

Lowell N. Hawkes (ISB #1852)
 LOWELL N. HAWKES, CHARTERED
 1322 East Center
 Pocatello, Idaho 83201
 Telephone: (208) 235-1600
 FAX: (208) 235-4200
 Attorney for Third-Party Defendants
 Romriell, Ormond & Goodliffe

U.S. COURTS
 JUL 27 PM 5:27
 FILED
 CLERK, IDAHO

**IN THE UNITED STATES DISTRICT COURT
 DISTRICT OF IDAHO**
 The Honorable Larry M. Boyle

POCATELLO DENTAL GROUP, P.C.,
 an Idaho Professional Corporation,

Plaintiff,

vs.

INTERDENT SERVICE
 CORPORATION, a Washington
 Corporation,

Defendant,

vs.

POCATELLO DENTAL GROUP, P.C.,
 an Idaho Professional Corporation;
 DWIGHT G. ROMRIELL, individually;
 LARRY R. MISNER, JR., individually;
 PORTER SUTTON; individually;
 ERNEST SUTTON; individually;
 GREGORY ROMRIELL; individually;
 ERROL ORMOND; individually; and
 ARNOLD GOODLIFFE; individually;

*Counterdefendant and
 Third-party Defendants.*

Case No. CV-03-450-E-LMB

**ANSWER OF
 DWIGHT G. ROMRIELL,
 GREGORY ROMRIELL,
 ERROL ORMOND, and
 ARNOLD GOODLIFFE
 TO JUNE 2004
 THIRD-PARTY COMPLAINT
 OF DEFENDANT,
 AMENDED COUNTERCLAIM
 AND
 JURY DEMAND**

**ANSWER OF THIRD-PARTY DEFENDANTS ROMRIELL, ORMOND & GOODLIFFE
 TO JUNE 2004 THIRD-PARTY COMPLAINT OF DEFENDANT INTERDENT,
 AMENDED COUNTERCLAIM AND JURY DEMAND — Page 1**

Pocatello Dental Group v. InterDent v. Romriell, Misner, Sutton, Sutton, Ormond & Goodliffe

129

Third-party Defendants Dwight G. Romriell and Gregory Romriell, Errol Ormond, and Arnold Goodliffe answer Defendant InterDent Service Corporation's (herein "InterDent") June 2004 Third-party Complaint and Counterclaim as follows:

FIRST DEFENSE

1. The Third-Party Complaint and each Count thereof fail to state claims upon which relief can be granted; these answering Third-party Defendants put Defendant to its proof.

SECOND DEFENSE

2. The Third-Party Complaint and each Count thereof fail to state claims upon which relief can be granted against these answering Third-party Defendants.

THIRD DEFENSE

3. The complaints and consequences of which Defendant InterDent complains are a direct result of its unwillingness, incapacity, and indifference to proper professional management and priority concern for patients while diverting away from the dental group over 60% of the money produced by the efforts of the practicing physicians.

FOURTH DEFENSE

4. Some of the conduct of which Defendant InterDent complains is privileged, immune, and otherwise not actionable.

FIFTH DEFENSE

5. The Third-party claims of Defendant InterDent are barred by the doctrines of laches and unclean hands.

SIXTH DEFENSE

6. Any equitable claims of Defendant InterDent are barred by it's own misconduct and failure to do equity.

SEVENTH DEFENSE

7. Any action for rescission is untimely and waived.

EIGHTH DEFENSE

8. The conduct and acts and omissions of Defendant InterDent of which it seeks to take advantage are or were unreasonable or unlawful.

NINTH DEFENSE

9. Defendant InterDent has failed to reasonably conduct itself so as to avoid or mitigate any damage and has otherwise unreasonably conducted itself so as to incur losses and expense that in the conduct of reasonable practices were avoidable.

TENTH DEFENSE

10. These answering defendants deny each and every allegation of the Third Party Complaint not specifically admitted herein or not specifically applying to them.

