OCTOBER</b> | <b>MONTH<br/>NOVEMBER</b> |
|-----------------------------------------------|--------------------------|---------------------------|------------------------|------------------------|----------------------|-----------------------|-----------------------|-------------------------|----------------------------|--------------------------|---------------------------|
| <b>LIABILITIES</b>                            |                          |                           |                        |                        |                      |                       |                       |                         |                            |                          |                           |
| <b>POST-PETITION LIABILITIES</b>              |                          |                           |                        |                        |                      |                       |                       |                         |                            |                          |                           |
| Payable ****                                  | 155,924.74               | 143,375.63                | 152,259.44             | 170,947.96             | 162,506.87           | 234,424.36            | 276,427.21            | 278,161.57              | 290,440.69                 | 316,430.34               | 294,482.59                |
| 401 (k) Payable                               | 673.57                   | 718.50                    | 564.16                 | 554.58                 | 771.45               | 785.35                | 624.16                | 611.39                  | 624.16                     | 951.49                   | 943.09                    |
| Settlement Payment*****                       | 1,050,000.00             | 1,050,000.00              | 1,050,000.00           | 1,050,000.00           | 1,050,000.00         | 1,050,000.00          | 1,050,000.00          | 1,050,000.00            | 1,050,000.00               | 1,050,000.00             | 1,050,000.00              |
| <b>PRE-PETITION LIABILITIES</b>               |                          |                           |                        |                        |                      |                       |                       |                         |                            |                          |                           |
| Accounts Payable                              | 39,743.47                | 39,743.47                 | 39,743.47              | 39,743.47              | 39,743.47            | 39,743.47             | 39,743.47             | 39,743.47               | 39,743.47                  | 39,743.47                | 39,743.47                 |
| Credit Cards                                  | 15,703.21                | 15,703.21                 | 15,703.21              | 15,703.21              | 15,703.21            | 15,703.21             | 15,703.21             | 15,703.21               | 15,703.21                  | 15,703.21                | 15,703.21                 |
| Intercompany Payables*****                    | 13,883.80                | 13,883.80                 | 13,883.80              | 13,883.80              | 13,883.80            | 13,883.80             | 13,883.80             | 13,883.80               | 13,883.80                  | 13,883.80                | 13,883.80                 |
| FB&T Loan 8460 ***                            | 257,118.07               | 249,262.70                | 232,265.19             | 223,685.73             | 215,349.98           | 215,349.98            | 198,100.66            | 189,584.54              | 180,873.15                 | 172,227.30               | 163,308.00                |
| Other*                                        |                          |                           |                        |                        |                      |                       |                       |                         |                            |                          |                           |
| <b>TOTAL PRE-PETITION LIABILITIES</b>         | <b>326,448.55</b>        | <b>318,593.18</b>         | <b>301,595.67</b>      | <b>293,016.21</b>      | <b>284,680.46</b>    | <b>284,680.46</b>     | <b>267,431.14</b>     | <b>258,915.02</b>       | <b>250,203.63</b>          | <b>241,557.78</b>        | <b>232,638.48</b>         |
| <b>TOTAL LIABILITIES</b>                      | <b>1,533,046.86</b>      | <b>1,512,687.31</b>       | <b>1,504,419.27</b>    | <b>1,514,518.75</b>    | <b>1,497,958.78</b>  | <b>1,569,890.17</b>   | <b>1,594,482.51</b>   | <b>1,587,687.98</b>     | <b>1,591,268.48</b>        | <b>1,608,939.61</b>      | <b>1,578,064.16</b>       |
| <b>OWNER'S EQUITY</b>                         |                          |                           |                        |                        |                      |                       |                       |                         |                            |                          |                           |
| Common stock                                  | 1,000.00                 | 1,000.00                  | 1,000.00               | 1,000.00               | 1,000.00             | 1,000.00              | 1,000.00              | 1,000.00                | 1,000.00                   | 1,000.00                 | 1,000.00                  |
| Distributions                                 | (708,676.89)             | (708,676.89)              | (708,676.89)           | (708,676.89)           | (708,676.89)         | (708,676.89)          | (708,676.89)          | (708,676.89)            | (708,676.89)               | (708,676.89)             | (708,676.89)              |
| Other**                                       | (42,912.04)              | (47,935.88)               | (63,248.97)            | (59,086.49)            | (75,239.61)          | (83,113.64)           | (129,613.79)          | (129,613.79)            | (219,246.14)               | (312,741.03)             | (230,094.46)              |
| Retained Earnings at filing date              | 945,431.20               | 945,431.20                | 945,431.20             | 945,431.20             | 945,431.20           | 945,431.20            | 945,431.20            | 1,051,045.08            | 1,051,045.08               | 1,051,045.08             | 1,051,045.08              |
| Current Period Profit (Loss)                  | 48,790.69                | 18,712.24                 | 15,861.98              | (331.15)               | (44,611.78)          | (13,419.48)           | 83,127.80             | 31,739.37               | (39,839.02)                | 36,413.00                | (75,733.11)               |
| Retained Earnings post filing date            | (1,138,423.12)           | (1,089,632.44)            | (1,070,920.20)         | (1,055,058.22)         | (1,055,389.37)       | (1,100,001.15)        | (1,113,420.63)        | (1,030,292.82)          | (998,553.45)               | (1,038,392.47)           | (1,001,979.47)            |
| <b>TOTAL OWNER'S EQUITY</b>                   | <b>(894,790.16)</b>      | <b>(881,101.77)</b>       | <b>(880,552.88)</b>    | <b>(876,721.55)</b>    | <b>(937,486.45)</b>  | <b>(958,779.96)</b>   | <b>(922,152.30)</b>   | <b>(784,799.05)</b>     | <b>(914,270.42)</b>        | <b>(971,352.32)</b>      | <b>(964,438.85)</b>       |
| <b>TOTAL LIABILITIES &amp; OWNER'S EQUITY</b> | <b>638,256.70</b>        | <b>631,585.54</b>         | <b>623,866.39</b>      | <b>637,797.20</b>      | <b>560,472.33</b>    | <b>611,110.21</b>     | <b>672,330.21</b>     | <b>802,888.93</b>       | <b>676,998.06</b>          | <b>637,587.29</b>        | <b>613,625.31</b>         |

