

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

DE LAGE LANDEN FINANCIAL SERVICES, INC.  
1111 Old Eagle School Road  
Wayne, PA 19087

Plaintiff,

v.

DONNER MEDICAL MARKETING, INC.  
70 Sutton Drive  
Berkeley Heights, NJ 07922

BRUCE DONNER  
70 Sutton Drive  
Berkeley Heights, NJ 07922

and

ALLIED HEALTH CARE SERVICES, INC.  
89 Main Street  
Orange, NJ 07050

Defendants.

CIVIL ACTION NO.

**COMPLAINT**

Plaintiff, De Lage Landen Financial Services, Inc. (“Plaintiff” or “DLL”), by and through its counsel, Dilworth Paxson LLP, hereby files this Complaint against defendants Donner Medical Marketing, Inc. (“DMM”), Bruce Donner (“Mr. Donner”) and Allied Health Care Services, Inc. (“Allied”) (collectively, the “Defendants”) to recover damages and in support thereof alleges the following:

**PARTIES**

1. Plaintiff is a corporation organized under the laws of the State of Michigan with a place of business located at 1111 Old Eagle School Road, Wayne, Treddyfrin Township, Chester County, Pennsylvania, 19087.

2. Upon information and belief, DMM is a corporation or partnership formed under the laws of the State of New Jersey with a principal place of business located at 70 Sutton Drive Berkeley Heights, New Jersey 07922. DMM is a supplier of medical equipment, specifically respiratory devices.

3. Upon information and belief, Mr. Donner is an adult individual residing at 70 Sutton Drive, Berkeley Heights, New Jersey 07922. At all times relevant to this complaint, Mr. Donner was a director and officer of DMM.

4. Upon information and belief, the business address listed for DMM is the personal residence of Mr. Donner and Mr. Donner is the only full-time employee working for DMM at that address.

5. Upon information and belief, Allied is a corporation or partnership formed under the laws of the State of New Jersey with a principal place of business located at 89 Main Street, Orange, New Jersey 07050. Allied is a medical equipment rental company.

#### **JURISDICTION AND VENUE**

6. This Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1332 because the parties are citizens of different states and the amount in controversy exceeds the sum or value of \$75,000, exclusive of interests and costs.

7. Venue is proper in the Eastern District of Pennsylvania by virtue of (1) 28 U.S.C. § 1391(a)(2) because a substantial part of the events and/or omissions giving rise to the claims occurred in the Eastern District of Pennsylvania and (2) 28 U.S.C. § 1391(a)(3) because the Defendants are subject to personal jurisdiction in this District.

8. Additionally, the parties entered into multiple agreements providing for jurisdiction in Pennsylvania and venue in the Eastern District of Pennsylvania.

**FACTUAL BACKGROUND**

9. Beginning in 2007, DLL was presented with the opportunity to lease certain equipment to Allied.

10. In this instance the equipment to be leased were Life Care Products (n/k/a Respironics) PLV 102 Home Care Ventilators (each a “Ventilator” and collectively “Ventilators”).

11. Pursuant to certain rental and leasing agreements between DLL and Allied (the “Agreements”), DLL purchased hundreds of Ventilators from DMM, and in turn leased them to Allied.

12. DLL acquired the Ventilators from DLL pursuant to certain invoices presented to DLL by DMM (collectively, the “Invoices”).

13. The Invoices represented that DMM was selling to DLL and delivering to Allied the Ventilators, and identified Ventilators by model and serial number for each such piece of equipment.

14. DLL paid DMM a total of \$1,425,000 for the Ventilators. True and correct copies of the front and back of the related checks, which indicate deposit by DMM, are attached hereto as Exhibit “A”.

15. DLL has learned from the manufacturer that the serial numbers as presented in the Invoices do not correspond to serial numbers for any Ventilators.

