

IN THE CIRCUIT COURT OF MONTGOMERY COUNTY, MARYLAND

SIGMA CENTERS OF AMERICA, INC.
A Maryland Corporation
12339 Hatton Point Road
Ft. Washington, Maryland

and

WAYNE C. CODDING
2957 Prosperity Avenue
Fairfax, Virginia 22031

and

THOMAS GRESINGER
12339 Hatton Point Road
Ft. Washington, Maryland *20744*

Plaintiffs

v.

: Civil No. 22801

GAIL FRANCES
10931 Stuart Mill Road
Oakton, Virginia 22124

and

CYGMA HEALTH CENTER, INC.
3750 University Boulevard
Kensington, Maryland *20895*

Defendants

VERIFIED COMPLAINT

TO THE HONORABLE, THE JUDGES OF SAID COURT:

Come now your Plaintiffs, Sigma Centers of America, Inc., Wayne C. Coddington and Thomas Gresinger, by counsel, and move this Court for the entry of a Temporary Restraining Order, to be merged into a Preliminary and Permanent Injunction against the Defendants, Gail Frances and Cygma Health Center, Inc., and as grounds therefor allege as follows:

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1. That your Plaintiff, Sigma Centers of America, Inc., is a corporation organized under the laws of the State of Maryland, having its principal place of business at 2957 Prosperity Avenue, Fairfax, Virginia and is qualified and licensed to transact business, both in the State of Maryland and in the Commonwealth of Virginia.

2. That your Plaintiffs, Wayne C. Coddling and Thomas Gresinger, are officers, stockholders and directors of the Plaintiff, Sigma Centers of America, Inc.

3. That upon information and belief, the Defendant, Cygma Health Center, Inc., is a corporation organized under the laws of the State of Maryland, having its principal place of business at 3750 University Boulevard, Kensington, Maryland.

4. That the Defendant, Gail Frances, is a stockholder and officer of Cygma Health Center, Inc.

5. That in July, 1983, the Defendant, Gail Frances, entered into an agreement with your Plaintiffs which provided, amongst other provisions, as follows:

"Longstreth and Frances hereby agree that they, or entities in which they have an ownership interest, will not in the future use the name of Sigma and/or Northern Virginia Medical Center, nor indicate in any fashion that they are representatives of said Sigma or Northern Virginia Medical Center; provided, however, that they may use the existing name of the Wheaton Clinic for a period of thirty (30) days."

A copy of said Agreement is attached hereto and incorporated by reference as Exhibit "A".

6. That upon information and belief, the Defendant, Gail Frances, has continuously employed the use of the name "Sigma" in the operation of her medical centers. Attached hereto and

incorporated by reference as Exhibit "B" is a copy of two entries in the Maryland Suburban White Pages of C&P Telephone, setting forth telephone numbers for Sigma Women's Medical Center and Cygma Health Center, organizations which are under the operation or control of the Defendants.

7. That your Plaintiffs have no adequate remedy at law or otherwise for the harm or damage done, and threatened to be done, by the Defendants because of their continuous use of the name of "Sigma" and/or "Cygma".

8. That your Plaintiffs will suffer irreparable harm, damage and injury unless the acts of the Defendants complained of above are enjoined because of the infringement upon the name of Sigma Centers of America, Inc. and the continuous attempts by the Defendants to represent, in some fashion, that they are associated with Sigma Centers of America, Inc.

WHEREFORE, the premises considered, your Plaintiffs pray as follows:

1. That a Temporary Restraining Order issue, restraining the Defendants, their servants and employees, from utilizing the name "Sigma" or "Cygma" until a hearing is had on your Plaintiffs' application for a Preliminary Injunction.

2. That a Preliminary Injunction issue, enjoining the Defendants, their servants and employees, from utilizing the name "Sigma" or "Cygma" during the pendency of this action.

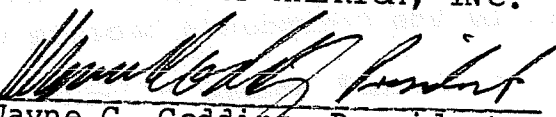
3. Upon a final hearing, that the Defendants, their agents, servants, and employees be permanently enjoined from utilizing the name "Sigma" or "Cygma".