Notes:

\* Prepetition wages and amount due to contract dentists

\*\* Adjusting entry to reconcile the debtor's cash record keeping to an accrual balance sheet

\*\*\* August loan balance revised during September

\*\*\*\* Some payables were recorded after the September MOR was filed. The account was updated in the October MOR.

\*\*\*\*\* Debtor is jointly obligated to fund \$3.5 million settlement to Dr. Rohi. Balance sheet reflects 30% of the total.

\*\*\*\*\* Debtor has obtained post-petition financing by borrowing from affiliate. A draw was made during December.

\*\*\*\*\* During the year end close the debtor consolidated due to/due from balances to a single due to balance.

During March as part of the year-end close, the Debtors reclassified a prepetition transfer to Dr. Jabbary from an expense to a distribution.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**SCHEDULE OF POST-PETITION LIABILITIES**

|                                        | MONTH<br>JANUARY    | MONTH<br>FEBRUARY   | MONTH<br>MARCH      | MONTH<br>APRIL      | MONTH<br>MAY        | MONTH<br>JUNE       | MONTH<br>JULY       | MONTH<br>AUGUST     | MONTH<br>SEPTEMBER  | MONTH<br>OCTOBER    | MONTH<br>NOVEMBER   |
|----------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| TRADE ACCOUNTS PAYABLE                 | 31,571.21           | 42,916.95           | 14,948.46           | 24,448.83           | 21,248.26           | 2,601.46            | 31,152.26           | 26,349.03           | 4,945.53            | 21,489.64           | 27,953.60           |
| TAXES PAYABLE                          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Federal Payroll Taxes                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| State Taxes                            | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| As Valorem taxes                       | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Property Taxes                         | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| TOTAL TAXES PAYABLE                    | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| SECURED DEBT POST-PETITION             | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| ACCURED INTEREST PAYABLE               | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| ACCRUED PROFESSIONAL FEES              | 73,376.31           | 58,010.12           | 68,437.64           | 88,940.37           | 105,449.47          | 173,127.96          | 176,123.64          | 202,702.20          | 223,809.45          | 244,848.44          | 222,679.51          |
| OTHER ACCRUED LIABILITIES              | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   | -                   |
| Payroll                                | 12,199.92           | 13,078.33           | 19,826.56           | 20,363.29           | 6,862.07            | 10,990.17           | 13,384.00           | 11,411.38           | 20,031.24           | 3,566.64            | 7,404.94            |
| Dentists                               | 39,450.87           | 30,088.73           | 44,171.78           | 37,195.47           | 28,947.07           | 42,829.77           | 55,767.31           | 37,698.96           | 36,779.47           | 46,525.62           | 36,444.54           |
| U.S. Trustee                           | -                   | -                   | 4,875.00            | -                   | -                   | 4,875.00            | -                   | -                   | 4,875.00            | -                   | -                   |
| Settlement Payment                     | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        | 1,050,000.00        |
| <b>TOTAL POST-PETITION LIABILITIES</b> | <b>1,206,598.31</b> | <b>1,194,094.13</b> | <b>1,202,259.44</b> | <b>1,220,947.96</b> | <b>1,212,506.87</b> | <b>1,284,424.36</b> | <b>1,326,427.21</b> | <b>1,328,161.57</b> | <b>1,340,440.69</b> | <b>1,366,430.34</b> | <b>1,344,482.59</b> |

Notes:

Tax - deducted from employee wages and employers contribution is employer contribution sent to paychex at the same they fund payroll

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**AGING OF POST-PETITION LIABILITIES**  
**MONTH**

| DAYS         | TOTAL             | TRADE<br>ACCOUNTS | PROPERTY<br>TAXES | U.S. TRUSTEE<br>FEES | PROFESSIONALS     | DENTISTS &<br>PAYROLL |
|--------------|-------------------|-------------------|-------------------|----------------------|-------------------|-----------------------|
| 0 - 30       | 95,597.72         | 27,953.60         | -                 | -                    | 23,794.64         | 43,849.48             |
| 31 - 60      | 17,388.87         |                   |                   |                      | 17,388.87         |                       |
| 61 - 90      | 22,700.98         |                   |                   |                      | 22,700.98         |                       |
| 91 +         | 158,795.02        |                   |                   |                      | 158,795.02        |                       |
| <b>TOTAL</b> | <b>294,482.59</b> | <b>27,953.60</b>  | <b>-</b>          | <b>-</b>             | <b>222,679.51</b> | <b>43,849.48</b>      |

**AGING OF**

| DAYS         | JANUARY           | FEBRUARY          | MARCH             | APRIL             | MAY               | JUNE              | JULY              | AUGUST            | SEPTEMBER         | OCTOBER           | NOVEMBER          |
|--------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| 0 - 30       | 177,573.19        | 184,780.69        | 168,701.08        | 173,403.76        | 109,547.00        | 173,500.90        | 219,351.48        | 223,669.48        | 159,429.16        | 101,567.83        | 157,538.22        |
| 31 - 60      | 35,102.15         | 11,227.67         | 18,692.85         | 17,230.94         | 16,503.06         | 6,505.81          | 14,581.38         | 18,929.61         | 12,609.91         | 1,190.69          | 7,900.71          |
| 61 - 90      | 5,707.75          | 9,326.51          | 3,645.11          | 6,648.01          | 8,833.97          | 2,069.45          | 3,003.42          | 4,507.51          | 4,785.87          | 1,218.05          | 4,509.26          |
| 91 +         | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 |
| <b>TOTAL</b> | <b>218,383.09</b> | <b>205,334.87</b> | <b>191,039.04</b> | <b>197,282.71</b> | <b>134,884.03</b> | <b>182,076.16</b> | <b>236,936.28</b> | <b>247,106.60</b> | <b>176,824.94</b> | <b>103,976.57</b> | <b>169,948.19</b> |

Notes:

