

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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IN RE PLATINUM-BEECHWOOD LITIGATION

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Civil Action No.  
1:18-cv-00658

MELANIE L. CYGANOWSKI, AS RECEIVER,  
BY AND FOR PLATINUM PARTNERS CREDIT  
OPPORTUNITIES MASTER FUND LP, *et al.*,

*Plaintiffs,*

v.

BEECHWOOD RE LTD., *et al.*,

*Defendants.*

Civil Action No.  
1:18-cv-12018

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WASHINGTON NATIONAL INSURANCE  
COMPANY and BANKERS CONSECO LIFE  
INSURANCE COMPANY,

*Cross-Claim and Third-Party Plaintiffs,*

v.

PLATINUM MANAGEMENT (NY) LLC, *et al.*,

*Cross-Claim and Third-Party Defendants.*

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**ANSWER OF PB INVESTMENT HOLDINGS LTD. TO WASHINGTON NATIONAL  
INSURANCE COMPANY AND BANKERS CONSECO LIFE INSURANCE  
COMPANY'S CROSS-CLAIMS AND THIRD-PARTY COMPLAINT**

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PB Investment Holdings Ltd., as successor-in-interest to Beechwood Bermuda Investment Holdings Ltd. (“PBIHL”), by and through its counsel, responds to the Cross-Claims and Third-Party Complaint (the “Complaint”) filed by Washington National Insurance Company and Bankers Conesco Life Insurance Company (collectively, “CNO”).

### **INTRODUCTION**

1 – 469. Paragraphs 1 through 469 contains CNO’s Answer and Affirmative Defenses to the Receiver’s First Amended Complaint and to which PBIHL has no obligation to respond.

470. Because Paragraph 470<sup>1</sup> sets forth (a) legal conclusions and/or (b) CNO’s requests for relief, PBIHL states that it has no obligation to respond to this Paragraph. Further, to the extent that Paragraph 470 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents. However, to the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation and that CNO is entitled to the relief requested.

471. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 471.

472. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 472, except to the extent that Paragraph 472 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

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<sup>1</sup> “Paragraph \_\_\_” – with a capital “P” – refers to the numbered paragraph in the Complaint.

473. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 473, except to the extent that Paragraph 473 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**JURISDICTION AND VENUE**

476. Because Paragraph 476 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph.

477. Because Paragraph 477 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph.

**THE CROSS-CLAIM AND THIRD-PARTY PLAINTIFFS**

478. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 478.

479. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 479.

**THE RACKETEERS, THE STRUCTURE OF THEIR CONSPIRACY  
AND A SAMPLER OF THEIR ROLES AND FRAUDULENT ACTS**

480. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 480, except to the extent that Paragraph 480 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

481. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 481, except to the extent that Paragraph 481 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

482. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 482, except to the extent that Paragraph 482 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

483. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 483.

484. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 484.

485. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 485.

486. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 486, except to the extent that Paragraph 486 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

487. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 487, except to the extent that Paragraph 487 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

488. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 488.

489. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 489.

490. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 490, except to the extent that Paragraph 490 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

491. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 491.

492. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 492, except to the extent that Paragraph 492 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

493. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 493.

494. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 494, except to the extent that Paragraph 494 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

495. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 495.

496. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 496.

497. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 497, except to the extent that Paragraph 497 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

498. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 498, except to the extent that Paragraph 498 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

499. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 499, except to the extent that Paragraph 499 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

500. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 500.

501. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 501, except to the extent that Paragraph 501 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

502. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 502.

503. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 504, except to the extent that Paragraph 504 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

504. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 504.

505. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 505, except to the extent that Paragraph 505 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

506. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 506.

507. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 507, except to the extent that Paragraph 507 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

508. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 508, except to the extent that Paragraph 508 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

509. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 509.

510. Because Paragraph 510 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph.

511. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 511.



512. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 512.

513. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 513.

514. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 514.

515. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 515.

516. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 516.

517. PBIHL denies each and every allegation in Paragraph 517, except that it admits that it is organized under Bermuda law with a principal place of business in Bermuda.