ELEVENTH DEFENSE

Answer to "Parties, Jurisdiction and Venue"

11. Answering paragraph 1 of the Third-Party Complaint, these answering Third-party Defendants deny that a Third-party Complaint can be filed pursuant to Rule 13(a) of the *Federal Rules of Civil Procedure*.

12. Answering paragraph 2 of the Third-Party Complaint, these answering Third-party Defendants admit that Defendant InterDent Service Corporation is a Washington corporation registered in Idaho.

13. Answering paragraph 3 of the Third-Party Complaint, these answering Third-party Defendants admit that Pocatello Dental Group is an Idaho professional corporation with its principal place of business in the Pine Ridge Mall in Chubbuck, Idaho.

14. Answering paragraphs 4, 5, 6, 7, 8, 9, and 10 of the Third-Party Complaint, these answering Third-party Defendants admit that the individuals named were, and are, residents of Idaho.

15. Answering paragraphs 11 and 12 of the Third-Party Complaint, these answering Third-party Defendants admit the amount in controversy is in excess of \$75,000.00 and that venue in Pocatello is appropriate.

Answer to "General Allegations"

16. Answering paragraphs 13 and 14 of the Third-Party Complaint, these answering Third-party Defendants admit that Defendant InterDent holds itself out as providing management services and that there was a prior relationship with GMS Dental Group (herein "GMS").

17. Answering paragraphs 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, and 31 of the Third-Party Complaint, these answering Third-party Defendants affirmatively alleged that the documents referred to are the best evidence of what the documents provide and that the allegations of those paragraphs are incomplete and misleading and therefore deny the allegations to the extent they are inconsistent or inaccurate as to the complete referenced documents; the documents are the best evidence of what they provide.

18. These answering Third-party Defendants deny the allegations of paragraph 32 of the Third-Party Complaint.

19. Answering paragraph 33 of the Third-Party Complaint, these answering Third-party Defendants admit that discounts have been given where appropriate within their professional judgment but deny the other allegations and conclusions therein.

20. Answering paragraph 34 of the Third-Party Complaint, these answering Third-party Defendants admit that any documents referenced by Defendant InterDent are the best evidence of their content, but deny the other allegations therein.

21. Answering paragraph 35 of the Third-Party Complaint, these answering Third-party Defendants deny that Dwight G. Romriell ever gave notice that he intended to leave professional practice.

22. Answering paragraphs 36, 37, 38, 39, 40, 41, 42, 43, 44, and 45 of the Third-Party Complaint, these answering Third-party Defendants admit that Pocatello Dental Group undertook to secure an agreement with Dwight G. Romriell and affirmatively allege that such was in the best interests of patients and in the best economic and professional interests of Defendant InterDent and that Defendant InterDent unreasonably, and contrary to even its own economic interests and the interests of patients and the other dentists, sought to frustrate any continuing professional relationship with Dwight G. Romriell or otherwise operate Defendant InterDent reasonably and professionally, and deny the other allegations and conclusions therein.

23. Third-party Defendants deny the allegations of paragraph 46 of the Third-Party Complaint.

24. Answering paragraph 47 of the Third-Party Complaint, these answering Third-party Defendants admit that Dr. Misner and Ivar Chhina had conversations.

25. Answering paragraph 48 of the Third-Party Complaint, these answering Third-party Defendants admit that a meritorious Temporary Restraining Order was obtained on October 10, 2003.

26. Answering paragraphs 49, 50, 51 and 52 of the Third-Party Complaint, these answering Third-party Defendants admit that the meritorious Temporary

Restraining was appropriately served but deny that the TRO has impaired Defendant InterDent from doing anything that was in the interest of patients, professionalism, or reasonable management.