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

STATEMENT OF INCOME (LOSS)

|                                     | MONTH<br>JANUARY  | MONTH<br>FEBRUARY | MONTH<br>MARCH    | MONTH<br>APRIL    | MONTH<br>MAY       | MONTH<br>JUNE      | MONTH<br>JULY     | MONTH<br>AUGUST   | MONTH<br>SEPTEMBER | MONTH<br>OCTOBER  | MONTH<br>NOVEMBER  | FILING TO<br>DATE   |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|-------------------|-------------------|--------------------|-------------------|--------------------|---------------------|
| <b>TOTAL REVENUES</b>               | <b>263,281.09</b> | <b>247,370.84</b> | <b>301,544.56</b> | <b>269,001.81</b> | <b>232,031.05</b>  | <b>334,951.05</b>  | <b>365,017.13</b> | <b>338,322.21</b> | <b>269,977.58</b>  | <b>307,577.67</b> | <b>278,449.52</b>  | <b>4,432,076.57</b> |
| <b>COST OF GOODS SOLD</b>           |                   |                   |                   |                   |                    |                    |                   |                   |                    |                   |                    |                     |
| Dental Supplies                     | 15,433.95         | 3,495.84          | 12,137.83         | 2,857.50          | 23,006.85          | 19,468.45          | 7,620.95          | 16,951.60         | 16,733.57          | 12,556.37         | 11,578.22          | 179,574.35          |
| Lab Fees                            | 1,147.45          | 738.50            | 754.00            | 750.21            | 811.75             | 1,843.50           | 1,759.20          | 1,434.50          | 539.50             | 483.50            | 842.50             | 14,001.06           |
| <b>TOTAL COST OF GOODS SOLD</b>     | <b>16,581.40</b>  | <b>4,234.34</b>   | <b>12,891.83</b>  | <b>3,607.71</b>   | <b>23,818.60</b>   | <b>21,311.95</b>   | <b>9,380.15</b>   | <b>18,386.10</b>  | <b>17,273.07</b>   | <b>13,039.87</b>  | <b>12,420.72</b>   | <b>101,763.55</b>   |
| <b>G&amp;A EXPENSES<sup>1</sup></b> |                   |                   |                   |                   |                    |                    |                   |                   |                    |                   |                    |                     |
| Contract Physician Services & Labor | 75,029.27         | 73,984.25         | 67,708.87         | 78,117.44         | 72,303.73          | 76,340.86          | 83,308.95         | 110,953.27        | 72,945.56          | 72,121.31         | 86,852.21          | 1,172,156.11        |
| Payroll and Payroll Taxes - Staff   | 79,492.42         | 83,071.21         | 115,561.84        | 115,908.12        | 134,051.24         | 122,039.46         | 125,253.86        | 116,285.64        | 100,200.94         | 129,148.29        | 104,804.72         | 1,721,851.31        |
| Employee Benefits                   | 396.00            | -                 | 2,974.00          | 7.00              | -                  | 495.00             | 198.00            | 109.00            | 218.00             | 13,100.00         | 109.00             | 33,300.00           |
| Rent                                | 11,454.77         | 10,815.79         | 10,887.86         | 10,983.71         | 10,788.86          | 11,648.16          | 11,513.00         | 427.15            | 21,248.02          | 11,090.35         | 11,301.54          | 164,882.02          |
| Utilities                           | 2,294.80          | 645.50            | 4,071.38          | 655.29            | 2,950.41           | 2,684.76           | 2,818.73          | 2,025.14          | 1,971.36           | 3,761.12          | 1,879.31           | 34,773.47           |
| Insurance                           | (2,034.07)        | 5,989.76          | 17,812.10         | 8,141.02          | 8,482.53           | 9,014.12           | (3,367.30)        | 6,329.78          | 19,611.58          | 7,756.73          | 8,615.78           | 115,969.22          |
| Other **                            | 8,083.19          | 35,747.83         | 33,347.36         | 13,308.86         | (9,623.02)         | 29,302.31          | 16,472.08         | 26,283.19         | 47,925.86          | 2,565.57          | 103,687.81         | 350,802.66          |