**MASTER LEASE SCHEDULE NO. 24833537**

16. On or around June 28, 2007, DLL and Allied entered into Master Lease Schedule No. 24833537, as subject to the terms and conditions of the Master Lease Agreement, which was also by and between DLL and Allied (collectively, “Lease No. 1”). True and correct copies of

Master Lease Schedule No. 24833537 and the Master Lease Agreement are attached hereto as Exhibits “B” and “C”, respectively.

17. Pursuant to Lease No. 1, DLL agreed to lease to Allied one-hundred (100) Ventilators and Allied agreed to make forty-eight (48) monthly payments of \$13,408.20 to DLL in exchange for those Ventilators.

18. At or around the time Allied signed Lease No. 1, it also signed a “Delivery and Acceptance Certificate” wherein Allied represented and warranted, among other things, that the Ventilators described in Lease No. 1 had “been delivered to and been received by” Allied. A true and correct copy of this Delivery and Acceptance Certificate is attached hereto as Exhibit “D”.

19. In connection with entering into Lease No. 1, DMM submitted an invoice to DLL (“DMM Invoice No. 1”) listing the one-hundred (100) Ventilators it was purporting to sell to DLL and deliver to Allied, complete with serial numbers for each such Ventilator. A true and correct copy of DMM Invoice No. 1 is attached hereto as Exhibit “E”.

20. DMM Invoice No. 1 requested payment of \$500,000.00

21. DLL paid DMM \$500,000.00 in accordance with DMM Invoice No. 1.

22. Beginning in April of 2010, Allied failed to make the monthly payments when due under Lease No. 1.

23. Subsequently, DLL learned that none of the serial numbers identified on DMM Invoice No. 1 correspond to serial numbers for the Ventilators.

24. DLL believes that DMM did not deliver, and Allied does not possess, the Ventilators identified in Lease No. 1 and DMM Invoice No. 1.

25. Upon information and belief, Lease No. 1 and DMM Invoice No. 1, as presented to DLL for signature, contained false statements of material facts relating to DMM's sale of Ventilators to DLL and the delivery of those same Ventilators to Allied.

26. DLL was not aware that either Lease No. 1 or DMM Invoice No. 1 contained false statements of material fact when it countersigned Lease No. 1 and paid such invoice.

27. DLL would not have countersigned Lease No. 1 or paid DMM Invoice No. 1 had it known that either document contained such false statements.

28. When DMM presented DMM Invoice No. 1 DLL, DMM knew that this document contained false statements of material fact.

29. Upon information and belief, Mr. Donner was personally involved in preparing DMM Invoice No. 1 and presenting it to DLL.

**MASTER LEASE SCHEDULE NO. 24845915**

30. On or around August 23, 2007, DLL and Allied entered into Master Lease Schedule No. 24845915, as subject to the terms and conditions of a corresponding Rental Agreement, which was also by and between DLL and Allied (collectively "Lease No. 2"). True and correct copies of Master Lease Schedule No. 24845915 and the Rental Agreement are attached hereto as Exhibits "F" and "G", respectively.

31. Pursuant to Lease No. 2, DLL agreed to lease to Allied eighty-five (85) Ventilators and Allied agreed to make forty-eight (48) monthly payments of \$11,405.98 to DLL in exchange for those Ventilators.

32. At or around the time Allied signed Lease No. 2, it also signed a "Certificate of Delivery and Acceptance" wherein Allied represented and warranted, among other things, that the Ventilators described in Lease No. 2 "been delivered, inspected, installed and is in good

working condition.” A true and correct copy of this Certificate of Delivery and Acceptance is attached hereto as Exhibit “H”.

33. In connection with entering into Lease No. 2, DMM submitted an invoice to DLL (“DMM Invoice No. 2”) listing the eighty-five (85) Ventilators it was purporting to sell to DLL and deliver to Allied, complete with serial numbers for each such Ventilator. A true and correct copy of DMM Invoice No. 2 is attached hereto as Exhibit “I”.

