

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 a Stipulation and Consent Order on October 3, 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-one (91) day period commencing November 11, 2019 and ending on February 10, 2020. If in the judgment of the Receiver the option cannot in good faith be appraised and exercised by February 10, 2020 based on the information received, then, prior to the expiration of the period, the Receiver 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:


Brian P. Stern
Associate Justice

Stern, J.

ENTERED:

/s/ Carin Miley

Dep. Clerk **Deputy Clerk I**
November 22, 2019

Dated: November 22, 2019

Dated:

Stipulated to and presented by:

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

By their Attorneys,

/s/ W. Mark Russo

W. Mark Russo (#3937)
Ferrucci Russo P.C.
55 Pine Street, 3rd Floor
Providence, RI 02903
Tel.: (401) 455-1000
mrusso@frlawri.com

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

By their Attorneys,

/s/ Christopher J. Fragomeni

Preston W. Halperin, Esq. (#5555)
Dean J. Wagner, Esq. (#5426)
Christopher J. Fragomeni, Esq. (#9476)
Shechtman Halperin Savage LLP
1080 Main Street
Pawtucket, RI 02860
Telephone: (401) 272-1400
phalperin@shslawfirm.com
dwagner@shslawfirm.com
cfragomeni@shslawfirm.com

CHARTERCARE COMMUNITY BOARD
By its Attorneys,

/s/ Robert D. Fine

Robert D. Fine (# 2447)
Chace Ruttenberg & Freedman, LLP
One Park Row, Suite 300
Providence, RI 02903
401-453-6400 Ext 115
401-453-6411
rfine@crllp.com

STEPHEN DEL SESTO,
RECEIVER FOR THE ST. JOSEPH HEALTH
SERVICES OF RHODE ISLAND RETIREMENT PLAN

By his Attorneys,

/s/ Max Wistow

Max Wistow (#0330)

Stephen P. Sheehan (#4030)

Benjamin Ledsham (#7956)

Wistow, Sheehan & Lovely, PC

61 Weybosset Street

Providence, RI 02903

401-831-2700

mwistow@wistbar.com

spsheehan@wistbar.com

bledsham@wistbar.com