27. Answering paragraphs 53, 54, 55, 56, and 57 of the Third-Party Complaint, these answering Third-party Defendants deny that Defendant InterDent has any good faith "information and belief" that any revenues are being improperly diverted, deny the implication that Pocatello Dental Group would be precluded by law or agreement from having a bank account or post office box, and deny the other allegations and conclusions therein.

27. Answering paragraphs 58, 59, 60, 61, 62, 63, 64, and 65 of the Third-Party Complaint, these answering Third-party Defendants admit that Dwight G. Romriell currently has his own independent dental practice and that in such professional practice he treats patients and otherwise exercises his specialty skills and training as relating to temporomandibular and craniofacial disorders, denies that there were any improper acts, omissions, or wrongdoing incidental to such and affirmatively allege that such professional practice was properly and lawfully established, but deny the other allegations, conclusions and state-of-mind assertions therein as to what Defendant InterDent may be informed of or believe, including the implication of any wrongdoing or impropriety relative to taking or not taking other legal action.

28. Answering paragraphs 66, 67, 68, and 69 of the Third-Party Complaint, these answering Third-party Defendants admit that any documents referenced by

Defendant InterDent in their totality are the best evidence of their content but deny the other allegations and conclusions therein.

29. Answering paragraphs 70, 71, 72, and 73 of the Third-Party Complaint, these answering Third-party Defendants admit that there have been disputes relative to the wrongful diversion and handling of business and professional mail and that court proceedings were undertaken against Defendant InterDent in response to its failure and refusal to be honorable and accountable for business and professional mail and that a stipulated order was ultimately entered by Senior Judge Lodge herein, but deny the other allegations and conclusions therein.

Answer to "First Claim For Relief"

30. Answering paragraph 74 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 73 of the Third-Party Complaint.

31. These answering Third-party Defendants deny the allegations of paragraphs 75, 76, and 76 the Third-Party Complaint.

Answer to "Second Claim For Relief"

32. Answering paragraph 78 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 77 of the Third-Party Complaint.

33. Answering paragraphs 79, 80, and 81 of the Third-Party Complaint, these answering Third-party Defendants deny the allegations therein as this Second Claim For Relief is not directed to these individuals.

Answer to "Third Claim For Relief"

34. Answering paragraph 82 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 81 of the Third-Party Complaint.

35. Answering paragraphs 83, 84, 85, and 86 of the Third-Party Complaint, answering Third-party Defendants Dwight G. Romriell admits that good faith complaints to the Idaho Board of Dentistry have been made but deny that such is an abuse of process or that Defendant InterDent has sustained any actionable damages from such, affirmatively alleges that Defendant InterDent's conduct has in fact impaired and interfered with the physician-patient relationship, and deny the other allegations and conclusions therein.

Answer to "Fourth Claim For Relief"

36. Answering paragraph 86 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 85 of the Third-Party Complaint.

37. Answering paragraphs 87, 88, 89, 90, 91, 92, and 93 of the Third-Party Complaint, these answering Third-party Defendants deny those allegations as this Fourth Claim For Relief is not directed to these individuals.

Answer to "Fifth Claim For Relief"

38. Answering paragraph 94 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 93 of the Third-Party Complaint.

39. Answering paragraphs 95, 96, 97, 98, 99, 100, and 101 of the Third-Party Complaint, answering Third-party Defendants Romriell, and Ormond admit that they were aware of a management agreement but deny the other allegations and conclusions therein.

Answer to "Sixth Claim For Relief"

40. Answering paragraph 102 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 101 of the Third-Party Complaint.

41. These Answering Third-party Defendants deny the allegations and conclusions of paragraphs 103, 104, 105, and 106 of the Third-Party Complaint as not directed towards them.

Answer to "Seventh Claim For Relief"

42. Answering paragraph 107 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 106 of the Third-Party Complaint.

43. Answering paragraphs 108, 109, 110, and 111 of the Third-Party Complaint, answering Third-party Defendant Gregory Romriell denies those allegations.

