

STATE OF RHODE ISLAND
PROVIDENCE, SC.

SUPERIOR COURT

In re:

CharterCARE Community Board; St.
Joseph Health Services of Rhode Island;
and Roger Williams Hospital

C.A. No. PC-2019-11756

ORDER

Stephen Del Sesto (the “Plan Receiver”), the permanent receiver of the St. Joseph Health Services of Rhode Island Retirement Plan (the “Plan”) having filed a Petition to Apply Trust Income to Pension Plan (the “Petition”), and Thomas S. Hemmendinger (the “Liquidating Receiver”), the permanent liquidating receiver of CharterCARE Community Board, St. Joseph Health Services of Rhode Island (“SJHSRI”), and Roger Williams Hospital (“RWH”) having filed a Response to the Petition (the “Response”), and all proper notice of the Petition having been given, and no one having objected to the Petition, and the Petition having come on for hearing on March 22, 2022, and for the reasons stated at the hearing, it is hereby

ORDERED, ADJUDGED, AND DECREED:

1. The Plan Receiver gave due and adequate notice of the Petition and of the date and time of this Court’s consideration of the Petition to counsel of record in the liquidating receivership, including the Rhode Island Attorney General, counsel of record for all remaining parties in *Del Sesto et al. v. Prospect CharterCARE, LLC et al.*, C.A. No. 18-cv-00328-WES (D.R.I.) and *Del Sesto et al. v. Prospect CharterCARE, LLC et al.*, C.A. No. PC-2018-4386 (R.I. Super.), Bank of America, N.A, all Plan participants

and other interested parties in the Plan Receivership, and all parties who have filed proofs of claim in this Liquidating Receivership which remain open;

2. The Liquidating Receiver gave due and adequate notice of the Response and of the date and time of this Court's consideration of the Petition and the Response to counsel of record in the liquidating receivership, including the Rhode Island Attorney General, counsel of record for all remaining parties in *Del Sesto et al. v. Prospect CharterCARE, LLC et al.*, C.A. No. 18-cv-00328-WES (D.R.I.) and *Del Sesto et al. v. Prospect CharterCARE, LLC et al.*, C.A. No. PC-2018-4386 (R.I. Super.), Bank of America, N.A, and all parties who have filed proofs of claim in this liquidating receivership which remain open;

3. The Court finds that such notice as described in Paragraphs 1 and 2, *supra*, constitutes sufficient notice to all parties whose interests may be affected by the Petition or the Response;

4. The Petition is granted as to the following trusts (hereinafter collectively the "Trusts"):

- a. The Trust under Will of Sarah S. Brown dated June 21, 1911;
- b. The Trust under Will of C. Prescott Knight dated November 14, 1932;
- c. The Trust under Will of George Luther Flint dated June 25, 1935;
- d. The Miriam C. Horton Trust dated August 9, 1948, as amended by its entirety and restated on June 12, 1963 and modified by a Memorandum of Understanding dated June 24, 2004 between Fleet National Bank (now Bank of America, N.A.), RWH and Brown University;
- e. The Trust under Will of Albert K. Steinert dated July 11, 1927;

- f. The Herbert G. Townsend Trust dated January 2, 1929, as restated on June 14, 1949, as amended on October 6, 1955, and as modified by agreement dated November 18, 1971; and
- g. The Trust under Will of Albert K. Steinert dated July 11, 1927;

5. Within ten (10) business days of the entry of this order, the Liquidating Receiver shall pay to the Plan Receiver the sum of \$1,005,776 which represents all of the accumulated income and distributions that the Liquidating Receiver has received as of March 28, 2022 from the Trusts named in paragraphs 4-a. through 4-g. above. If the Liquidating Receiver thereafter receives income or distributions from the Trusts, he shall remit same to the Plan Receiver without deduction;

6. The Court is aware that the funds remaining in the liquidating receivership after making the payment to the Plan Receiver may not be sufficient to pay in full the administrative expenses of the liquidating receivership (including such compensation and expenses of the Liquidating Receiver and his counsel as this Court may approve from time to time). Therefore, subject to the Court's approval of such administrative expenses, the Plan Receiver is authorized to pay all such administrative expenses to the extent of any shortfall; nothing in this Order obligates the Plan Receiver to pay any pre-receivership obligations of any Legacy Hospital Entity (as defined in the Petition) including any part of the open proofs of claim in the Liquidating Receivership;

7. Bank of America, N.A. or any successor trustee shall pay to the Plan Receiver any and all future income and distributions from the Trusts named in paragraphs 4-a. through 4-g. above that would (but for this order) have been payable to SJHSRI, RWH, or the Liquidating Receiver.

8. Upon receipt of the funds identified in Paragraphs 5 and 7, *supra*, the Plan Receiver shall cause the same to be deposited into the Plan for the benefit of the Plan

participants, less any amount(s) for fees that Special Counsel may seek to be approved and that are actually approved by this Court; and

9. Except as modified herein, the Order entered on April 20, 2015 (the "2015 Cy Pres Order") in the matter captioned *In re: CHARTERCARE HEALTH PARTNERS FOUNDATION, et al. v. STEPHEN DEL SESTO, et al.*, KM-2015-0035 (the "2015 Cy Pres Action"), as previously modified by the Order and the Final Judgment that were both entered on December 3, 2019 in the 2015 Cy Pres Action, is hereby affirmed.

ORDERED:



Brian P. Stern
Associate Justice

ENTERED:

/s/ Carin Miley

Deputy Clerk I

Dep. Clerk April 7, 2022

Dated:

Stern, J.

Dated: April 7, 2022

Presented by:

/s/ Max Wistow

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March 30, 2022

CERTIFICATE OF SERVICE

I hereby certify that, on the 30th day of March, 2022, I filed and served the foregoing document through the electronic filing system on the following users of record:

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/s/ Max Wistow