518. To the extent that Paragraph 518 identifies the persons or entities that CNO includes under the name “Beechwood Bermuda,” PBIHL has no obligation to respond to this Paragraph. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 518.

519. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 519.

520. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 520.

521. PBIHL denies that “so called ‘capital’ that supported Beechwood Re’s obligations to” CNO was “diverted” to PBIHL in 2014. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 521.

**STATEMENT OF FACTS**

**A. The Start of the Conspiracy**

522. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 522, except to the extent that Paragraph 522 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

523. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 523.

524. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 524.

525. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 525.

526. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 526, except to the extent that Paragraph 526 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

527. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 527, except to the extent that Paragraph 527 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

528. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 528, except to the extent that Paragraph 528 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

529. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 529, except to the extent that Paragraph 529 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

530. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 530.

531. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 531.

532. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 532.

533. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 533.

534. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 534, except to the extent that Paragraph 534 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

535. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 535.

**B. The Co-Conspirators Defraud WNIC and BCLIC**

536. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 536, except to the extent that Paragraph 536 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

537. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 537.

**a. Misrepresentations about the Control and Ownership of Beechwood**

538. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 538, except to the extent that Paragraph 538 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

539. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 539, except to the extent that Paragraph 539 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

540. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 540, except to the extent that Paragraph 540 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

541. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 541, except to the extent that Paragraph 541 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

542. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 542, except to the extent that Paragraph 542 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**b. Misrepresentations about Beechwood's Capital**

543. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 543.

544. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 544, except to the extent that Paragraph 544 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

545. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 545.

546. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 546.

547. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 547, except to the extent that Paragraph 547 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

548. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 548, except to the extent that Paragraph 548 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

549. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 549, except to the extent that Paragraph 549 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**c. Misrepresentations about Beechwood's Investment Plans**

550. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 550.

551. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 551.

*1. The leveraging scheme*

552. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 552.

553. Because Paragraph 553 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 553.

554. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 554.

555. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 555.

556. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 555.

557. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 557.

558. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 558, except to the extent that Paragraph 558 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

559. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 559, except to the extent that Paragraph 559 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

560. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 560, except to the extent that Paragraph 560 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

561. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 561, except to the extent that Paragraph 561 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

2. *The false promise of safe investments*

562. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 562, except to the extent that Paragraph 562 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

563. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 563.

564. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 564, except to the extent that Paragraph 564 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

3. *The lie about Beechwood's investment process*

565. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 565, except to the extent that Paragraph 565 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

566. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 566, except to the extent that Paragraph 566 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

567. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 567, except to the extent that Paragraph 567 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

4. *The lie about Levy's qualifications*

568. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 568, except to the extent that Paragraph 568 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.



569. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 569, except to the extent that Paragraph 569 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

5. *The lie about “independent” valuations*

570. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 570, except to the extent that Paragraph 570 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

571. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 571, except to the extent that Paragraph 571 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**d. Misrepresentations about the Beechwood Management Team**

572. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 572, except to the extent that Paragraph 572 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

573. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 537.

574. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 574.

575. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 575.

576. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 576, except to the extent that Paragraph 576 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

577. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 577.

578. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 578.

579. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 579, except to the extent that Paragraph 579 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

580. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 580, except to the extent that Paragraph 580 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

581. Because Paragraph 581 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 581.

582. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 582, except to the extent that Paragraph 582 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

583. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 583, except to the extent that Paragraph 583 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

584. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 584, except to the extent that Paragraph 584 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

585. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 585, except to the extent that Paragraph 585 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

586. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 586.

587. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 587.

588. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 588, except to the extent that Paragraph 588 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

589. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 589, except to the extent that Paragraph 589 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

590. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 590, except to the extent that Paragraph 590 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

591. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 591, except to the extent that Paragraph 591 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

592. PBIHL denies each and every allegation in Paragraph 592.

**C. Key Provisions of the Reinsurance Agreements**

593. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 593.

594. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 594.

595. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 595.

596. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 596, except to the extent that Paragraph 596 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

597. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 597, except to the extent that Paragraph 597 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

598. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 598, except to the extent that Paragraph 598 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

599. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 599, except to the extent that Paragraph 599 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

600. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 600, except to the extent that Paragraph 600 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

601. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 601, except to the extent that Paragraph 601 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

602. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 602, except to the extent that Paragraph 602 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

603. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 603, except to the extent that Paragraph 603 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**D. The Fraud Continues after the Reinsurance Agreements are Signed**

604. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 604, except to the extent that Paragraph 604 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

605. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 605.

606. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 606, except to the extent that Paragraph 606 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

607. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 607, except to the extent that Paragraph 607 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

608. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 608, except to the extent that Paragraph 608 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

609. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 609.

610. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 610.

**a. Continuing Misrepresentations about Ownership and Control of Beechwood**

611. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 611.

612. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 612.

613. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 613.

614. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 614, except to the extent that Paragraph 614 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

615. Because Paragraph 615 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond

to this Paragraph, PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 615.

**b. Continuing Misrepresentations about Beechwood's "Capital"**

616. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 616.

617. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 617.

618. PBIHL denies each and every allegation in Paragraph 618.

619. PBIHL denies each and every allegation in Paragraph 619.

620. PBIHL denies each and every allegation in Paragraph 620.

621. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 621, except to the extent that Paragraph 621 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

622. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 622, except to the extent that Paragraph 622 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

623. To the extent that Paragraph 623 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies each and every allegation in Paragraph 623.



624. PBIHL denies each and every allegation in Paragraph 624.

625. To the extent that Paragraph 625 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies each and every allegation in Paragraph 625.

626. PBIHL denies each and every allegation in Paragraph 626.

627. To the extent that Paragraph 627 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents. Further, because Paragraph 627 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies each and every allegation in Paragraph 627.

**c. Continuing Misrepresentations about Beechwood's Management Team**

628. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 628.

629. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 629.

630. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 630.

631. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 631.

632. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 632.

633. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 633, except to the extent that Paragraph 633 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

634. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 634.

635. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 635.

636. Because Paragraph 636 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 636.

**d. Continuing Misrepresentations about How Beechwood Invested Trust Assets**

637. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 637.

638. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 638.

639. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 639, except to the extent that Paragraph 639 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

640. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 640.

641. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 641, except to the extent that Paragraph 641 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

642. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 642.

643. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 643, except to the extent that Paragraph 643 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

644. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 644, except to the extent that Paragraph 644 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

645. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 645, except to the extent that Paragraph 645 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

646. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 646.

647. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 647.

648. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 648.

649. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 649, except to the extent that Paragraph 649 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

650. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 650.

651. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 651.

652. Because Paragraph 652 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 636.

**E. Secreting the Proceeds of the Racketeering Activity**

653. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 653.

654. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 654.

655. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 655.

656. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 656.

**F. Beechwood Re's Many Breaches of the Reinsurance (and Accompanying) Agreements**

657. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 657.

658. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 658.

659. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 659, except to the extent that Paragraph 659 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

660. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 660.

661. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 661.

662. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 662.

663. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 663.

664. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 664.

665. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 665.

666. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 666.

667. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 667.

668. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 668, except to the extent that Paragraph 668 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

669. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 669, except to the extent that Paragraph 669 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

670. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 670, except to the extent that Paragraph 670 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

671. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 671.

672. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 672.

673. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 673, except to the extent that Paragraph 673 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

674. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 674.

675. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 675.

676. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 676, except to the extent that Paragraph 676 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**G. The Platinum House of Cards Collapses and Beechwood is Revealed as Integrated with It**

677. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 677.

678. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 678, except to the extent that Paragraph 678 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

679. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 679.

680. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 680.

681. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 681.

682. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 682.

683. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 683.

#### **H. The EDNY Indictment and SEC Complaint**

684. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 684, except to the extent that Paragraph 684 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

685. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 685, except to the extent that Paragraph 685 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

686. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 686, except to the extent that Paragraph 686 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

#### **I. Beechwood Re Is Placed Into Controllership**

687. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 687, except to the extent that Paragraph 687 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.



688. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 688, except to the extent that Paragraph 688 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**J. Beechwood Bermuda's Assets are Sold**

689. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 689, except to the extent that Paragraph 689 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

690. To the that Paragraph 690 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents. To the extent that PBIHL has any obligation to respond to this Paragraph, PBIHL denies each and every allegation in Paragraph 690.

**K. Lincoln Actively Participates in the Fraud**

**a. Platinum Engages Lincoln to Further the Fraud**

691. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 691.

*1. Lincoln Accepts Platinum Engagement as Opportunity to Gain Future Business, with Full Knowledge that Platinum and Beechwood Re are Related*

692. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 692.

693. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 693, except to the extent that Paragraph 693 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

694. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 694, except to the extent that Paragraph 694 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

695. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 695, except to the extent that Paragraph 695 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

696. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 696.

697. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 697.

698. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 698, except to the extent that Paragraph 698 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

699. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 699, except to the extent that Paragraph 699 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

700. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 700, except to the extent that Paragraph 700 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

701. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 701.

702. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 702.

703. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 703.

2. *Despite an Engagement Letter with "Beechwood," Lincoln Knowingly Works for Platinum*

704. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 704, except to the extent that Paragraph 704 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

705. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 705, except to the extent that Paragraph 705 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

706. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 706, except to the extent that Paragraph 706 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**b. Lincoln Knowingly Issues Valuation Reports Based on False and Misleading Information**

707. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 707.

708. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 708.

*1. Lincoln Know That the Information Relied on by Beechwood Re/BAM was Deficient*

709. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 709.

710. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 710, except to the extent that Paragraph 710 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

711. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 711.

712. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 712, except to the extent that Paragraph 712 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

713. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 713, except to the extent that Paragraph 713 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

714. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 714, except to the extent that Paragraph 714 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

715. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 715.

716. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 716, except to the extent that Paragraph 716 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

717. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 717.

718. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 718.

719. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 719.

720. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 720.

721. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 721.

722. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 722.

723. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 723, except to the extent that Paragraph 723 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

724. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 724.

725. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 725.

726. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 726.

727. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 727, except to the extent that Paragraph 727 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

728. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 728.

729. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 729, except to the extent that Paragraph 729 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

730. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 730, except to the extent that Paragraph 730 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

2. *Lincoln Knew That the Information Contained in Its Valuation Reports was Inaccurate*

731. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 730.

732. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 732.

733. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 733.

734. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 734, except to the extent that Paragraph 734 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

735. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 735, except to the extent that Paragraph 735 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

3. *Lincoln Knew That It Was Not Operating As An Independent Agent*

736. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 736.

737. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 737.

738. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 738, except to the extent that Paragraph 738 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

739. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 739.

740. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 740.

741. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 741, except to the extent that Paragraph 741 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

742. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 742, except to the extent that Paragraph 742 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

743. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 743, except to the extent that Paragraph 743 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

744. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 744.



745. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 745.

746. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 746.

747. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 747.

748. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 748, except to the extent that Paragraph 748 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

749. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 749, except to the extent that Paragraph 749 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

750. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 750, except to the extent that Paragraph 750 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

751. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 751, except to the extent that Paragraph 751 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

4. *Lincoln Knew That CNO Relied on Its Sham Valuation Reports*

752. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 752.

753. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 753.

754. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 754, except to the extent that Paragraph 754 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

755. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 755, except to the extent that Paragraph 755 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

756. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 756, except to the extent that Paragraph 756 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

757. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 757, except to the extent that Paragraph 757 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

758. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 758, except to the extent that Paragraph 758 purports to paraphrase

the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

759. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 759, except to the extent that Paragraph 759 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

**c. Lincoln Terminates the Relationship**

760. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 760.

761. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 761.

762. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 762, except to the extent that Paragraph 762 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

763. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 763, except to the extent that Paragraph 763 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

764. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 764, except to the extent that Paragraph 764 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

765. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 765.

766. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 766.

767. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 767.

768. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 768.

769. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 769, except to the extent that Paragraph 769 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

770. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 770.

771. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 771, except to the extent that Paragraph 771 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

772. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 772, except to the extent that Paragraph 772 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

773. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 773, except to the extent that Paragraph 773 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

774. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 774, except to the extent that Paragraph 774 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

775. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 775, except to the extent that Paragraph 775 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

776. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 776.

777. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 777, except to the extent that Paragraph 777 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

778. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 778, except to the extent that Paragraph 778 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

779. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 779, except to the extent that Paragraph 779 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

780. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 780, except to the extent that Paragraph 780 purports to paraphrase the contents of documents that speak for themselves, PBIHL has no obligation to respond to this Paragraph and refers the Court to the documents referenced for a rendition of their contents.

781. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 781.

782. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 782.

783. PBIHL denies knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 783.

## **CLAIMS FOR RELIEF**

### **COUNT ONE**

**Violation of Civil RICO – 18 U.S.C. § 1962(c)  
(Against Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff, Manela,  
Ottensoser, Kim, Saks, Poteat, Narain, Holdings, BAM,  
BAM Administrative, BBL, BBIL, PB Investment,  
as successor-in-interest to BBIH, Beechwood Investments  
and each Series, Beechwood Trusts Nos. 1-20 and Lincoln)**

784. Paragraph 784 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

785. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 785.

786. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 786.

787. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 787.

788. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 788.

789. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 789.

790. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 790.

791. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 791.

792. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 792.

793. Because the Court dismissed Count One against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 793.

## **COUNT TWO**

**RICO Conspiracy – 18 U.S.C. § 1962(d)  
(Against Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff, Manela,  
Ottensoser, Kim, Saks, Poteat, Narain, Holdings,  
BAM, BAM Administrative, BBL, BBIL,  
PB Investment, as successor-in-interest to BBIH, Beechwood Investments  
and each Series, Beechwood Trusts Nos. 1-20 and Lincoln)**

794. Paragraph 794 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

795. Because the Court dismissed Count Two against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 795.

796. Because the Court dismissed Count Two against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 796.

797. Because the Court dismissed Count Two against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 797.

798. Because the Court dismissed Count Two against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 798.

799. Because the Court dismissed Count Two against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 799.

### **COUNT THREE**

#### **Fraudulent Inducement and Fraud (Against Hodgdon, Slota, Small, Leff, Manela, Ottensoser, Kim, Saks, Poteat and Narain)**

800. Paragraph 800 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

801. Because Paragraph 801 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

802. Because Paragraph 802 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

803. Because Paragraph 803 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.



804. Because Paragraph 804 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

805. Because Paragraph 805 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

806. Because Paragraph 806 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

807. Because Paragraph 807 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

#### **COUNT FOUR**

#### **Fraudulent Inducement and Fraud (Against BBL, BBIL and PB Investment, as successor-in-interest to BBIH)**

808. Paragraph 808 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

809. Because Paragraph 809 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 809.

810. Because Paragraph 810 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 810.

811. Because Paragraph 811 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 811.

812. Because Paragraph 812 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 812.

813. Because Paragraph 813 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 813.

814. Because Paragraph 814 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 814.

815. Because Paragraph 815 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 815.

**COUNT FIVE**

**Fraudulent Misrepresentation and Omission  
(Against Lincoln)**

816. Paragraph 816 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

817. Because Paragraph 817 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

818. Because Paragraph 818 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

819. Because Paragraph 819 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

820. Because Paragraph 820 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

821. Because Paragraph 821 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

822. Because Paragraph 822 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

823. Because Paragraph 823 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

824. Because Paragraph 824 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

825. Because Paragraph 825 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

## **COUNT SIX**

### **Negligent Misrepresentation (Against Lincoln)**

826. Paragraph 826 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

827. Because Paragraph 827 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

828. Because Paragraph 828 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

829. Because Paragraph 829 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

830. Because Paragraph 830 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

831. Because Paragraph 831 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

832. Because Paragraph 832 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

833. Because Paragraph 833 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

834. Because Paragraph 834 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

### **COUNT SEVEN**

**Aiding and Abetting Fraud  
(Against Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff, Manela,  
Ottensoser, Kim, Saks, Poteat, Narain, Holdings, BAM, BAM Administrative,  
BBL, BBIL, PB Investment, Beechwood Investments  
and each Series, Beechwood Trusts Nos. 1-20 and Lincoln)**