4. That your Plaintiffs be awarded their attorney's fees and costs expended in bringing for this action.

5. That your Plaintiffs receive such other and further relief as this Court deems mete and just under the circumstances.

I SOLEMNLY AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING PAPER ARE TRUE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

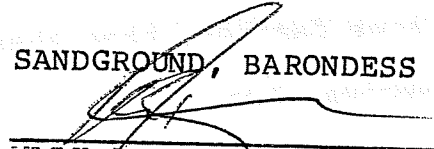
SIGMA CENTERS OF AMERICA, INC.

By 
Wayne C. Coddington, President


WAYNE C. CODDINGTON


THOMAS GRESINGER

SANDGROUND, BARONDESS & WEST, P.C.


MARK A. BARONDESS
8000 Towers Crescent Drive
Suite 660
Vienna, Virginia 22180
(703) 761-4200
Counsel for Plaintiffs

CERTIFICATION PURSUANT TO RULE 1-313

I hereby certify that I am licensed to practice law in the State of Maryland.


MARK A. BARONDESS

AGREEMENT

WITNESS THIS AGREEMENT made this ____ day of July, 1983 by and among SIGMA CENTERS OF AMERICA, INC. (Sigma); GAIL FRANCES (Frances); WILLIAM LONGSTRETH (Longstreth); WAYNE C. CODDING (Coddling) and THOMAS GRESINGER (Gresinger).

Recitals

A. As to Wheaton Clinic

1. Frances, Longstreth, Coddling and Gresinger are the shareholders of Sigma, holding the number of shares set forth on Exhibit A hereto.

2. Sigma owns a medical clinic located in Wheaton, Maryland, hereinafter referred to as the Wheaton Clinic.

B. As to Old Town Women's Center, Inc.

3. Sigma, Coddling, Gresinger, Frances and Longstreth own a portion of the common stock of that corporation known as Old Town Women's Center, Inc., t/a Old Town Medical Walk-In, hereinafter referred to as the Old Town Clinic, holding the number of shares set forth on Exhibit A hereto.

4. Sigma has an outstanding line of credit with Guaranty Bank and Trust with a current balance of approximately Seventy-Five Thousand Dollars (\$75,000.00) and an outstanding obligation to Avco Leasing of approximately Sixty Thousand Dollars (\$60,000.00). Sigma is indebted to Dominion National Bank pursuant to a line of credit of approximately One Hundred Thousand Dollars (\$100,000.00). Sigma, Coddling and Gresinger, among others, have personally guaranteed all of the aforesaid indebtedness.

C. As to Real Med Partnership

5. Sigma, Coddling, Gresinger, Longstreth and Frances are the partners in that general partnership known as the Real Med Partnership, holding the percentages of ownership shown on Exhibit A hereto. Said partnership shall hereafter be referred to as Real Med.

6. Real Med owns the real property that is occupied by Old Town Clinic pursuant to a lease.

7. Real Med is indebted to Robert H. Duncan and First Federal Savings & Loan, said indebtedness being endorsed by first and second trusts on the property. Sigma, Coddling, Gresinger and others have guaranteed both of these debts.

D. As to the Purpose of this Agreement

8. The parties hereto desire to provide for:

- (a) The purchase by Sigma of 15,000 shares of its stock held by Longstreth and Frances, being all of the shares of Sigma held by Longstreth and Frances;
- (b) The purchase by Frances and Longstreth of the stock of Old Towne Clinic held by Gresinger, Coddling and Sigma;
- (c) The purchase by Frances and Longstreth of the partnership interests in Real Med held by Sigma, Coddling and Gresinger;
- (d) The purchase by Longstreth and Frances of the assets of Sigma located at the Wheaton Clinic and used in the operation of the Wheaton Clinic as reflected in the books and records of Sigma;
- (e) The release of certain contracts and claims; and
- (f) Certain other matters related to the aforesaid.

Consideration

9. The consideration for this Agreement is the mutual promises contained herein, the sufficiency of which is hereby stipulated by all parties hereto.

Terms and Conditions

The parties hereto agree as follows:

10. Sigma shall convey to Longstreth and Frances, jointly, the following:

- (a) All of the stock of Old Towne Clinic that Sigma owns;

(b) All of Sigma's interest in Real Med; and

(c) All of the tangible and intangible property, used in the business conducted by the Wheaton Clinic, including but not limited to the phone number, accounts receivable, leasehold interests, fixtures, personal property, goodwill and trade names, Records, and files shall not be conveyed but Sigma shall provide copies of all records and files as requested.

