

STATE OF RHODE ISLAND
PROVIDENCE, SC

SUPERIOR COURT

CHARTERCARE COMMUNITY BOARD

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v.

C.A. No.: PC-2019-3654

SAMUEL LEE, ET AL

STIPULATION AND CONSENT ORDER


The Court having previously entered a Stipulation and Consent Order on April 25, 2019, and Prospect Chartercare, LLC ("PCC"), Prospect Chartercare SJHSRI, LLC, Prospect Chartercare RWMC, LLC, Prospect Medical Holdings, Inc., Prospect East Holdings, Inc., and Prospect East Hospital Advisory Services, LLC (all collectively the "Prospect Entities"), CharterCARE Community Board ("CCCB"), and Stephen Del Sesto in his capacity as Receiver for the St. Joseph Health Services of Rhode Island Retirement Plan (the "Receiver"), being desirous of a further extension of time, and having stipulated and consented to the entry of this Order, it is hereby:

ORDERED:

1. The parties to the LLC Agreement agree to modify the ninety (90) day period within which the put option created in Section 14.5 of the LLC Agreement can be exercised to the ninety-two (92) day period commencing October 21, 2019 and ending on January 21, 2020. If in the judgment of CCCB and the Receiver (or solely the Receiver if the settlement is approved by the Federal Court prior to such date) the option cannot in good faith be appraised and exercised by January 21, 2020 based on the information received, then, prior to the expiration of the period, CCCB (or solely the Receiver if the settlement is approved by the Federal Court prior to such date) reserves the right to seek a hearing on the already pending injunctive relief motion (filed on March 18, 2019) heard by the Court as soon as reasonably practical; and to ensure the exercise period does not expire while that motion is pending, the option exercise period shall be extended for an additional period extending for twenty (20) business days following the entry of an order by the Court on the request for a further extension of the option exercise period, provided, however that the extension during the pendency of the motion shall not exceed thirty (30) days from the date of the hearing on the request. The provisions of Section 14.6 of the LLC Agreement regarding the valuation process are not affected by this agreement except as expressly provided herein.

2. All other provisions of the Stipulation and Consent Order entered on April 25, 2019 remain in full force and effect.

ORDERED:



Sesto, J.

Dated: 10/3/19

ENTERED:



Dep. Clerk

Dated: 10/3/19

Stipulated to and presented by:

PROSPECT CHARTERCARE, LLC
PROSPECT CHARTERCARE SJHSRI, LLC, AND
PROSPECT CHARTERCARE RWMC, LLC,

By their Attorneys,

/s/ W. Mark Russo

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PROSPECT MEDICAL HOLDINGS, INC.,
PROSPECT EAST HOLDINGS, INC., AND
PROSPECT EAST HOSPITAL ADVISORY SERVICES, LLC

By their Attorneys,

/s/ Christopher J. Fragomeni

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By his Attorneys,

/s/ Max Wistow

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