Answer to "Eighth Affirmative Defense [sic]"

44. Answering paragraph 112 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 111 of the Third-Party Complaint.

45. Answering paragraphs 113, 114, 115, and 116 of the Third-Party Complaint, answering Third-party Defendant Errol Ormond denies those allegations.

Answer to "Ninth Claim For Relief"

46. Answering paragraph 117 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 116 of the Third-Party Complaint.

47. Answering paragraphs 118, 119, 120, 121, 122, 123, 124, and 125 of the Third-Party Complaint, these answering Third-party Defendants deny those allegations.

Answer to "Tenth Claim For Relief"

48. Answering paragraph 126 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 125 of the Third-Party Complaint.

49. Answering paragraphs 127 and 128 of the Third-Party Complaint, these answering Third-party Defendants deny those allegations and the conclusions therein.

Answer to "Eleventh Claim For Relief"

50. Answering paragraph 129 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 128 of the Third-Party Complaint.

51. Answering paragraphs 130, 131, and 132 of the Third-Party Complaint, these answering Third-party Defendants deny those allegations and the conclusions therein.

Answer to "Twelfth Claim For Relief"

52. Answering paragraph 133 of the Third-Party Complaint, these answering Third-party Defendants incorporate by reference their answers to paragraphs 1 through 132 of the Third-Party Complaint.

53. Answering paragraphs 134, 135, 136, and 137 of the Third-Party Complaint, these answering Third-party Defendants admit that the expense and damages

of these proceedings should be the obligation of Defendant InterDent but deny the other allegations and conclusions therein.

AMENDED COUNTERCLAIM

Third-party Defendants Romriell, Ormond, and Goodliffe for counterclaim against Defendant InterDent allege as follows:

54. The conduct of Defendant InterDent in its dealings with the professionals and patients at the Pocatello Dental Group has been hostile, tactical, unprofessional, defiant, recklessly indifferent, and in conscious disregard to the professional standards and good faith for which the Pocatello Dental Group had previously and historically been known and to which Defendant InterDent was contractually and professionally obligated to respect and honor.

55. Among other things, Defendant InterDent has subordinated the interests of patients and professionals and the quality of practice to which the Pocatello Dental Group had previously adhered, to its wrongful financial interests contrary to the historical practice, representations, contractual obligations, and promises upon which the prior management relationship was originally, historically, and professionally based.

56. The conduct of Defendant InterDent and its agents has, among other things, defiantly announced that it would give no credence to, nor honor, its material contractual obligations where different from what it desired its contractual obligations to be while knowing that the impact of such was to degrade prior standards and the prior quality of professional and patient relationships.

Date/Time: Jun.30. 2004 11:08AM

File No. Mode	Destination	Page(s)	Result	Page Not Sent
4140 Memory TX	92351182	P. 15	OK	
	92326109		OK	
	912033899040		OK	
	915032202480		OK	

Reason for error:
E1.1) Ring up or line fail
E1.2) No answer

E.2) Busy
E.2) No facsimile connection

Lowell N. Hawkes (SB #1852)
LOWELL N. HAWKES, CHARTRGD
1322 East Center
Pocatello, Idaho 83201
Telephone: (208) 235-1600
FAX: (208) 235-4200
*Attorney for Third Party Defendants
Arnold, Ormond & Goodliffe*

**IN THE UNITED STATES DISTRICT COURT
DISTRICT OF IDAHO**
The Honorable Larry M. Boyle

POCATELLO DENTAL GROUP, P.C.,
an Idaho Professional Corporation,

Plaintiff,

vs.

INTERDENT SERVICE
CORPORATION, a Washington
Corporation,

Defendant,

vs.