(d) Its leasehold interests in two automobiles (a Delorean and a Lincoln).

11. Coddling and Gresinger shall convey to Longstreth and Frances, jointly, the following:

(a) All of the stock they own in the Old Towne Clinic; and

(b) All of their interest in Real Med.

12. Longstreth and Frances shall convey to Sigma all of the stock they own in Sigma, free of any and all liens.

13. Longstreth and Frances, jointly and severally, hereby assume and agree to pay or cause to be paid the following obligations:

(a) All sums owed by Sigma as of the date of closing hereunder, to Guarantee Bank and Trust pursuant to Sigma's line of credit with said institution; all sums owed by Sigma to Aavco Leasing pursuant to Sigma's line of credit with Aavco; all sums owed by Sigma to Dominion National Bank, First Federal Savings and Loan and Robert H. Duncan.

(b) All debts and obligations known or unknown of Real Med; and *taxes and repairs insurance as of 4/11*

(c) All lease payments for two automobiles (a Delorean and a Lincoln) used by Longstreth and Frances.

(d) All debts and obligations known or unknown which relate to the Wheaton Clinic, including

* Longstreth and Frances shall, at their own expense, cause the Delorean to be insured as of the date hereof

Handwritten signatures and initials in the bottom left corner.

but not limited to those debts set forth on Exhibit B hereto.

- Longstreth and Frances agree to indemnify and save harmless Sigma, Coddling, Gresinger and the spouses of Coddling and Gresinger against any and all loss, cost or expense (including attorney's fees) arising out of the failure of Old Town to pay its debts, claims or obligations.

Nothing contained herein shall be construed to give any third party, including any party that may currently be liable for said debts (other than Coddling, Gresinger and Sigma) the right to cause Longstreth and Frances to pay said debts; nor to effectuate a release of any such third party of their obligations.

Longstreth and Frances, jointly and severally, agree to indemnify and hold harmless Sigma, Coddling and Gresinger and the spouses of Coddling and Gresinger from any and all claims, cost, loss and expenses (including attorneys' fees) arising out of the failure by Longstreth and Frances to pay the aforesaid sums when due.

14. Sigma, Coddling and Gresinger hereby agree, jointly and severally, to indemnify and hold harmless Longstreth and Frances from any and all claims, cost, loss and expenses (including attorneys' fees) arising out of the failure of Sigma to pay its obligations, except for those assumed by Longstreth and Frances.

15. At closing under this Agreement, Longstreth and Frances shall tender to Sigma their resignations as officers and directors of Sigma, effective immediately. Sigma, Longstreth and Frances hereby enter into a mutual release of all employment agreements. Longstreth and Frances shall be entitled to receive as payment for all services rendered through July 17, 1983, a sum equal to two weeks salary. Said sum to be paid on July 22, 1983. This sum shall be in full satisfaction of all claims to salary. At closing under this Agreement, Coddling and Gresinger shall tender their resignations to the Old Town Clinic, effective

immediately. Neither Coddington nor Gresinger have any employment agreements with the Old Towne Clinic.

16. Each party that is currently obligated on any debt that is to be assumed by any other party shall have the right to contact the obligee of said debt in an effort to obtain a release of his liability on said debt.

17. Except as to those obligations and agreements set forth herein, Longstreth and Frances hereby release and forever discharge Sigma (and all of its employees, officers, directors and agents), Coddington and Gresinger from any and all claims, liabilities and causes of action, whether known or unknown, arising out of their mutual business relationships, including but not limited to all causes of actions based on contract or tort. Except as to those obligations and agreements set forth herein, Sigma, Coddington and Gresinger hereby release and forever discharge Longstreth and Frances and Old Towne from any and all claims liabilities and causes of action, whether known or unknown, arising out of their mutual business relationships, including but not limited to all causes of actions based on contract or tort.

18. The parties hereto acknowledge:

(a) That each of them has been given a full opportunity to make inquiries and receive information about Sigma, the Old Towne Clinic, Real Med and the business relationships between all parties;

(b) ^{Except as provided herein,} That in entering into this Agreement, each party is relying upon his own independent investigation and is not relying in any way upon any information, statements or representations made by any other party;

(c) That certain allegations of impropriety have been raised regarding the business relationships of the parties that have resulted in an independent financial review of Sigma's financial affairs, and that they wish to proceed with this Agreement and closing hereunder without awaiting the results of said review; and

PHR
[Signature]
[Signature]
[Signature]
[Signature]

- (d) That each of them have been represented by counsel of their choosing, that the law firm of Roeder, Durette & Davenport, P.C. has represented each of the parties in the past and they consent to said firm representing solely the interest of Sigma in this matter.

