

IN THE CIRCUIT COURT OF THE TENTH JUDICIAL CIRCUIT  
TAZEWELL COUNTY, ILLINOIS

DAVIE AND ASSOCIATES  
DERMATOPATHOLOGY, P.A.,

Plaintiff,

21 L 19

v.

REDITUS HEALTHCARE, LLC, AARON  
ROSSI, and REDITUS LABORATORIES,  
LLC,

Defendants.

**(REDACTED) PLAINTIFF'S MOTION FOR LEAVE TO  
ADD A CLAIM FOR DECLARATORY RELIEF AND  
MOTION FOR SUMMARY JUDGMENT ON THIS CLAIM**

NOW COMES THE PLAINTIFF, Davie and Associates Dermatopathology, P.A., (“DAAD”), by its undersigned attorneys, and moves this Court for Leave to Add a Claim for Declaratory Relief as Count VII to the Verified Second Amended Complaint and to add PR Manufacturing Enterprises, LLC d/b/a PAL Health Technologies (“PAL”) as a defendant to that count. Plaintiff also asks for leave to file the separately filed motion for summary judgment on this Count VII immediately upon the granting of leave to file Count VI. In support of this motion, DAAD states the following:

1. DAAD, through its attorneys, recently uncovered incontrovertible evidence that DAAD is actually the majority owner/member of Reditus Laboratories, LLC (“Reditus Labs”).
2. As more fully set forth below, member Reditus Healthcare, LLC (“RH LLC”) and its sole owner, Aaron Rossi, do not in fact currently own 66.66% of Reditus Labs, as Rossi claims. Rossi currently owns only 44.44% of Reditus Labs.

3. Because of Rossi's original agreements with the other two members of PAL—Dr. Jerry Paul and Rod Bare—and because Reditus Labs was a PAL corporate opportunity, the 66.6% ownership that Rossi personally claimed at the time of Reditus Labs creation in actuality belonged to all three members of PAL; since Rossi originally owned only a 40% share of PAL, he originally owned—not 66.6% —but only 26.64% of Reditus Labs (40% share of PAL's original 66.6% interest in Reditus Labs).

4. When Rossi used █████ million of Reditus Labs' money to buy out the interests of both Dr. Paul and Mr. Bare in both PAL Health and Reditus Labs, the latter two's purchased interests in Reditus Labs converted to the equivalent of Reditus Labs-owned treasury stock. Therefore, Rossi's 26.64% interest in Reditus Lab's was adjusted upwards to 44.44% (equal to 26.64% original ownership divided by 60% of remaining interest) whereas DAAD's interest was adjusted upward to 55.56%.

5. Following the Reditus purchase of Dr. Paul and Rod Bare's ownership interests in Reditus Labs, the new division of Reditus Labs ownership became—and is still now—RH LLC (and its sole owner, Rossi) at 44.44%, and DAAD (and its sole owner Dr. Davie) at 55.56%.

6. DAAD therefore seeks a Declaration from this Court that DAAD owns 55.56% and RH LCC owns 44.4%.

7. Rossi contends he owns 66.6% of Reditus Labs through his wholly owned company, Reditus Healthcare LLC, which is a member owner of Reditus Labs. Therefore, pursuant to 735 ILCS § 5/2-701, there exists a justiciable controversy capable of resolution by this Court.

8. In further support of this Motion, DAAD adopts his proposed Claim for Declaratory Relief, Exhibit 1 attached hereto.

WHEREFORE Plaintiff, Davie and Associates Dermatopathology, P.A., respectfully requests that this Court grant it Leave to Add a Claim for Declaratory Relief as Count VII to the Second Amended Complaint and to present the motion for summary judgment on this Count which Plaintiff has also filed herewith.

DAVIE AND ASSOCIATES  
DERMATOPATHOLOGY, P.A.,

By: /s/ Terrence Buehler  
One of Its Attorneys

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# **EXHIBIT 1**

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DERMATOPATHOLOGY, P.A.,

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Defendants.