34. DMM Invoice No. 2 requested payment of \$425,000.00

35. DLL paid DMM \$425,000.00 in accordance with DMM Invoice No. 2.

36. Beginning in April of 2010, Allied failed to make the monthly payments when due under Lease No. 2.

37. Subsequently, DLL learned that none of the serial numbers identified on DMM Invoice No. 2 correspond to serial numbers for the Ventilators.

38. DLL believes that DMM did not deliver, and Allied does not possess, the Ventilators identified in Lease No. 2 and DMM Invoice No. 2.

39. Upon information and belief, Lease No. 2 and DMM Invoice No. 2, as presented to DLL for signature, contained false statements of material facts relating to DMM’s sale of Ventilators to DLL and the delivery of those same Ventilators to Allied.

40. DLL was not aware that either Lease No. 2 or DMM Invoice No. 2 contained false statements of material fact when it countersigned Lease No. 2 and paid such invoice.

41. DLL would not have countersigned Lease No. 2 or paid DMM Invoice No. 2 had it known that either document contained such false statements.

42. When DMM presented DMM Invoice No. 2 DLL, DMM knew that this document contained false statements of material fact.

43. Upon information and belief, Mr. Donner was personally involved in preparing DMM Invoice No. 2 and presenting it to DLL.

**MASTER LEASE SCHEDULE NO. 24898788**

44. On or around April 11, 2008, DLL and Allied entered into Master Lease Schedule No. 24898788, as subject to the terms and conditions of a corresponding Rental Agreement, which was also by and between DLL and Allied (collectively "Lease No. 3"). True and correct copies of Master Lease Schedule No. 24898788 and the Rental Agreement are attached hereto as Exhibits "J" and "K", respectively.

45. Pursuant to Lease No. 3, DLL agreed to lease to Allied eighty (80) Ventilators and Allied agreed to make forty-eight (48) monthly payments of \$10,425.20 to DLL in exchange for those Ventilators.

46. At or around the time Allied signed Lease No. 3, it also signed a "Certificate of Delivery and Acceptance" wherein Allied represented and warranted, among other things, that the Ventilators described in Lease No. 3 had "been delivered, inspected, installed and is in good working condition." A true and correct copy of this Certificate of Delivery and Acceptance is attached hereto as Exhibit "L".

47. In connection with entering into Lease No. 3, DMM submitted an invoice to DLL ("DMM Invoice No. 3") listing the eighty (80) Ventilators it was purporting to sell to DLL and deliver to Allied, complete with serial numbers for each such Ventilator. A true and correct copy of DMM Invoice No. 3 is attached hereto as Exhibit "M".

48. DMM Invoice No. 3 requested payment of \$400,000.00

49. DLL paid DMM \$400,000.00 in accordance with DMM Invoice No. 3.

50. Beginning in April of 2010, Allied failed to make the monthly payments when due under Lease No. 3.

51. Subsequently, DLL learned that none of the serial numbers identified on DMM Invoice No. 3 correspond to serial numbers for the Ventilators.

52. DLL believes that DMM did not deliver, and Allied does not possess, the Ventilators identified in Lease No. 3 and DMM Invoice No. 3.

53. Upon information and belief, Lease No. 3 and DMM Invoice No. 3, as presented to DLL for signature, contained false statements of material facts relating to DMM's sale of Ventilators to DLL and the delivery of those same Ventilators to Allied.

54. DLL was not aware that either Lease No. 3 or DMM Invoice No. 3 contained false statements of material fact when it countersigned Lease No. 3 and paid such invoice.

55. DLL would not have countersigned Lease No. 3 or paid DMM Invoice No. 3 had it known that either document contained such false statements.

56. When DMM presented DMM Invoice No. 3 to DLL, DMM knew that this document contained false statements of material fact.

57. Upon information and belief, Mr. Donner was personally involved in preparing DMM Invoice No. 3 and presenting it to DLL.

#### **MASTER LEASE SCHEDULE NO. 24982813**

58. On or around June 18, 2009, DLL and Allied entered into Master Lease Schedule No. 24982813, as subject to the terms and conditions of a corresponding Master Lease Agreement, which was also by and between DLL and Allied (collectively "Lease No. 4"). True and correct copies of Master Lease Schedule No. 24982813, and the Master Lease Agreement are attached hereto as Exhibits "N" and "O", respectively.