835. Paragraph 835 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

836. Because Paragraph 836 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 836.

837. Because Paragraph 837 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 837.

838. Because Paragraph 838 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 838.

839. Because Paragraph 839 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 839.

840. Because Paragraph 840 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 840.

841. Because Paragraph 841 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 841.

842. Because Paragraph 842 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 842.

843. Because Paragraph 843 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 843.

**COUNT EIGHT**

**Aiding and Abetting Fraud  
(Against Lincoln)**

844. Paragraph 844 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

845. Because Paragraph 845 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

846. Because Paragraph 846 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

847. Because Paragraph 847 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

848. Because Paragraph 848 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

849. Because Paragraph 849 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

850. Because Paragraph 850 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

851. Because Paragraph 851 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

852. Because Paragraph 852 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

**COUNT NINE**

**Conspiracy to Commit Fraud  
(Against Lincoln)**

853. Paragraph 853 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

854. Because Paragraph 854 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

855. Because Paragraph 855 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

856. Because Paragraph 856 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

857. Because Paragraph 857 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

858. Because Paragraph 858 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

859. Because Paragraph 859 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

860. Because Paragraph 860 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

**COUNT TEN**

**Breach of Contract  
(Against Beechwood Re)**

861. Paragraph 861 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

862. Because Paragraph 862 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

863. Because Paragraph 863 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

864. Because Paragraph 864 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

865. Because Paragraph 865 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

**COUNT ELEVEN**

**Breach of Fiduciary Duty  
(Against BAM, BAM Administrative,  
Hodgdon, Saks, Kim and Narain)**

866. Paragraph 866 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

867. Because Paragraph 867 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

868. Because Paragraph 868 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

869. Because Paragraph 869 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

870. Because Paragraph 870 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

871. Because Paragraph 871 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

872. Because Paragraph 872 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

**COUNT TWELVE**

**Aiding and Abetting Breaches of Fiduciary Duty  
(Against Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff,  
Manela, Ottensoser, Kim, Saks, Poteat, Narain, Holdings,  
BAM, BAM Administrative, BBL, BBIL, PB Investment,  
as successor-in-interest to BBIH, Beechwood Investments**



**and each Series, Beechwood Trusts Nos. 1-20)**

873. Paragraph 873 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

874. Because Paragraph 874 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 874.

875. Because Paragraph 875 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 875.

876. Because Paragraph 876 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 876.

877. Because Paragraph 877 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 877.

878. Because Paragraph 878 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 878.

879. Because Paragraph 879 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 879.

**COUNT THIRTEEN**

**Aiding and Abetting Breach of Fiduciary Duty  
(Against Lincoln)**

880. Paragraph 880 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

881. Because Paragraph 881 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

882. Because Paragraph 882 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

883. Because Paragraph 883 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

884. Because Paragraph 884 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

885. Because Paragraph 885 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

886. Because Paragraph 886 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

887. Because Paragraph 887 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

888. Because Paragraph 888 regards a claim for relief which CNO does not direct toward PBIHL, PBIHL states that it has no obligation to respond to this Paragraph.

**COUNT FOURTEEN**

**Fraudulent Conveyance – New York Debtor and  
Creditor Law §§ 276, 276-a, 278 and 279  
(Against BBL, BBIL and PB Investment, as successor-in-interest to BBIH)**

889. Paragraph 889 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

890. Because Paragraph 890 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 890.

891. Because Paragraph 891 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 891.

892. Because Paragraph 892 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 892.

893. Because Paragraph 893 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 893.

894. Because Paragraph 894 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 894.

895. Because Paragraph 895 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 895.

896. Because Paragraph 896 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 896.

897. Because Paragraph 897 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 897.

898. Because Paragraph 898 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 898.

899. Because Paragraph 899 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 899.

900. Because Paragraph 900 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 900.

**COUNT FIFTEEN**

**Fraudulent Conveyance – New York Debtor  
and Creditor Law §§ 273, 276-a, 278 and/or 279  
(Against BBL, BBIL and PB Investment, as successor-in-interest to BBIH)**

