

(JUSTICE BRIAN P. STERN)

STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

CHARTERCARE COMMUNITY BOARD,
et al.,

Plaintiffs,

v.

SAMUEL LEE, et al.,

Defendants,

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C.A. No. PC-2019-3654

ANSWER OF DEFENDANT JPMORGAN CHASE BANK, N.A.

Defendant JPMorgan Chase Bank, N.A. (“JPMC”) hereby responds to the correspondingly numbered allegations of the Verified First Amended and Supplemental Complaint (the “Complaint”) filed by the Plaintiffs in this action.

Parties

1. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 1.
2. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 2.
3. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 3.
4. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 4.
5. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 5.

6. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 6.

7. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 7.

8. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 8.

9. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 9.

10. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 10.

11. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 11.

12. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 12.

13. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 13.

14. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 14.

15. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 15.

16. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 16.

17. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 17.

18. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 18.

19. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 19.

20. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 20.

21. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 21.

22. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 22.

23. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 23.

24. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 24.

25. JPMC admits that it is a national bank organized and existing under the laws of the United States and that 1111 Polaris Parkway, Columbus, Ohio, is the main office of JPMC, as designated in its articles of association on file with the Office of the Comptroller of the Currency. JPMC admits that it served as administrative agent and collateral agent under certain credit agreements described in the Complaint in this action.

26. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 26.

27. JPMC lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 27.

Jurisdiction and Venue

28. Paragraph 28 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

29. Paragraph 29 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

30. The allegations contained in Paragraph 30 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

31. Paragraph 31 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

32. The allegations contained in Paragraph 32 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

Super. R. Civ. P. 23.1 Allegations

33. The allegations contained in Paragraph 33 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

34. The allegations contained in Paragraph 34 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

35. The allegations contained in Paragraph 35 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

Facts

36. The allegations contained in Paragraph 36 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

37. The allegations contained in Paragraph 37 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

38. The allegations contained in Paragraph 38 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

39. The allegations contained in Paragraph 39 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

40. The allegations contained in Paragraph 40 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

41. The allegations contained in Paragraph 41 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

42. The allegations contained in Paragraph 42 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

43. The allegations contained in Paragraph 43 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

44. The allegations contained in Paragraph 44 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

45. The allegations contained in Paragraph 45 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

46. The allegations contained in Paragraph 46 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

47. The allegations contained in Paragraph 47 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

48. The allegations contained in Paragraph 48 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

49. The allegations contained in Paragraph 49 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

50. The allegations contained in Paragraph 50 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

51. The allegations contained in Paragraph 51 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

52. The allegations contained in Paragraph 52 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

53. The allegations contained in Paragraph 53 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

54. The allegations contained in Paragraph 54 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

55. The allegations contained in Paragraph 55 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

56. The allegations contained in Paragraph 56 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

57. The allegations contained in Paragraph 57 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

58. The allegations contained in Paragraph 58 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

59. The allegations contained in Paragraph 59 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

60. The allegations contained in Paragraph 60 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

61. The allegations contained in Paragraph 61 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

62. The allegations contained in Paragraph 62 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

63. The allegations contained in Paragraph 63 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

64. The allegations contained in Paragraph 64 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

65. The allegations contained in Paragraph 65 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

66. The allegations contained in Paragraph 66 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

67. The allegations contained in Paragraph 67 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

68. The allegations contained in Paragraph 68 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

69. The allegations contained in Paragraph 69 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

70. The allegations contained in Paragraph 70 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

71. The allegations contained in Paragraph 71 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

72. The allegations contained in Paragraph 72 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

73. The allegations contained in Paragraph 73 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

74. The allegations contained in Paragraph 74 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

75. The allegations contained in Paragraph 75 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

76. The allegations contained in Paragraph 76 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

77. The allegations contained in Paragraph 77 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

78. The allegations contained in Paragraph 78 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

79. The allegations contained in Paragraph 79 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

80. The allegations contained in Paragraph 80 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

81. The allegations contained in Paragraph 81 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

82. The allegations contained in Paragraph 82 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

83. The allegations contained in Paragraph 83 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

84. The allegations contained in Paragraph 84 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

85. The allegations contained in Paragraph 85 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

86. The allegations contained in Paragraph 86 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

87. The allegations contained in Paragraph 87 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

88. The allegations contained in Paragraph 88 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

89. The allegations contained in Paragraph 89 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

90. The allegations contained in Paragraph 90 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

91. The allegations contained in Paragraph 91 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

92. The allegations contained in Paragraph 92 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

93. The allegations contained in Paragraph 93 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

94. The allegations contained in Paragraph 94 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

95. The allegations contained in Paragraph 95 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

96. JPMC admits that on or about February 22, 2018, it entered into certain credit agreements with Defendant Prospect Medical Holdings, Inc., as borrower. To the extent that Paragraph 96 attempts to characterize the terms of those credit agreements, those documents speak for themselves and are the best evidence of the contents thereof. Accordingly, JPMC respectfully refers the Court to those documents for their full and accurate contents.

