UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE PLATINUM-BEECHWOOD LITIGATION	18-cv-6658 (JSR)
MELANIE L. CYGANOWSKI, as Equity Receiver for PLATINUM PARTNERS CREDIT OPPORTUNITIES MASTER FUND LP, *et al.*, Plaintiffs, v. BEECHWOOD RE LTD., *et al.*, Defendants.	18-cv-12018 (JSR)
WASHINGTON NATIONAL INSURANCE COMPANY and BANKERS CONSECO LIFE INSURANCE COMPANY, Third-Party Plaintiffs, v. MARK NORDLICHT, *et al.*, Third-Party Defendants.	

ANSWER OF THIRD-PARTY DEFENDANTS DAVID BODNER AND BEECHWOOD RE INVESTMENTS, LLC SERIES C

Defendants David Bodner ("Bodner") and Beechwood Re Investments, LLC Series C ("Series C" and together with Bodner, the "Answering Defendants"), for their answer to the Third-Party Complaint (ECF No. 75)[1] (the "TPC") of Third-Party Plaintiffs Washington National Insurance Company ("WNIC") and Bankers Conseco Life Insurance Company

[1] ECF citations refer to the *Cyganowski* docket, 18-cv-12018 (JSR). Capitalized terms not defined herein shall have the meanings ascribed to them in the TPC.

("BCLIC," and, together with WNIC, "Conseco"), pursuant to Federal Rule of Civil Procedure 8(b)(iii), deny generally all of the allegations in the TPC insofar as they include the Answering Defendants by name or by reference to a group of defendants in which any of them is included, and otherwise deny knowledge or information sufficient to form a belief as to the truth of the allegations, except as follows:

AS TO PARAGRAPH 473

The Answering Defendants admit that Mr. Huberfeld was arrested in the summer of 2016 and otherwise deny knowledge and information sufficient to form a belief of the truth of the allegations in paragraph 473.

AS TO PARAGRAPH 476

The Answering Defendants admit the Court has jurisdiction.

AS TO PARAGRAPH 477

The Answering Defendants admit that venue of this case is proper.

AS TO PARAGRAPH 480

The Answering Defendants admit that Mr. Nordlicht was a Platinum co-founder, at certain times had offices at Platinum and at Beechwood, and is a defendant in the PPVA Action. The Answering Defendants otherwise deny knowledge and information sufficient to form a belief of the truth of the allegations in paragraph 480.

AS TO PARAGRAPH 481

The Answering Defendants admit that Mr. Huberfeld was a Platinum co-founder, at certain times had offices at Platinum and at Beechwood, and is a defendant in the PPVA Action. The Answering Defendants otherwise deny knowledge and information sufficient to form a belief of the truth of the allegations in paragraph 481.

AS TO PARAGRAPH 482

The Answering Defendants admit that Bodner was a Platinum co-founder and is a defendant in the PPVA Action. The Answering Defendants otherwise deny the allegations in paragraph 482.

AS TO PARAGRAPH 483

The Answering Defendants admit that Mr. Feuer was a principal of certain Beechwood entities and otherwise deny the allegations in paragraph 483.

AS TO PARAGRAPH 485

The Answering Defendants admit that Mr. Taylor was a principal of certain Beechwood entities and otherwise deny the allegations in paragraph 485.

AS TO PARAGRAPH 489

The Answering Defendants admit that Mr. Levy at various times served as a senior manager at Platinum and at Beechwood. The Answering Defendants otherwise deny the allegations in paragraph 489.

AS TO PARAGRAPH 504

The Answering Defendants admit that Mr. Saks for a certain period of time directed the investment of WNIC's and BCLIC's reinsurance trust assets, and otherwise deny the allegations in paragraph 504.

AS TO PARAGRAPH 518

The Answering Defendants admit that Bodner family members were beneficiaries of Beechwood Trust Nos. 7–14. The Answering Defendants deny that such trusts are "alter ego[s]" of Bodner or that they were "asset protection vehicle[s] for use in siphoning off and secreting the ill-gotten gains from the Co-conspirators' racketeering activities," as alleged in

paragraph 518. The Answering Defendants otherwise deny knowledge and information sufficient to form a belief of the truth of the allegations in paragraph 518.

AS TO PARAGRAPH 526

The Answering Defendants deny the allegations in paragraph 526 except admit that Bodner pleaded guilty to misdemeanor charges and refers to the court records for the precise terms.

AS TO PARAGRAPH 528

The Answering Defendants deny the allegations in paragraph 528 except admit that Bodner settled claims made by the SEC and refers to the official records for the precise terms.

AS TO PARAGRAPH 530

The Answering Defendants admit that David Levy is Huberfeld's nephew and otherwise deny the allegations in paragraph 530.

AS TO PARAGRAPH 684

The Answering Defendants admit the allegations in paragraph 684.

AS TO PARAGRAPH 685

The Answering Defendants admit the allegations in paragraph 685.

AS TO THE CLAIMS FOR RELIEF

The Answering Defendants deny the Claims for Relief to extent any response is required.

AS TO THE PRAYER FOR RELIEF

In response to the prayers for relief in paragraph 475 of the TPC, the Answering Defendants deny that Conseco is entitled to relief.

AFFIRMATIVE DEFENSES

The Answering Defendants set forth their affirmative defenses below. The Answering Defendants' defenses are asserted as to all operative claims against each of them, individually and as a group. By setting forth these affirmative defenses, the Answering Defendants do not assume the burden of proving any fact, issue, or element of a claim where such burden properly belongs to Conseco.

AFFIRMATIVE DEFENSE NO. 1
(Failure to State a Claim)

Conseco's claims are barred, in whole or in part, for failure to state a claim upon which relief may be granted.

AFFIRMATIVE DEFENSE NO. 2
(Estoppel)

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

AFFIRMATIVE DEFENSE NO. 3
(Statute of Limitations)

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

AFFIRMATIVE DEFENSE NO. 4
(Release or Discharge of Claims)

Conseco's claims are barred, in whole or in part, because they have been released, discharged, compromised and settled.

AFFIRMATIVE DEFENSE NO. 5
(Alleged Damages Caused by Other Parties)

Conseco's claims are barred, in whole or in part, because any damages they claim that were incurred by Conseco were due to the acts or omissions of parties other than the Answering Defendants.

AFFIRMATIVE DEFENSE NO. 6
(In Pari Delicto)

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

AFFIRMATIVE DEFENSE NO. 7
(Failure to Mitigate Damages)

Conseco's claims are barred, in whole or in part, by its failure to mitigate damages.

AFFIRMATIVE DEFENSE NO. 8
(Consent or Ratification)

Conseco's claims are barred, in whole or in part, because it consented to and/or ratified the conduct alleged to have been wrongful in the TPC.

AFFIRMATIVE DEFENSE NO. 9
(Unclean Hands)

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

AFFIRMATIVE DEFENSE NO. 10
(Alleged Damages are Too Speculative and Too Remote)

Conseco's claims are barred, in whole or in part, because any damages they claim that were incurred by Conseco are too speculative and too remote.

AFFIRMATIVE DEFENSE NO. 11
(Good Faith)

Conseco's claims are barred, in whole or in part, because the Answering Defendants at all times acted in good faith.

RESERVATION OF RIGHTS

The Answering Defendants have not knowingly or intentionally waived any applicable defenses, and they reserve all rights to assert and rely upon other applicable defenses that may become available or apparent as this matter proceeds. The Answering Defendants reserve all rights to amend or seek to amend their Answer and Affirmative Defenses.

Dated: September 13, 2019
New York, New York

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