901. Paragraph 901 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

902. Because Paragraph 902 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 902.

903. Because Paragraph 903 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 903.

904. Because Paragraph 904 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 904.

905. Because Paragraph 905 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 905.

906. Because Paragraph 906 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 906.

**COUNT SIXTEEN**

**Fraudulent Conveyance – New York Debtor  
and Creditor Law §§ 274, 278 and/or 279  
(Against BBL, BBIL and PB Investment, as successor-in-interest to BBIH)**

907. Paragraph 907 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

908. Because Paragraph 908 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 908.

909. Because Paragraph 909 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 909.

910. Because Paragraph 910 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 910.

911. Because Paragraph 911 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 911.

912. Because Paragraph 912 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 912.

**COUNT SEVENTEEN**

**Fraudulent Conveyance – New York Debtor  
and Creditor Law §§ 275, 278 and/or 279  
(Against BBL, BBIL and PB Investment, as successor-in-interest to BBIH)**

913. Paragraph 913 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

914. Because Paragraph 914 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 914.

915. Because Paragraph 915 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 915.

916. Because Paragraph 916 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 916.

917. Because Paragraph 917 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 917.

918. Because Paragraph 918 sets forth legal conclusions, PBIHL states that it has no obligation to respond to this Paragraph. To the extent that PBIHL has any obligation to respond to this Paragraph, it denies each and every allegation in Paragraph 918.

**COUNT EIGHTEEN**

**Contribution and Indemnity  
(Against Beechwood Re, Feuer, Taylor, Levy, Beechwood Capital Group,  
Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff, Manela,  
Ottensoser, Kim, Saks, Poteat, Narain, Holdings, BAM, BAM Administrative,  
BBL, BBIL, PB Investment, as successor-in-interest to BBIH,  
Beechwood Investments and each Series,  
Beechwood Trusts Nos. 1-20, and Lincoln)**

919. Paragraph 919 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

920. Because the Court dismissed Count Eighteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 920.

921. Because the Court dismissed Count Eighteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 921.

922. Because the Court dismissed Count Eighteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 922.

**COUNT NINETEEN**

**Unjust Enrichment/Constructive Trust  
(Against Nordlicht, Huberfeld, Bodner, Feuer Family Trust,  
Taylor-Lau Family Trust, Hodgdon, Slota, Small, Leff, Manela,  
Ottensoser, Kim, Saks, Poteat, Narain, Holdings, BAM,  
BAM Administrative, BBL, BBIL, PB Investment,  
as successor-in-interest to BBIH, Beechwood Investments  
and each Series, Beechwood Trusts Nos. 1-20, and Lincoln)**

923. Paragraph 923 does not contain factual allegations that require a response. PBIHL repeats and reasserts each and every response contained above as if fully set forth herein.

924. Because the Court dismissed Count Nineteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 924.

925. Because the Court dismissed Count Nineteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 925.

926. Because the Court dismissed Count Nineteen against PBIHL on August 18, 2019 (*see* D.E. 380), PBIHL states that it has no obligation to respond to Paragraph 926.

### **AFFIRMATIVE DEFENSES**

PBIHL sets forth below its affirmative defenses. Each defense is asserted as to all claims against PBIHL. By setting forth these affirmative defenses, PBIHL does not assume the burden of proving any fact, issue, or element of a claim where such burden properly belongs to CNO.

As separate and distinct affirmative defenses, PBIHL states as follows:

#### **FIRST AFFIRMATIVE DEFENSE**

##### **(Failure to State a Claim Upon Which Relief May Be Granted)**

The Complaint fails to state a claim, in whole or in part, upon which relief may be granted.

#### **SECOND AFFIRMATIVE DEFENSE**

##### **(Statute of Limitations)**

CNO's claims are barred, in whole or in part, by applicable statutes of limitations.