| Ordinary Course Professional Fees   |                   |                   |                   |                   |                    |                    |                   |                   |                    |                   |                    |                     |
| Russell Hall PC                     | -                 | -                 | -                 | 13,132.11         | 841.80             | 1,528.20           | 310.50            | -                 | -                  | -                 | 1,269.60           | 17,082.21           |
| Mark Hanna                          | -                 | 1,350.00          | 679.50            | -                 | -                  | -                  | -                 | -                 | -                  | -                 | -                  | 3,243.30            |
| Other                               | 666.88            | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                  | -                 | 358.75             | 1,025.63            |
| Chapter 11 Professional Fees        |                   |                   |                   |                   |                    |                    |                   |                   |                    |                   |                    |                     |
| Baker Botts LLP                     | 18,340.37         | 8,564.63          | 9,525.65          | 15,474.85         | 19,016.25          | 39,418.57          | 14,359.82         | 22,106.94         | 16,981.77          | 13,682.87         | 18,040.29          | 399,770.31          |
| Stout Risius Ross                   | 2,557.50          | 2,605.50          | 3,766.50          | 6,940.50          | 10,129.00          | 20,611.26          | 9,054.18          | 2,452.00          | 5,136.00           | 2,375.00          | 3,068.00           | 133,832.69          |
| BMC                                 | 176.85            | 369.74            | 345.77            | 71.61             | 643.63             | 1,423.38           | 212.35            | 57.54             | 41.00              | 449.76            | -                  | 8,575.59            |
| Hilder & Associates                 | 544.67            | 325.00            | 312.42            | 2,126.67          | 2,138.01           | 6,764.10           | 11,526.09         | 326.35            | 584.21             | 1,331.00          | 1,058.00           | 56,327.41           |
| U.S. Trustee Fees                   | -                 | -                 | 4,875.00          | -                 | -                  | 4,875.00           | -                 | -                 | 4,875.00           | -                 | -                  | 21,450.00           |
| Settlement Payment                  | -                 | -                 | -                 | -                 | -                  | -                  | -                 | -                 | -                  | -                 | -                  | 1,050,000.00        |
| <b>TOTAL G&amp;A EXPENSES</b>       | <b>197,002.65</b> | <b>223,469.21</b> | <b>271,868.24</b> | <b>264,867.17</b> | <b>251,722.44</b>  | <b>326,145.18</b>  | <b>271,660.26</b> | <b>287,356.00</b> | <b>291,739.30</b>  | <b>257,382.00</b> | <b>341,045.01</b>  | <b>5,285,041.92</b> |
| <b>EBITDA</b>                       | <b>49,697.05</b>  | <b>19,667.30</b>  | <b>16,784.49</b>  | <b>526.93</b>     | <b>(43,509.99)</b> | <b>(12,506.08)</b> | <b>83,976.72</b>  | <b>32,580.11</b>  | <b>(39,034.79)</b> | <b>37,155.81</b>  | <b>(75,016.21)</b> | <b>(954,728.90)</b> |
| Depreciation Expense                |                   |                   |                   |                   |                    |                    |                   |                   |                    |                   |                    |                     |
| FB&T Interest                       | 906.36            | 955.06            | 922.51            | 858.08            | 1,101.79           | 913.41             | 848.91            | 840.74            | 804.23             | 742.81            | 716.90             | 14,140.25           |
| <b>NET INCOME</b>                   | <b>48,790.69</b>  | <b>18,712.24</b>  | <b>15,861.98</b>  | <b>(331.15)</b>   | <b>(44,611.78)</b> | <b>(13,419.48)</b> | <b>83,127.80</b>  | <b>31,739.37</b>  | <b>(39,839.02)</b> | <b>36,413.00</b>  | <b>(75,733.11)</b> | <b>(968,869.15)</b> |