19. Closing shall take place at the offices of Roeder, Durette & Davenport, P.C. on Sunday, July 17, 1983 at 6:00 pm

20. Each party conveying an asset pursuant to this Agreement hereby represents and warrants the following:

- (a) That he is the sole fee simple owner of said asset; and except as provided herein sells the same subject to all existing liens.
- (b) That he will take any and all acts necessary to legally convey title;
- (c) That the sale and conveyance hereunder will not violate any contract or agreement and that to the extent he has any option, right of first refusal or other contract right to an asset being conveyed to another party he waives said option, right of first refusal or other contract right;
- (d) That all businesses will be operated and maintained in the regular course pending closing; and
- (e) Except for the aforesaid warranties, all other warranties both express and implied are hereby waived and all items conveyed herein are conveyed "as is".

21. Sigma agrees that for a period of thirty (30) days following closing, it will continue to keep records for, prepare the payrolls of, and provide accounting support at the office of Sigma to the Wheaton Clinic and the Old Towne Clinic at no charge.

22. (a) At closing, Sigma shall provide the following:

- (1) A bill of sale (including an itemized description) for all tangible and intangible property conveyed hereby.
- (2) The stock certificates of the Old Towne Clinic conveyed pursuant hereto, endorsed to Longstreth and Frances.
- (3) An assignment of partnership conveying its interest in Real Med to Longstreth and Frances.
- (4) A corporate resolution authorization the aforesaid transactions.
- (5) An assignment of the lease for the Wheaton Clinic.

(b) At closing Coddling and Gresinger shall provide the following:

- (1) The stock certificates of the Old Towne Clinic conveyed pursuant hereto, endorsed to Longstreth and Frances.
- (2) An assignment of the partnership interest in Real Med to Longstreth and Frances.
- (3) Their resignations as officers and directors of the Old Towne Clinic.

(c) At closing Frances and Longstreth shall provide:

- (1) The stock certificates of Sigma conveyed pursuant hereto, endorsed to Sigma.
- (2) Their resignations as officers and directors of Sigma.

(d) The parties agree to provide such other documents or items as may be reasonably requested by counsel for the respective parties including but not limited to an amended partnership certificate.

23. Longstreth and Frances acknowledge that the assets of Wheaton Clinic being conveyed hereby may be subject to the Bulk Sales Act and agree to accept said assets subject to

whatever liens may result therefrom.

24. This contract shall be deemed to be entire and indivisible.

25. Longstreth and Frances hereby release and relinquish any right they may now have to purchase Sigma stock in the future. Coddling, Sigma and Gresinger hereby relinquish any right they may now have to purchase Old Towne Clinic Stock or interests in Real Med.

26. Each party agrees to cooperate with the other in providing information that may be reasonably necessary for the conduct of their business, including but not limited to information necessary to file appropriate tax returns.

27. The terms and provisions of this document shall survive closing.

28. Time shall be of the essence under this Agreement.

29. Each party shall bear his own expenses in connection with this Agreement and closing hereunder.

30. No party to this Agreement shall assign or otherwise transfer his rights or responsibilities hereunder.

31. This Agreement may only be amended by a written document executed by all the parties hereto.

32. This Agreement sets forth the entire understanding of the parties with respect to the transactions contemplated hereby and any previous agreements or understandings between the parties regarding the subject matter hereof are superceded by this Agreement. This Agreement shall be binding on all successors in interest.

33. This Agreement shall be construed in accordance with the laws of the Commonwealth of Virginia.

34. This document may be executed in several counterparts and each counterpart shall be deemed to be an original document.

35. The parties hereto agree that they, within thirty days from the date hereof, will place a value on each of the assets conveyed hereunder. In the event the parties are unable to agree on said values then the parties agree that said assets shall be valued by Dembo, Jones and Healey, Accountants. If said firm refuses or is not able to undertake to establish a value, an

alternate accounting firm shall be selected by the parties. The accountants shall be deemed to be arbitrators and any decision by them shall a) be binding on all parties hereto and b) shall be a condition precedent to any litigation on the issue of valuation. The costs of said arbitrator shall be paid one half by Sigma, Coddling and Gresinger and one-half by Longstreth and Frances.