#### **THIRD AFFIRMATIVE DEFENSE**

##### **(*In Pari Delicto*)**

CNO's claims are barred, in whole or in part, by the *in pari delicto* doctrine.

#### **FOURTH AFFIRMATIVE DEFENSE**

##### **(Laches)**

CNO's claims are barred, in whole or in part, by the doctrine of laches.



**FIFTH AFFIRMATIVE DEFENSE**

**(Estoppel)**

CNO's claims are barred, in whole or in part, by the doctrine of estoppel.

**SIXTH AFFIRMATIVE DEFENSE**

**(Waiver)**

CNO's claims are barred, in whole or in part, by the doctrine of waiver.

**SEVENTH AFFIRMATIVE DEFENSE**

**(Ratification)**

CNO's claims are barred, in whole or in part, by the doctrine of ratification.

**EIGHTH AFFIRMATIVE DEFENSE**

**(Unclean Hands)**

CNO's claims are barred, in whole or in part, by the doctrine of unclean hands.

**NINTH AFFIRMATIVE DEFENSE**

**(Failure to Mitigate)**

CNO's claims are barred, in whole or in part, by its failure to mitigate, minimize or avoid any damages it may be claiming.

**TENTH AFFIRMATIVE DEFENSE**

**(Standing)**

CNO's claims are barred, in whole or in part, because it lacks standing to bring the claims it has brought against PBIHL.

**ELEVENTH AFFIRMATIVE DEFENSE**

**(Good Faith)**

CNO's claims are barred, in whole or in part, because PBIHL at all times acted in good faith.

**TWELFTH AFFIRMATIVE DEFENSE**

**(Election of Remedies)**

CNO's claims are barred, in whole or in part, by the doctrine of election of remedies.

**THIRTEENTH AFFIRMATIVE DEFENSE**

**(No Causation)**

CNO's claims are barred, in whole or in part, because it sustained no injury in fact or damages caused by any act or omission of PBIHL.

**FOURTEENTH AFFIRMATIVE DEFENSE**

**(Lack of Personal Jurisdiction)**

CNO's claims are barred, in whole or in part, due to a lack of personal jurisdiction.

**FIFTEENTH AFFIRMATIVE DEFENSE**

**(Assumption of Risk/Culpable Conduct)**

CNO's claims are barred, in whole or in part, based on the doctrines of assumption of risk and/or culpable conduct on the part of CNO.

**SIXTEENTH AFFIRMATIVE DEFENSE**

**(Alleged Damages Caused by Other Parties)**

CNO's claims are barred, in whole or in part, because any damages it claims that were incurred were due to the act or omissions of parties other than PBIHL.

**SEVENTEENTH AFFIRMATIVE DEFENSE**

**(Failure to Plead with Specificity)**

CNO's claims are barred, in whole or in part, because it has failed to plead claims against PBIHL with the specificity required under Fed. R. Civ. P. 9(b).

**EIGHTEENTH AFFIRMATIVE DEFENSE**

**(The *Wagoner* Rule)**

CNO's claims are barred, in whole or in part, based on the rule articulated in *Shearson Lehman Hutton, Inc. v. Wagoner*, 944 F.2d 114 (2d Cir. 1991).

**RESERVATION OF RIGHTS TO ASSERT ADDITIONAL DEFENSES**

PBIHL has not knowingly or intentionally waived any applicable defense, and it reserves the right to assert and rely upon other applicable defenses that may become available or apparent during discovery in this matter. PBIHL reserves the right to amend or seek to amend its Answer and Affirmative Defenses.

Dated: September 13, 2019

Respectfully submitted,

**CONDON TOBIN SLADEK THORNTON, PLLC**

*/s/ Kendal B. Reed*

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**CERTIFICATE OF SERVICE**

It is hereby certified that on this 13<sup>th</sup> day of September 2019, a copy of the foregoing was served through the Court's electronic filing system as to all parties who have entered an appearance in this proceeding.

*/s/ Kendal B. Reed*

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Kendal B. Reed