POCATELLO DENTAL GROUP, P.C.,
an Idaho Professional Corporation;
DWIGHT G. ROMRIELL, individually;
LARRY R. MISNER, JR., individually;
PORTER SUTTON; individually;
ERNEST SUTTON; individually;
GREGORY ROMRIELL, individually;
ERROL ORMOND; individually; and
ARNOLD GOODLIFFE; individually;

*Counterdefendant and
Third-party Defendants*

Case No. CV-03-450-161-MB

**ANSWER OF
DWIGHT G. ROMRIELL,
GREGORY ROMRIELL,
ERROL ORMOND, and
ARNOLD GOODLIFFE
TO JUNE 2004
THIRD-PARTY COMPLAINT
OF DEFENDANT,
AMENDED COUNTERCLAIM
AND
JURY DEMAND**

**ANSWER OF THIRD-PARTY DEFENDANTS ROMRIELL, ORMOND & GOODLIFFE
TO JUNE 2004 THIRD-PARTY COMPLAINT OF DEFENDANT INTERDENT,
AMENDED COUNTERCLAIM AND JURY DEMAND — Page 1**

Pocatello Dental Group v. Interdent v. Romriell, Misner, Sutton, Sutton, Ormond & Goodliffe

57. InterDent has further repeatedly refused to make full financial disclosure and mail accounting to which the parties were entitled.

58. The overall net effect of Defendant InterDent's wrongful and calculated conduct is that the essence of the material purposes and reasons for the management contract and the element of good faith and fair dealing in the relationship cease to exist to the professional detriment of the professionals, patients, and staff of the Pocatello Dental Group.

59. These answering Third-party defendants have been damaged by the wrongful conduct of Defendant InterDent.

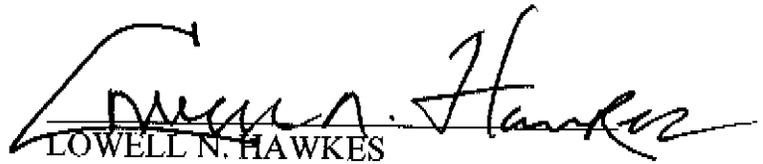
Jury Demand

59. These Answering Third-party Defendants demand jury trial on all issues.

WHEREFORE these answering Third-party Defendants pray that Defendant InterDent's Third-Party Complaint be dismissed with prejudice, that the Court determine InterDent to have materially degraded and breached its obligations as set forth above, to require a full and complete accounting, and that they have their damages, costs, and attorney fees pursuant to *Idaho Code* § 12-120(3) and 12-121 and 28 U.S.C. § 1927 and under their Counterclaim herein and such other relief as the Court determines proper.

DATED this 30th day of June, 2004.

LOWELL N. HAWKES, CHARTERED


LOWELL N. HAWKES

CERTIFICATE OF SERVICE

I certify that on this 30th day of June, 2004, I sent by fax a copy of the foregoing
to counsel for the parties as shown below:

Ron Kerl
Cooper & Larsen, Chartered
P.O. Box 4229
Pocatello, ID 83205-4229
FAX 235-1182
Counsel for Plaintiff

Richard A. Hearn
Racine, Olson, Nye, Budge & Bailey
201 East Center
P.O. Box 1391
Pocatello, Idaho 83204-1391
FAX 232-6109
Counsel for Misner & Suttons

Erik F. Stidham
G. Rey Reinhardt
Scott J. Kaplan
Stoel Rives, LLP
101 South Capitol Blvd., Suite 1900
Boise, ID 83702
FAX 208-389-9040
FAX 503-220-2480
Counsel for Defendant InterDent


LOWELL N. HAWKES
*Counsel for Third-Party Defendants
Romriell, Ormond & Goodliffe*

**ANSWER OF THIRD-PARTY DEFENDANTS ROMRIELL, ORMOND & GOODLIFFE
TO JUNE 2004 THIRD-PARTY COMPLAINT OF DEFENDANT INTERDENT,
AMENDED COUNTERCLAIM AND JURY DEMAND — Page 15**

Pocatello Dental Group v. InterDent v. Romriell, Misner, Sutton, Sutton, Ormond & Goodliffe