36. In the event of any litigation arising out of this Agreement, the non-prevailing party shall pay the prevailing parties reasonable attorney's fees.

37. The parties hereto agree that in the event of a breach of the Agreement, in addition to any remedy at law or equity the parties shall be entitled to specific performance.

38. Longstreth and Frances hereby agree that they or entities in which they have an ownership interest will not in the future use the name of Sigma and/or Northern Virginia Medical Center, nor indicate in any fashion that they are representatives of said Sigma or Northern Virginia Medical Center. Provided however that they may use the existing name of the Wheaton Clinic, for a period of thirty (30) days.

39. Sigma, Coddling and Gresinger hereby agree that they or entities in which they have an ownership interest will not in the future use the name of Old Town Women's Center, Inc., the Wheaton Clinic and/or Real Med Partnership nor indicate in

any fashion that they are representatives of said Old Town Women's Center, Inc., the Wheaton Clinic; and/or Real Med Partnership.

WITNESS the following signatures:

SIGMA CENTERS OF AMERICA, INC.

By:

[Signature]
Wayne C. Coddling

Wayne C. Coddling

[Signature]
Thomas Gresinger

Thomas Gresinger

[Signature]
William A. Longstreth

William A. Longstreth

[Signature]
Gail Frances

Gail Frances

[Handwritten initials]
[Handwritten initials]
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*40. The parties agree to execute such further documents as may be necessary to carry out the terms of this Agreement.



C&P Telephone
 A Bell Atlantic™ Company

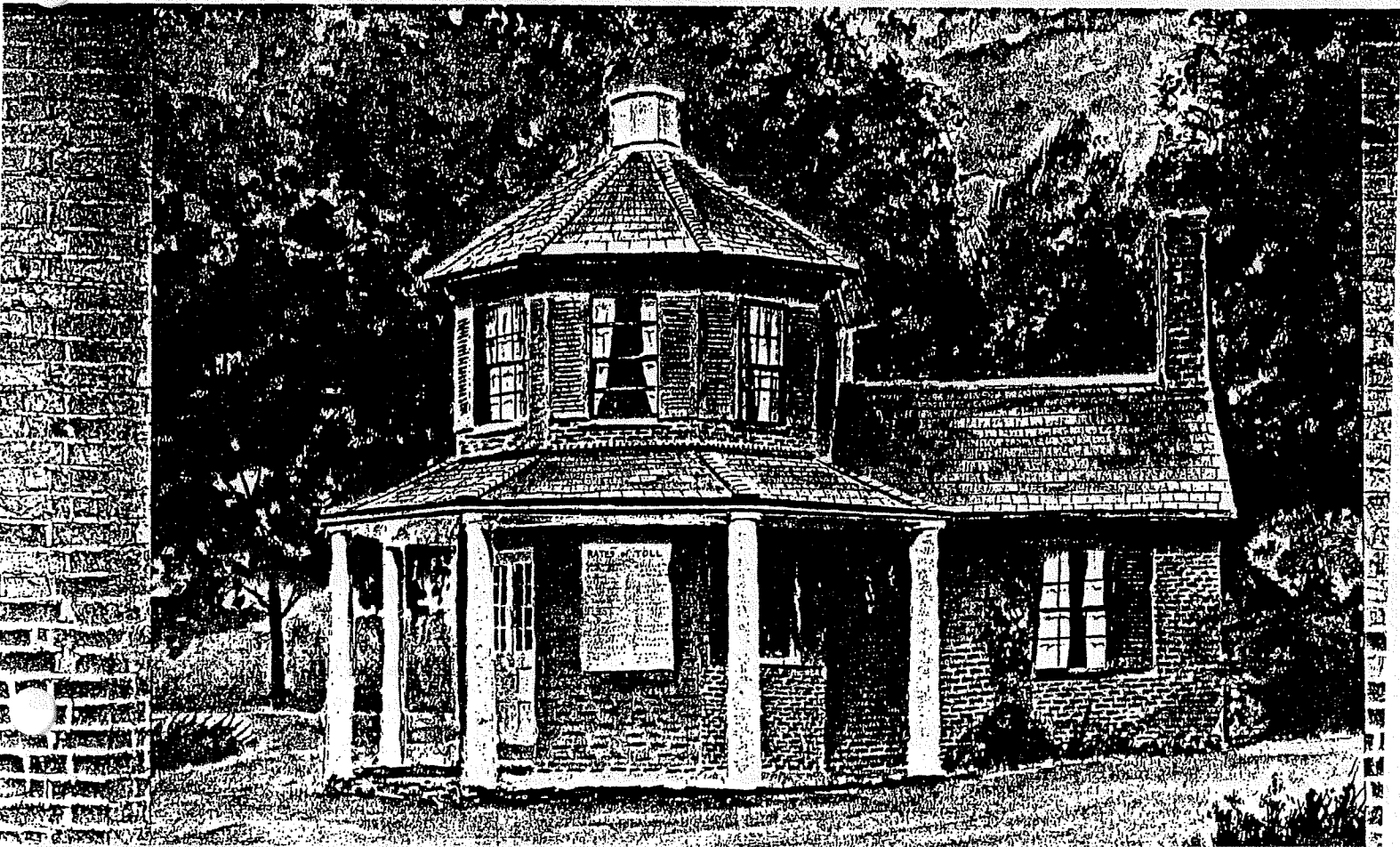
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 Sigma Gen
 Corp