21 L 19

**(REDACTED) DAAD'S COUNT VII OF THE SECOND AMENDED  
COMPLAINT FOR DECLARATORY RELIEF**

NOW COMES the Plaintiff, Davie and Associates Dermatopathology, P.A., (“DAAD”) by and through its undersigned counsel, and for Count VII of its Second Amended Verified Complaint for Injunction, Receiver, Accounting & Other Legal & Equitable Relief against Defendants Reditus Healthcare LLC, Aaron Rossi, and PR Manufacturing Enterprises LLC, states the following:

1. Plaintiff seeks a declaration that it, and not Reditus Healthcare LLC, is the majority owner of Reditus Labs LLC (“Reditus Labs”) and that Reditus Labs is the 60% owner of PR Manufacturing Enterprises, LLC d/b/a PAL Health Technologies (“PAL”).
2. This Court has jurisdiction over this claim pursuant to 735 ILCS § 5/2-701, in that there exists a justiciable controversy capable of resolution by this Court.
3. An actual controversy exists between DAAD and Rossi as to their respective ownership interests in Reditus Labs.

4. Defendant PAL was formed in 2017. At the time it was formed, its members were Dr. Gerald Paul, Aaron Rossi and Rod Bare (Rossi's brother). Rossi was the Managing Partner. The members expected the business would be engaged in designing, manufacturing, and selling orthotics and providing ancillary services for a predominantly podiatrist customer base. PAL's principal place of business is in Tazewell County.

5. In February 2018, PAL purchased the business assets of an orthotics manufacturing company—PAL Health Technologies.

6. Aaron Rossi, Dr. Paul and Mr. Bare divided the company's ownership as follows: Rossi 40%; Dr. Paul 40%; and Mr. Bare 20%. The members always planned to offer ancillary services such as lab testing to its existing customer base and pathology services to podiatrists was a corporate opportunity of PAL that the law requires be offered to its members or done through PAL.

7. PAL was not a success. So, when Rossi informed his fellow members Dr. Paul and Mr. Bare, that he had found a new pathology venture with Dr. James Davie of DAAD that could provide ancillary services that PAL could charge for and generate high profits, Dr. Paul and Mr. Bare were very interested and understood that pursuant to their original business plan for PAL that this opportunity -- if it went forward -- would be part of PAL, and that the owners of PAL would own it pursuant to their existing percentage ownership interests in PAL.

8. That new opportunity ultimately became Reditus Labs. By February 2019, Rossi had connected with Dr. Davie, and after looking at Dr. Davie's business plan and proforma for what ultimately became Reditus Labs, Rossi and the other members of PAL were very excited because of the profit potential offered by Dr. Davie's business plan. Rossi explained this new

opportunity to his fellow PAL members Dr. Paul and Mr. Bare, and they expressed their enthusiasm.

9. Rossi told both Dr. Paul and Mr. Bare that Reditus Labs was going to be a part of the PAL business, and that they were entitled to the same share in Reditus Labs as they had in PAL. This is reflected in, among other places, text exchanges that Rossi had with Dr. Paul:

Dr. Rossi: I have made the decision to include you in what I am doing

Dr. Paul: Yes

Dr. Rossi: I'm sticking by your side no matter what

Dr. Rossi: Meaning everything

Dr. Rossi: Not just PAL

Dr. Rossi: For the simple reason that you are my best friend and I care a lot about you and I feel like you have my back  
(April 28, 2019).

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Dr. Rossi: Told you I would take care of you and involve in all other shit

Dr. Paul: I trust you I don't believe what all those other people say  
(June 4, 2019)

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Dr. Rossi: Path lab is rolling

Dr. Rossi: Amerx I just tied into path lab with all their wound care

Dr. Rossi: If we don't make millions I dunno

Dr. Paul: Sweet!

Dr. Rossi: But its coming  
(June 26, 2019)

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Dr. Paul: How do I officially become part of Reventius [Reditus]?

Dr. Rossi: **You are** (August 12, 2019)

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Dr. Rossi: Path lab is ready to start sending samples

Dr. Rossi: We send on average 5 samples a day that 56k a month receipt to the lab

Dr. Paul: Yes! (August 13, 2019)

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Dr. Paul: I'm just mentally bought in don't want to miss the opportunity.