Otherwise, the allegations of Paragraph 96 are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

97. To the extent that Paragraph 97 attempts to characterize the terms of the subject credit agreements with JPMC, those documents speak for themselves and are the best evidence of the contents thereof. Accordingly, JPMC respectfully refers the Court to those documents for their full and accurate contents. Otherwise, the allegations of Paragraph 97 are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

98. To the extent that Paragraph 98 attempts to characterize the terms of the subject credit agreements with JPMC, those documents speak for themselves and are the best evidence of the contents thereof. Accordingly, JPMC respectfully refers the Court to those documents for their full and accurate contents. Otherwise, the allegations of Paragraph 98 are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

99. To the extent that Paragraph 99 attempts to characterize the terms of the subject credit agreements with JPMC, those documents speak for themselves and are the best evidence of the contents thereof. Accordingly, JPMC respectfully refers the Court to those documents for their full and accurate contents. Otherwise, the allegations of Paragraph 99 are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

100. To the extent that Paragraph 100 attempts to characterize the terms of the subject credit agreements with JPMC, those documents speak for themselves and are the best evidence of the contents thereof. Accordingly, JPMC respectfully refers the Court to those documents for their full and accurate contents. Otherwise, the allegations of Paragraph 100 are not

directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

101. The allegations contained in Paragraph 101 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

102. The allegations contained in Paragraph 102 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

103. The allegations contained in Paragraph 103 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

104. The allegations contained in Paragraph 104 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

105. The allegations contained in Paragraph 105 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

106. The allegations contained in Paragraph 106 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

107. The allegations contained in Paragraph 107 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

108. The allegations contained in Paragraph 108 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

109. The allegations contained in Paragraph 109 of the Complaint are not directed at JPMC and therefore no response is required. To the extent a response is required, those allegations are denied.

CAUSES OF ACTION

COUNT I

110. JPMC restates its responses to Paragraphs 1 through 109 as if fully set forth herein.

111-115. Count I of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT II

116. JPMC restates its responses to Paragraphs 1 through 115 as if fully set forth herein.

117-121. Count II of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT III

122. JPMC restates its responses to Paragraphs 1 through 121 as if fully set forth herein.

123-128. Count III of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT IV

129. JPMC restates its responses to Paragraphs 1 through 128 as if fully set forth herein.

130-134. Count IV of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT V

135. JPMC restates its responses to Paragraphs 1 through 134 as if fully set forth herein.

136-139. Count V of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT VI

140. JPMC restates its responses to Paragraphs 1 through 139 as if fully set forth herein.

141-144. Count VI of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

COUNT VII

145. JPMC restates its responses to Paragraphs 1 through 144 as if fully set forth herein.

146. Count VII of the Complaint is not directed at JPMC and therefore, the allegations in this paragraph require no response. To the extent a response is required, those allegations are denied.

COUNT VIII

147. JPMC restates its responses to Paragraphs 1 through 146 as if fully set forth herein.

148. Count VIII of the Complaint is not directed at JPMC and therefore, the allegations in this paragraph require no response. To the extent a response is required, those allegations are denied.

COUNT IX

149. JPMC restates its responses to Paragraphs 1 through 148 as if fully set forth herein.

150. Paragraph 150 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

151. Paragraph 151 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

152. Paragraph 152 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

153. Paragraph 153 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

154. JPMC denies that it is a “person for whose benefit the transfers were made” for purposes of the claim made against it in Count IX. Otherwise, the remainder of Paragraph 154

of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

155. Paragraph 155 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

156. Paragraph 156 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

157. Paragraph 157 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

COUNT X

158. JPMC restates its responses to Paragraphs 1 through 157 as if fully set forth herein.

159. Paragraph 159 of the Complaint, including its subparts, contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

160. Paragraph 160 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

161. Paragraph 161 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

162. JPMC denies that it is a “person for whose benefit the transfers were made” for purposes of the claim made against it in Count X. Otherwise, Paragraph 162 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

163. Paragraph 163 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

164. Paragraph 164 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

165. Paragraph 165 of the Complaint contains legal allegations and conclusions that require no response; however, to the extent a response is required, those allegations are denied.

COUNT XI

166. JPMC restates its responses to Paragraphs 1 through 165 as if fully set forth herein.

167-169. Count XI of the Complaint is not directed at JPMC and therefore, the allegations in these paragraphs require no response. To the extent a response is required, those allegations are denied.

AFFIRMATIVE DEFENSES

1. Plaintiffs' claims against JPMC are barred, in whole or in part, to the extent that those are not claims upon which relief can be granted as a matter of law.

2. JPMC's limited role as an administrative and collateral agent in the subject credit transactions is not sufficient to subject it to any liability under the relevant statutory provisions.

3. JPMC acted in good faith at all times and therefore is not subject to liability under the relevant statutory provisions.

4. Plaintiffs' claims against JPMC are barred, in whole or in part, to the extent that Plaintiffs has rights and remedies, and access to sufficient recourse, against other parties in this case who owed direct duties or obligations to Plaintiffs.

5. Plaintiffs' claims against JPMC are barred, in whole or in part, because JPMC is not a debtor of Plaintiffs.

6. Plaintiffs' claims against JPMC are barred, in whole or in part, to the extent that JPMC owed no duties to Plaintiffs as a matter of law.

7. Plaintiffs' claims against JPMC are barred, in whole or in part, to the extent that the subject credit transactions were commercially reasonable.

8. Plaintiffs' claims against JPMC are barred, in whole or in part, by the doctrines of waiver and/or estoppel.

WHEREFORE, JPMC requests a Judgment in its favor, and against Plaintiffs, denying and dismissing all of the Plaintiffs' claims or prayers for relief against JPMC, plus an award of its costs of suit and reasonable attorneys' fees, and such further relief as this Court may deem just and proper in the circumstances.

Respectfully submitted,

JPMORGAN CHASE BANK, N.A.

By its Attorneys,

/s/ Mark W. Freel
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CERTIFICATE OF SERVICE

I hereby certify that on the 1st day of December, 2020, I filed and served this document through the electronic filing system on all counsel of record.

The document electronically filed and served is available for viewing and/or downloading from the Rhode Island Judiciary's Electronic Filing System.

/s/ Mark W. Freel