Accrual Accounting Required, Otherwise Footnote with Explanation

Unusual and/or infrequent item(s) outside the ordinary course of business requires footnote.

Notes:

\* The debtor uses a cash based accounting system to recognize revenue when payments are received and does not accrue revenue by payor.

\*\* Includes payments toward the monthly settlement.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**STATEMENT OF INCOME (LOSS)**

| CASH RECEIPTS AND DISBURSEMENTS     | MONTH<br>JANUARY | MONTH<br>FEBRUARY | MONTH<br>MARCH | MONTH<br>APRIL | MONTH<br>MAY | MONTH<br>JUNE | MONTH<br>JULY | MONTH<br>AUGUST | MONTH<br>SEPTEMBER | MONTH<br>OCTOBER | MONTH<br>NOVEMBER | FILING TO<br>DATE |
|-------------------------------------|------------------|-------------------|----------------|----------------|--------------|---------------|---------------|-----------------|--------------------|------------------|-------------------|-------------------|
| CASH, BEGINNING OF MONTH ***        | 17,267.94        | 3,220.05          | 9,835.34       | 16,412.02      | 23,750.98    | 8,288.81      | 11,734.56     | 18,094.44       | 137,956.01         | 81,355.90        | 113,337.82        |                   |
| RECEIPTS                            | 305,197.52       | 265,297.90        | 305,108.84     | 271,268.61     | 275,340.14   | 294,545.80    | 319,965.09    | 434,665.32      | 255,032.14         | 306,003.25       | 301,208.34        | 4,548,984.20      |
| DISBURSEMENTS                       |                  |                   |                |                |              |               |               |                 |                    |                  |                   |                   |
| NET PAYROLL                         | 151,144.47       | 153,576.83        | 179,782.13     | 187,538.41     | 198,900.40   | 191,751.42    | 204,597.35    | 220,711.98      | 169,756.02         | 196,957.50       | 184,912.10        | 2,811,234.67      |
| EMPLOYEE BENEFITS                   | 1,738.88         | 1,394.28          | 4,553.38       | 1,440.19       | 1,487.12     | 2,046.46      | 1,924.99      | 1,678.68        | 1,700.23           | 14,824.96        | 2,016.75          | 55,203.80         |
| RENT                                | 11,265.77        | 10,626.79         | 10,599.86      | 10,794.71      | 10,599.86    | 11,459.16     | 11,225.00     | 238.15          | 21,059.02          | 10,712.35        | 11,202.54         | 161,872.43        |
| UTILITIES                           | 1,742.17         | 54.50             | 3,446.19       | 54.75          | 2,268.44     | 1,994.39      | 2,132.78      | 1,427.67        | 1,316.28           | 3,106.04         | 1,274.58          | 25,970.37         |
| INSURANCE                           | 1,455.35         | 9,479.18          | 21,325.64      | 11,654.56      | 12,509.98    | 12,527.66     | 3,993.36      | 12,053.44       | 22,957.06          | 11,532.09        | 11,961.26         | 170,965.45        |
| EQUIPMENT                           | 16,091.95        | 3,561.84          | 12,106.36      | 2,720.10       | 23,383.29    | 20,952.95     | 8,974.78      | 18,014.36       | 16,526.65          | 12,176.05        | 11,638.05         | 178,897.90        |