Dr. Rossi: I would never let you

Dr. Rossi: Been talking about it with you since day one (August 2019)

10. Rossi created Reditus Labs with Dr. Davie in or about July 2019 and continued the business startup, even though Rossi had not made Mr. Bare or Dr. Paul members in the Operating Agreement even though he was obligated to so do as the Manager of PAL. But he told Paul and Bare they were de facto members as was holding their interest for them. While Reditus Labs was getting up and running, Rossi funded Reditus Labs' startup using money taken from PAL Health, and according to Bare money that Rossi embezzled from Dr. Paul's podiatry practice while acting as the practice manager.

11. Between Dr. Davie and Rossi, Reditus was split as follows: Rossi owned 66.6% and Dr. Davie owned 33.3%.

12. Because Rossi had agreed to make Dr. Paul and Mr. Bare proportional owners in Reditus and was obligated to do so as part of the business, Rossi actually only owned 40% of



66.6% (or 26.64%) of Reditus Labs. By virtue of owning 40% of PAL, Dr. Paul also owned 26.64% of Reditus Labs. By virtue of owning 20% of PAL, Mr. Bare owned 13.32% (20% of 66.66%) of Reditus.

13. Through a variety of machinations, Rossi bought out Dr. Paul's interest and Mr. Bare's interest in both Reditus Labs and PAL, as per their respective settlement agreements. Because Rossi exclusively used █████ million in Reditus money to make these purchases, these purchased interests in both Reditus Labs and PAL became the exclusive property of Reditus Labs. By purchasing their interests in Reditus Labs, Reditus Labs gained their ownership equivalent in Reditus Labs treasury stock. By purchasing their interests in PAL, Reditus Labs became the majority 60% owner of PAL.

14. Despite the clear evidence that Rossi is a minority owner (26.64%) in Reditus Labs, Rossi continues to assert that he has a majority 66.66% membership interest in Reditus Labs – essentially claiming 100% of the aggregate, original PAL ownership interest in Reditus Labs that he was entrusted to hold for the PAL members as its Manager.

15. Based on the foregoing, declaratory relief is appropriate and proper pursuant to 705 ILCS § 5/2-701.

16. An actual controversy exists between DAAD (Davie) and RH LLC (Rossi) as to who owns how much of Reditus Labs, and also whether Reditus Labs owns the 60% of PAL which was the sum of Bare's (20%) and Dr. Paul's (40%) prior ownership percentages in PAL.

17. When Rossi exclusively used Reditus Labs' money to buy out the interests of Dr. Paul and Mr. Bare in both PAL Health and Reditus Labs, the latter's purchased interests in Reditus Labs (30.03% in aggregate) became converted to the equivalent of treasury stock, leaving behind only 59.97% of the original Reditus Labs common stock. Therefore, Rossi's 26.64% interest in

Reditus Lab's stock was adjusted upwards to 44.44% (equal to 26.64% of the 60% remaining common stock) whereas DAAD's interest was adjusted upwards to 55.56% (equal to 33.33% of the 60% remaining common stock).

18. Based on the foregoing it is clear that after the interest purchases of Bare and Paul's interests in Reditus Labs paid for with █████ million in Reditus Labs' money, that Dr. Davie (as sole owner of DAAD) is now the majority owner of Reditus Labs, as he owns 55.56% of the common stock, and Rossi (as sole owner of RH LLC) owns the remaining 44.44% of the common stock.

19. Because Rossi will not agree that he is a minority owner, DAAD seeks a declaratory order from this Court finding that DAAD owns 55.56% of Reditus Labs and RH LLC owns 44.44%.

20. Reditus Labs also seeks a declaratory order that it is a 60% owner of PAL.

WHEREFORE, Plaintiff DAAD prays for a judgment against Defendant Rossi and RH LLC declaring that DAAD is the majority owner of Reditus Laboratories LLC with 55.56% ownership, and RH LLC is a minority owner with 44.44% ownership of Reditus Laboratories, LLC.

DAVIE AND ASSOCIATES  
DERMATOPATHOLOGY, P.A.,

By: /s/ Terrence Buehler

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