

IN THE CHANCERY COURT FOR THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

VINCENT NOVAK, M.D.,)

Plaintiff,)

VS.)

PREMIER ORTHOPAEDIC &)
SPORTS MEDICINE, PLC,)

Defendant.)

NF
NO. 15-1484-BC

CLERK & MASTER
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FILED

**ORDER: (1) STATING TOPICS FOR DISCUSSION AT
CASE LITIGATION PLAN CONFERENCE AND
(2) SETTING 1/29/16 DEADLINE FOR NOTICE
OF AVAILABILITY OF COUNSEL**

Lawsuit Overview

This lawsuit was filed by a former member of a PLC against the PLC alleging breach of three agreements, bad faith, conversion and unjust enrichment. The three agreements are the PLC Operating Agreement, the Plaintiff's Employment Agreement and the Care Center Agreement which contains the terms and conditions for operating the business of the PLC. The Plaintiff withdrew from the PLC in June 11, 2015, and alleges the PLC was obligated but failed to: repurchase Plaintiff's interest in the PLC and distribute the ancillary income owed to the Plaintiff, collect and distribute to Plaintiff accounts receivable attributable to his services, timely release retirement monies, and produce financial information. In particular paragraphs 17-22 of the Complaint assert challenges as a matter of law, and paragraph 23 asserts a challenge as a matter of fact, to Section 9.4.2 of the First Amendment to the

Operating Agreement, with paragraphs 24-33 of the Complaint asserting the legal implications of these challenges.

The Defendant denies the Complaint and asserts among its affirmative defenses that the Plaintiff committed a material breach by announcing he would not comply with the amended Operating Agreement and that the Plaintiff is estopped or has waived application of the agreements to him.

Issues Joined

With the January 13, 2016 filing of the Answer, the parties have joined issues in the case. Consistent with the purposes of the Business Court Pilot Project and as authorized by Tennessee Civil Procedure Rule 16.02, the Court shall convene a Case Litigation Plan Conference (“CLPC”). The Court will confer with Counsel at the CLPC to enter a litigation plan for efficient and effective disposition of the case.

CLPC Topics

In addition to discussion at the CLPC of the standard litigation events and deadlines: amendment of pleadings, need to add parties, efficient sequencing and methods of obtaining discovery and discovery deadlines, mediation, and trial dates, the Court shall discuss a plan for deciding the section 9.4.2 amendment issues. In particular, the Court shall confer with Counsel whether it is more efficient to first decide pure issues of law, which appear to be


present at paragraphs 17-22 of the Complaint regarding the legal validity of the section 9.4.2 amendment, or whether it is more efficient to proceed with discovery and a prompt trial setting in July or August for disposition of all issues, including the section 9.4.2 amendment legal issues.

Also to be discussed at the CLPC is whether the Plaintiff needs access to Defendant's financial records to precisely quantify Plaintiff's damages, or whether Plaintiff knows the amount. If Plaintiff needs access to the financial records, the Court will discuss whether that needs to be prioritized to enable the Court and Counsel to evaluate the cost/benefit analysis of extensive pretrial preparation or streamlining the litigation, and an efficient method for that financial information to be provided.

Availability of Counsel

It is therefore ORDERED that on or before January 29, 2016, Counsel shall contact the Docket Clerk, Mrs. Smith, 615-862-5719, to provide their availability for a CLPC on these dates:

February 11, 2016 at noon
February 16, 2016 at 9:30 a.m.
February 19, 2016 at 10:30 a.m.



ELLEN HOBBS LYLE
CHANCELLOR
TENNESSEE BUSINESS COURT
PILOT PROJECT

cc: Sharon O. Jacobs
Thomas Roe Frazer III
J. Scott Hickman

 MAILED
1-21-16