| REPAIRS AND MAINTENANCE             | 3,765.79         | 1,077.63          | 1,975.09       | 629.75         | 675.00       | 5,619.71      | 348.69        | 2,146.70        | 1,777.45           | 1,398.90         | 1,608.37          | 29,987.97         |
| ADMINISTRATIVE AND SELLING          | 2,362.26         | 4,386.94          | 7,742.20       | 4,711.36       | 3,384.16     | 6,137.90      | 5,270.59      | 7,382.16        | 8,100.98           | 2,278.44         | 3,020.70          | 68,988.44         |
| CREDIT CARDS                        | 10,864.07        | 7,503.38          | 6,057.26       | 8,480.28       | 8,048.43     | 8,384.71      | 12,203.77     | 11,613.93       | 6,877.79           | 6,722.51         | 8,681.34          | 126,538.91        |
| OTHER **                            | 22,802.07        | 21,612.52         | 21,871.28      | 3,000.00       | 3,673.13     | 27,410.14     | 2,652.00      | 28,147.53       | 48,111.83          | -                | 101,236.50        | 336,568.20        |
| FB&T PRINCIPAL                      | -                | 7,855.37          | 16,997.51      | 8,579.46       | 8,335.75     | -             | 17,249.32     | 8,516.12        | 8,711.39           | 8,645.85         | 8,919.30          | 127,064.74        |
| INTEREST EXPENSE                    | 1,607.78         | 3,269.61          | 3,506.29       | 858.08         | 1,277.16     | 2,171.92      | 1,879.93      | 2,873.03        | 3,101.82           | 791.69           | 3,379.42          | 30,713.06         |
| TOTAL DISBURSEMENTS FROM OPERATIONS | 224,840.56       | 224,398.87        | 289,963.19     | 240,461.65     | 274,542.72   | 290,456.42    | 272,452.56    | 314,803.75      | 309,996.52         | 269,146.38       | 349,850.91        | 4,124,005.94      |
| PROFESSIONAL FEES                   | 94,852.89        | 29,408.74         | 8,568.97       | 18,593.00      | 16,259.59    | 643.63        | 36,277.65     | -               | 1,635.73           | -                | 42,763.21         | 409,130.53        |
| US TRUSTEE FEES                     | -                | 4,875.00          | -              | 4,875.00       | -            | -             | 4,875.00      | -               | -                  | 4,875.00         | -                 | 21,450.00         |
| OTHER REORGANIZATION EXPENSES       | -                | -                 | -              | -              | -            | -             | -             | -               | -                  | -                | -                 | -                 |
| TOTAL DISBURSEMENTS *               | 319,693.45       | 258,682.61        | 298,532.16     | 263,929.65     | 290,802.31   | 291,100.05    | 313,605.21    | 314,803.75      | 311,632.25         | 274,021.38       | 392,614.12        | 4,554,586.47      |
| NET CASH FLOW                       | (14,495.93)      | 6,615.29          | 6,576.68       | 7,338.96       | (15,462.17)  | 3,445.75      | 6,359.88      | 119,861.57      | (56,600.11)        | 31,981.87        | (91,405.78)       | (5,602.27)        |
| CASH, END OF MONTH                  | 2,772.01         | 9,835.34          | 16,412.02      | 23,750.98      | 8,288.81     | 11,734.56     | 18,094.44     | 137,956.01      | 81,355.90          | 113,337.77       | 21,932.04         |                   |