59. Pursuant to Lease No. 4, DLL agreed to lease to Allied twenty (20) Ventilators and Allied agreed to make forty-eight (48) monthly payments of \$2,698.34 to DLL in exchange for those Ventilators.



60. At or around the time Allied signed Lease No. 4, it also signed a "Delivery and Acceptance Certificate" wherein Allied represented and warranted, among other things, that the Ventilators described in Lease No. 4 had "been delivered to and been received by" Allied. A true and correct copy of this Delivery and Acceptance Certificate is attached hereto as Exhibit "P".

61. In connection with entering into Lease No. 4, DMM submitted an invoice to DLL ("DMM Invoice No. 4") listing the twenty (20) Ventilators it was purporting to sell to DLL and deliver to Allied, complete with serial numbers for each such Ventilator. A true and correct copy of DMM Invoice No. 4 is attached hereto as Exhibit "Q".

62. DMM Invoice No. 4 requested payment of \$100,000.00

63. DLL paid DMM \$100,000.00 in accordance with DMM Invoice No. 4.

64. Beginning in April of 2010, Allied failed to make the monthly payments when due under Lease No. 4.

65. Subsequently, DLL learned that none of the serial numbers identified on DMM Invoice No. 4 correspond to serial numbers for the Ventilators.

66. DLL believes that DMM did not deliver, and Allied does not possess, the Ventilators identified in Lease No. 4 and DMM Invoice No. 4.

67. Upon information and belief, Lease No. 4 and DMM Invoice No. 4, as presented to DLL for signature, contained false statements of material facts relating to DMM's sale of Ventilators to DLL and the delivery of those same Ventilators to Allied.

68. DLL was not aware that either Lease No. 4 or DMM Invoice No. 4 contained false statements of material fact when it countersigned Lease No. 4 and paid such invoice.

69. DLL would not have countersigned Lease No. 4 or paid DMM Invoice No. 4 had it known that either document contained such false statements.

70. When DMM presented DMM Invoice No. 4 DLL, DMM knew that this document contained false statements of material fact.

71. Upon information and belief, Mr. Donner was personally involved in preparing DMM Invoice No. 4 and presenting it to DLL.

**COUNT I - FRAUD**  
**(Against Bruce Donner)**

72. Plaintiff hereby repeats the foregoing paragraph as if more fully set forth at length herein.

73. Upon information and belief, Mr. Donner personally prepared the Invoices and presented them to DLL.

74. Each of the Invoices falsely represented that DMM was selling certain Ventilators to DLL and delivering those same Ventilators to Allied.

75. This misrepresentation was material, as DLL does not fund transactions where the equipment associated therewith and securing the transaction does not exist or is otherwise different from what is identified in the supporting documentation.

76. Upon information and belief, at the time Mr. Donner prepared the Invoices and then presented them to DLL, Mr. Donner knew that those documents were false.

77. Mr. Donner intended for DLL to rely on the representations contained in the Invoices and made such representations willfully, maliciously, or so carelessly as to indicate wanton disregard of DLL's rights.

78. DLL did rely on Mr. Donner's false representations.

79. Plaintiff has suffered damages as a result of Mr. Donner's false representations, the value of which as of the date hereof is \$1,425,000.00, excluding court costs and interest.

WHEREFORE, Plaintiff hereby demands judgment against Bruce Donner for the following relief:

- a. compensatory damages;
- b. punitive damages;
- c. prejudgment interest thereon; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT II - CONVERSION**  
**(Against Bruce Donner)**

80. Plaintiff hereby repeats the foregoing paragraph as if more fully set forth at length herein.

81. As more fully described above, Mr. Donner interfered with DLL's use and possession of the purchase price monies Mr. Donner and DMM obtained in connection with Lease Nos. 1, 2, 3 and 4.