WHITE PAGES

A C&P Telephone Directory Serving

Maryland Suburban

Area Code 301 October 1986-September 1987



CUSTOMER GUIDE

GOVERNMENT LISTINGS

IN THE CIRCUIT COURT OF MONTGOMERY COUNTY, MARYLAND

SIGMA CENTERS OF AMERICA, INC.,
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12339 Hatton Point Road
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WAYNE C. CODDING
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and

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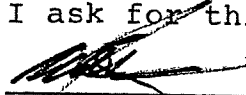
CYGMA HEALTH CENTER, INC.
3750 University Boulevard
Kensington, Maryland

Defendants

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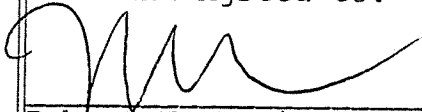
By agreement of counsel, the Clerk of this Court will please
dismiss without prejudice the pending case in the Circuit Court
of Montgomery County, Maryland.

I ask for this:


Mark A. Barondess, Esquire
8000 Powers Crescent Drive, Suite 660
Vienna, Virginia 22180
Counsel for Plaintiffs
(703) 761-4200

JUL 18 1986
FILED

Seen and Agreed to:



Robert N. Levin, Esquire
HUDOCK & LEVIN
1101 Connecticut Ave. NW
Suite 910
Washington, DC 20036
Counsel for Defendants

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M A R Y L A N D :

IN THE CIRCUIT COURT FOR MONTGOMERY COUNTY

SIGMA CENTERS OF AMERICA, INC.]
WAYNE CODDING]
THOMAS GRESINGER]

Plaintiffs]

AT LAW NO. 22801]

vs]

GAIL FRANCES]
CYGMA HEALTH CENTERS]

Defendants]

STIPULATION OF DISMISSAL

THIS CAUSE came upon the joint motion of the parties for a dismissal of the above-styled proceeding pursuant to Rule 2-506 of the Maryland Rules of Civil Procedure, and it

APPEARING that the parties have entered into an agreement to dismiss the above-styled case with prejudice as evidenced by the endorsement of counsel affixed hereto, it is therefore

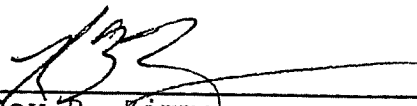
AGREED that the above-styled case be and hereby is dismissed with prejudice, with each party bearing their own costs, and it is further

AGREED that counsel shall file and shall mail a copy of this to Roy B. Zimmerman, Counsel for Defendant Gail Frances, 423 North Alfred Street, P. O. Box 185, Alexandria, Virginia 22313-0185 and to Mark A. Barondess, Counsel for Plaintiffs, SANDGROUND SMOLEN BARONDESS WEST & PLEVY P.C., 8000 Towers Crescent Drive, Sixth Floor, Tycon Towers, Vienna,


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BETTIE A. SKELTON
CLERKS OFFICE
MONTGOMERY CO. MD.

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Roy B. Zimmerman
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