

NOTICE TO PLEAD:

**TO PLAINTIFF: YOU ARE HEREBY NOTIFIED TO
FILE A WRITTEN RESPONSE TO THE ENCLOSED
NEW MATTER WITHIN 20 (TWENTY) DAYS FROM
SERVICE HEREOF, OR A JUDGMENT MAY BE
ENTERED AGAINST YOU.**

/s/ Joanna J. