

STATE OF RHODE ISLAND
KENT, SC.

SUPERIOR COURT

In re: CHARTERCARE HEALTH :
PARTNERS FOUNDATION, :
ROGER WILLIAMS HOSPITAL and : C.A. NO.: KM-2015-0035
ST. JOSEPH HEALTH SERVICES OF :
RHODE ISLAND :

**NOTICE OF GENERAL OBJECTION TO MOTION TO INTERVENE WITH
REQUEST TO CONTINUE HEARING ON MOTION TO INTERVENE**

Petitioner CharterCare Foundation (f/k/a CharterCare Health Partners Foundation) (“CCF”) hereby gives notice of its objection to *Proposed Intervenors’ Motion for Leave to Intervene* (“the Motion to Intervene”), and requests a postponement of the hearing scheduled for June 28, 2018 to allow the parties sufficient time to submit additional briefing concerning the issues raised in the Motion. The Motion to Intervene and supporting documents raise significant issues of unsettled law, the resolution of which will have serious and far-reaching consequences in this matter and in two other suits initiated by Proposed Intervenors last week. CCF simply cannot undertake, in barely a week, the thoughtful consideration necessary to respond to the Motion to Intervene. As additional grounds for this motion, CCF states the following.

BACKGROUND

As the Court surely is aware, this matter arises out of Petitioners’ filing of a Petition for Cy Pres in 2015 (“Cy Pres Petition”). The Cy Pres Petition sought approval of a proposed transfer of charitable assets from Petitioners Roger Williams Hospital (“RWH”) and St. Joseph Health Services of Rhode Island (“SJHSRI”) to CCF. The Court approved the Petition on April 20, 2015 (“Cy Pres Order”).

Pursuant to the Cy Pres Order, RWH and SJHSRI transferred approximately \$8.2 million to CCF, a non-profit foundation whose sole purpose is to administer a corpus of limited funds for certain charitable purposes consistent with the intent of the original donors of those funds. CCF in turn invested the funds with the Rhode Island Community Foundation (“RICF”) and has used the income derived therefrom to fund scholarships and other charitable activities according to donor intent and to pay administrative expenses. The corpus of the funds remain with RICE today, are prudently administered, and are at no risk of dissipation.

On June 18, 2018, the Proposed Intervenors filed a Motion to Intervene, along with a number of supporting documents, including a proposed response to the Cy Pres Petition, a proposed counter petition to vacate the Cy Pres Order, and a third-party petition to freeze all of CCF’s assets. On that same day, Proposed Intervenors also filed a 99-page complaint in Providence Superior Court and a 133-page complaint in Rhode Island Federal Court, both of which name CCF as a defendant. CCF was served with these pleadings on June 19, 2018, and counsel for CCF promptly agreed to accept service of the complaints, as requested by Proposed Intervenors’ counsel. As the Court well knows, the complaints and the Motion to Intervene are the products of Proposed Intervenors’ nearly year-long investigation.

DISCUSSION

CCF objects to the Motion to Intervene. However, CCF cannot properly address the issues raised in the Motion to Intervene only nine days after being deluged by filings that Proposed Intervenors had months to plan, prepare, and execute. The Motion raises issues of significant complexity and consequence. Proposed Intervenors plan to seek drastic relief in asking the Court to set aside a three-year-old order and to freeze CCF’s assets. The issues raised

herein therefore will have implications not only for the parties to this matter, but for the well-deserving recipients of the funds that CCF administers.

No party will be prejudiced by the postponement of the hearing on the Motion to Intervene. The state and federal cases are in their earliest stages, with no significant action expected in the near future while the defendants retain counsel and plan responses to two very lengthy complaints.

WHEREFORE, CCF respectfully requests that the Court postpone the hearing on the Motion to Intervene by thirty days to a date that is mutually-convenient for the Court and the parties, and that the Court allow CCF until July 24, 2018 to submit a more detailed memorandum of its opposition.

Respectfully submitted,

CHARTERCARE FOUNDATION

By its attorney,

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Dated: June 27, 2018

CERTIFICATE OF SERVICE

I hereby certify that, on June 27, 2018:

I electronically filed and served this document through the electronic filing system on the following parties:

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