\* Numbers for the current month should balance (match) "Receipts" and "Checks/Other Disbursements" from MOR-8

Notes:

\*\* Includes \$20,500.00 lent to OST under the DIP finance agreement in December. Also includes payment toward the monthly settlement.

\*\*\* February beginning cash balance was affected by the cancellation of a three month old check.

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**CASH ACCOUNT RECONCILIATION**

| <b>Chase Bank</b>             | <b>NOVEMBER</b>  | <b>NOVEMBER</b> | <b>NOVEMBER</b> |          |          |          | <b>TOTAL</b>     |
|-------------------------------|------------------|-----------------|-----------------|----------|----------|----------|------------------|
| ACCOUNT NUMBER                | *1172            | *8224           | NA              |          |          |          |                  |
| ACCOUNT TYPE                  | Checking         | Checking        | Petty Cash      |          |          |          |                  |
| BANK BALANCE                  | 20,929.98        | 56,558.54       | 100.00          |          |          |          | 77,588.52        |
| DEPOSITS IN TRANSIT           | -                | -               |                 |          |          |          | -                |
| OUTSTANDING CHECKS            | -                | (55,656.48)     |                 |          |          |          | (55,656.48)      |
| <b>ADJUSTED BOOK BALANCE</b>  | <b>20,929.98</b> | <b>902.06</b>   | <b>100.00</b>   | <b>-</b> | <b>-</b> | <b>-</b> | <b>21,932.04</b> |
| BEGINNING CASH - PER BOOKS    | 89,197.95        | 24,039.87       | 100.00          |          |          |          | 113,337.82       |
| RECEIPTS *                    | 49,603.19        | 251,605.15      |                 |          |          |          | 301,208.34       |
| TRANSFERS BETWEEN ACCOUNTS    | (117,000.00)     | 117,000.00      |                 |          |          |          | -                |
| CHECKS / OTHER DISBURSEMENTS  | (871.16)         | (391,742.96)    |                 |          |          |          | (392,614.12)     |
| <b>ENDING CASH, PER BOOKS</b> | <b>20,929.98</b> | <b>902.06</b>   | <b>100.00</b>   | <b>-</b> | <b>-</b> | <b>-</b> | <b>21,932.04</b> |

Accrual Accounting Required, Otherwise Footnote with Explanation

\* Numbers for the current month should balance (match) "Total Receipts" and "Total Disbursements" from MOR-7

Notes:



UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

CASE NAME ABC Dentistry West Orem, P.L.L.C.  
CASE NUMBER 16-34225

**PAYMENTS TO INSIDER AND PROFESSIONALS**

Of the total disbursements shown for the month, list the amount paid to insiders (as defined in Section 101(31)(A)-(F) of the U.S. Bankruptcy Code) and the professionals. Also, for insiders, identify the type of compensation paid (e.g. salary, commission, bonus, etc.)

| INSIDER: NAME / COMP TYPE  | MONTH<br>JANUARY | MONTH<br>FEBRUARY | MONTH<br>MARCH   | MONTH<br>APRIL   | MONTH<br>MAY     | MONTH<br>JUNE    | MONTH<br>JULY    | MONTH<br>AUGUST  | MONTH<br>SEPTEMBER | MONTH<br>OCTOBER | MONTH<br>NOVEMBER |
|----------------------------|------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|------------------|-------------------|
| 1 Iraj S. Jabbarly, D.D.S. | -                | -                 | 25,000.00        | 25,000.00        | 25,000.00        | 25,000.00        | 25,000.00        | 25,000.00        | 25,000.00          | 25,000.00        | 25,000.00         |
| 2                          |                  |                   |                  |                  |                  |                  |                  |                  |                    |                  |                   |
| 3                          |                  |                   |                  |                  |                  |                  |                  |                  |                    |                  |                   |
| 4                          |                  |                   |                  |                  |                  |                  |                  |                  |                    |                  |                   |
| 5                          |                  |                   |                  |                  |                  |                  |                  |                  |                    |                  |                   |
| 6                          |                  |                   |                  |                  |                  |                  |                  |                  |                    |                  |                   |
| <b>TOTAL INSIDERS</b>      | -                | -                 | <b>25,000.00</b> | <b>25,000.00</b> | <b>25,000.00</b> | <b>25,000.00</b> | <b>25,000.00</b> | <b>25,000.00</b> | <b>25,000.00</b>   | <b>25,000.00</b> | <b>25,000.00</b>  |

| PROFESSIONALS              | MONTH<br>JANUARY | MONTH<br>FEBRUARY | MONTH<br>MARCH  | MONTH<br>APRIL   | MONTH<br>MAY     | MONTH<br>JUNE | MONTH<br>JULY    | MONTH<br>AUGUST | MONTH<br>SEPTEMBER | MONTH<br>OCTOBER | MONTH<br>NOVEMBER |
|----------------------------|------------------|-------------------|-----------------|------------------|------------------|---------------|------------------|-----------------|--------------------|------------------|-------------------|
| 1 Baker Botts LLP          | 69,658.35        | 20,000.00         | -               | 17,243.00        |                  |               | 32,254.91        |                 |                    |                  | 42,213.91         |
| 2 Stout Risius Ross *      | 12,856.00        | 6,080.00          | 2,046.00        |                  | 2,084.40         |               |                  |                 |                    |                  |                   |
| 3 BMC                      | 618.16           | 695.46            | 369.74          |                  | 417.38           | 643.63        |                  |                 | 1,635.73           |                  | 549.30            |
| 4 Russell Hall PC          |                  |                   |                 |                  | 13,497.81        |               |                  |                 |                    |                  |                   |
| 5 Mark Hanna               |                  |                   |                 | 1,350.00         |                  |               |                  |                 |                    |                  |                   |
| 6 Hilder & Associates      | 11,720.38        | 2,633.28          | 436.57          |                  | 260.00           |               |                  |                 |                    |                  |                   |
| <b>TOTAL PROFESSIONALS</b> | <b>94,852.89</b> | <b>29,408.74</b>  | <b>2,852.31</b> | <b>18,593.00</b> | <b>16,259.59</b> | <b>643.63</b> | <b>32,254.91</b> | -               | <b>1,635.73</b>    | -                | <b>42,763.21</b>  |

Notes:

\* In December, SRR's payment was made by an affiliate of WO under the terms of the DIP finance order. The payment was recorded as an intercompany advance on the balance sheet.