82. Specifically, Mr. Donner unlawfully obtained those purchase price monies from DLL by presenting DLL with documents containing false statements of material facts.

83. DLL did not consent to DMM's interference with the purchase price monies.

84. Mr. Donner acted without lawful justification when they interfered with said purchase price monies.

85. Plaintiff has suffered damages as a result of the interference by Mr. Donner, the value of which as of the date hereof is \$1,425,000.00, excluding court costs and interest.

WHEREFORE, Plaintiff hereby demands judgment against Bruce Donner for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT III – UNJUST ENRICHMENT**  
**(Against Bruce Donner)**

86. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

87. As outlined above, Mr. Donner has had use of the purchase price monies DLL forwarded to Mr. Donner and DMM in connection with DLL's funding of the equipment subject to Lease Nos. 1, 2, 3 and 4, and corresponding DMM Invoice Nos. 1, 2, 3 and 4.

88. Allowing Mr. Donner to retain the funds without paying for same would result in an unjust enrichment to him, in the sum of \$1,425,000.00, excluding court costs and interest.

WHEREFORE, Plaintiff hereby demands judgment against Bruce Donner for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT IV – UNJUST ENRICHMENT**  
**(Against Donner Medical Marketing, Inc.)**

89. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

90. As outlined above, DMM has had use of the purchase price monies DLL forwarded to Mr. Donner and DMM in connection with DLL's funding of the equipment subject to Lease Nos. 1, 2, 3 and 4, and corresponding DMM Invoice Nos. 1, 2, 3 and 4.

91. Allowing DMM to retain the funds without paying for same would result in an unjust enrichment to it, in the sum of \$1,425,000.00, excluding court costs and interest.

WHEREFORE, Plaintiff hereby demands judgment against Donner Medical Marketing, Inc. for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT V – BREACH OF CONTRACT**  
**(Against Donner Medical Marketing, Inc. related to DMM Invoice No. 1)**

92. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

93. The DMM Invoice No. 1 was an offer made by DMM to sell certain Ventilators to DLL for a price listed in that invoice and to also remit that same equipment to Allied.

94. DLL accepted this offer by sending funds to DMM.

95. DMM did not possess the Ventilators in question and, therefore, did not actually sell them to DLL or remit them to Allied.

96. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$219,180.80, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Donner Medical Marketing, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT VI – BREACH OF CONTRACT**  
**(Against Allied Health Care Services, Inc. related to Lease No. 1)**

97. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

98. Due to Allied's failure to make timely payments under Lease No. 1, Allied has breached Lease No 1.

99. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$219,180.80, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT VII – BREACH OF CONTRACT**  
**(Against Allied Health Care Services, Inc. related to Delivery  
and Acceptance Certificate associated with Lease No. 1)**

100. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

101. In the “Delivery and Acceptance Certificate” associated with Lease No. 1 Allied represented and warranted that the equipment described in Lease No. 1 “has been delivered to and been received by” Allied.

102. Allied has breached this representation and warranty because the equipment described in Lease No. 1 had been neither delivered to nor received by Allied.

103. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$219,180.80, excluding court costs, interest and attorneys’ fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney’s fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT VIII – BREACH OF CONTRACT**

**(Against Donner Medical Marketing, Inc. related to DMM Invoice No. 2)**

104. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

105. DMM Invoice No. 2 was an offer made by DMM to sell certain Ventilators to DLL for a price listed in that invoice and to also remit that same equipment to Allied.

106. DLL accepted this offer by sending funds to DMM.

107. DMM did not possess the Ventilators in question and, therefore, did not actually sell them to DLL or remit them to Allied.

108. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$204,502.55, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Donner Medical Marketing, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT IX – BREACH OF CONTRACT**

**(Against Allied Health Care Services, Inc. related to Lease No. 2)**

109. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

110. Due to the Allied's failure to make timely payments under Lease No. 2, Allied has breached Lease No 2.

111. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$204,502.55, excluding court costs, interest and attorneys' fees.



WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT X – BREACH OF CONTRACT**  
**(Against Allied Health Care Services, Inc. related Certificate of Delivery and Acceptance associated with Lease No. 2)**

112. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

113. In the "Certificate of Delivery and Acceptance" associated with Lease No. 2 Allied represented and warranted that the equipment described in Lease No. 2 "has been delivered, inspected, installed and is in good working condition."

114. Allied has breached this representation and warranty because the equipment described in Lease No. 2 had been neither delivered to nor received by Allied.

115. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$204,502.55, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XI – BREACH OF CONTRACT**

**(Against Donner Medical Marketing, Inc. related to DMM Invoice No. 3)**

116. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

117. DMM Invoice No. 3 was an offer made by DMM to sell certain Ventilators to DLL for a price listed in that invoice and to also remit that same equipment to Allied.

118. DLL accepted this offer by sending funds to DMM.

119. DMM did not possess the Ventilators in question and, therefore, did not actually sell them to DLL or remit them to Allied.

120. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$259,252.89, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Donner Medical Marketing, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XII – BREACH OF CONTRACT**

**(Against Allied Health Care Services, Inc. related to Lease No. 3)**

121. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

122. Due to the Allied's failure to make timely payments under Lease No. 3, Allied has breached Lease No 3.

123. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$259,252.89, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XIII – BREACH OF CONTRACT**  
**(Against Allied Health Care Services, Inc. related to Certificate of Delivery and Acceptance associated with Lease No. 3)**

124. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

125. In the "Certificate of Delivery and Acceptance" associated with Lease No. 3 Allied represented and warranted that the equipment described in Lease No. 3 "has been delivered, inspected, installed and is in good working condition."

126. Allied has breached this representation and warranty because the equipment described in Lease No. 3 had been neither delivered to nor received by Allied.

127. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$259,252.89, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XIV – BREACH OF CONTRACT**

**(Against Donner Medical Marketing, Inc. related to DMM Invoice No. 4)**

128. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

129. DMM Invoice No. 4 was an offer made by DMM to sell certain Ventilators to DLL for a price listed in that invoice and to also remit that same equipment to Allied.

130. DLL accepted this offer by sending funds to DMM.

131. DMM did not possess the Ventilators in question and, therefore, did not actually sell them to DLL or remit them to Allied.

132. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$105,495.58, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Donner Medical Marketing, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon; and
- c. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XV – BREACH OF CONTRACT**

**(Against Allied Health Care Services, Inc. related to Lease No. 4)**

133. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

134. Due to the Allied's failure to make timely payments under Lease No. 4, Allied has breached Lease No 4.

135. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$105,495.58, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**COUNT XVI – BREACH OF CONTRACT**  
**(Against Allied Health Care Services, Inc. related to Delivery and Acceptance Certificate associated with Lease No. 4)**

136. Plaintiff repeats the foregoing paragraphs as if more fully set forth at length herein.

137. In the “Delivery and Acceptance Certificate” associated with Lease No. 4 Allied represented and warranted that the equipment described in Lease No. 4 “has been delivered to and been received by” Allied.

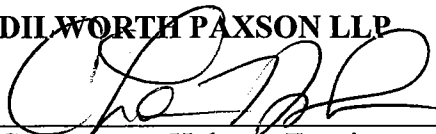
138. Allied has breached this representation and warranty because the equipment described in Lease No. 4 had been neither delivered to nor received by Allied.

139. Plaintiff has suffered damages as a result of such breach, the value of which as of the date hereof is \$105,495.58, excluding court costs, interest and attorneys' fees.

WHEREFORE, Plaintiff hereby demands judgment against Allied Health Care Services, Inc., for the following relief:

- a. compensatory damages;
- b. prejudgment interest thereon;
- c. attorney's fees and costs of suit; and
- d. for such other and further relief that the Court deems equitable and just under the circumstances.

**DILWORTH PAXSON LLP**



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*Attorneys for Plaintiff,*

*De Lage Landen Financial Services, Inc.*

Dated: August 13, 2010