

AFFIDAVIT OF TEODORA TULCAN-BONNEY, D.M.D.

I, Teodora Tulcan-Bonney, hereby swear and affirm to the following under penalties of perjury.

1. I, Teodora Tulcan-Bonney, am an orthodontist licensed to practice in the Commonwealth of Pennsylvania.
2. On or about April 1, 1997 I entered into a business service agreement hereinafter "Agreement" with Orthodontic Centers of Pennsylvania, Inc. (hereinafter OCS).
3. The term of the agreement was for a period of forty (40) years commencing on October 6, 1997.
4. In accordance with paragraphs 1.6 and 2.1 of the agreement, OCS was to provide me with business and administrative support and services, non-orthodontic staffing, office and equipment and financial services required for the Affiant for the day to day operations and growth of her Centers. OCS has been in breach of the Agreement as follows.
5. OCS has and continues to consistently not pay bills on time. In fact, they have been so drastically late that in some instances where I have received suspension or turn-off letters. These included services for:
 - a.) Advertising with Comcast Spotlight;
 - b.) Telephone service with Commonwealth Telephone Enterprises;
 - c.) Advertising with a parent publication;
 - d.) Electric service;
 - e.) Internet service.
6. Our main orthodontic appliances vendor refused to continue sending our braces (we cannot provide orthodontic treatment without braces) because of non-payment of their bills by OCS.
7. When I confronted OCS relative to their payment practices, a representative indicated that OCS used to pay invoices immediately. Now, they allow sixty (60) to ninety (90) days to pass before paying, depending upon what each vendor would allow, in order to accrue interest.
8. OCS's late payment of vendors' invoices has placed the operation of my practice in jeopardy and has forced me to reschedule patients due to lack of vital orthodontic supplies.
9. With regard to leasing, OCS renewed the lease for our Lancaster, Pennsylvania office without advising me of the particulars of the lease. They bound us to a five year lease, the lease payments increased and we were

charged with the responsibility for the HVAC units. All of this negotiation took place without any input from myself.

10. OCS never aided in obtaining staffing for our office other than submitting an ad in a newspaper that they drafted. Currently I operate four offices. One in Lancaster, one in Camp Hill, one in York and one in Harrisburg. I operate all of these offices as the sole orthodontist. In the staffing process, they had me research local newspapers and draft the ad.
11. OCS was to obtain an additional associate to help me in the operation of my offices. They have been unable to do so. Therefore, I am operating all four offices as the sole orthodontist.
12. There has not been a resource for clinical staff training ever since the closing of OCS's Ponte Verda corporate office.
13. OCS was to provide a practice enhancement representative for training two (2) times per year. This never occurred.
14. OCS did not properly handle the billing and collections and as a result my office has lost several patients who had become irritated because of the mistakes had made with their billing such as the following:
 - a.) Not receiving monthly bills;
 - b.) Posting checks several days after actually receiving them causing the imposition of late fees;
 - c.) Posting payments to other unrelated offices;
 - d.) Billed me for items from other unrelated offices.
15. Incompetent billing practices of OCS have led to refunds to patients and insurance companies in February of 2006 of \$45,000.00. That had cost myself and my staff over three hundred (300) hours of time to rectify.
16. In adequate collection efforts on countless accounts, the percentage of uncollected monies constantly stayed high to the point that I had to use local resources to collect outstanding fees.
17. OCS spent twenty seven thousand (\$27,000) dollars per year on yellow page ads without first consulting me.
18. At one point, I was contacted by Paul Spansel and Tony Paternostro of OCS on several occasions, putting pressure on me to accept the GP model, where I would hire a general dentist as an associate, to work as a "glorified dental assistant," where he would perform the job of a supervisor in one location while I was working in another. A fact which conflicts with the notion of Specialist, which is in our very name, not to mention the deceit to the customers.

19. After having been in business for a few months, my office manager brought it to my attention that I was being paid an hourly salary for the hours spent seeing patients, but that the hourly service fee was drawn by OCA for a full-time week, whether we had scheduled patients or not.
20. OCS has not provided consulting advice. I started my practice in 1997. By 2002 I was in debt over 1.6 million dollars. No one came to my office and sat with me to develop a plan do be profitable. In 2002, Jason Bonney joined the practice and in less than 1 year we became profitable. To date we are close to 40% net profit.

03/29/06
Date

Teodora Tulcan-Bonney
Teodora Tulcan-Bonney

COMMONWEALTH OF PENNSYLVANIA :
 : SS
COUNTY OF Cumberland :

On this 29th day of March, 2006, before me, the undersigned officer, personally appeared Teodora Tulcan-Bonney, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument and acknowledged that she executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Michael J. Pykosh
Notary Public

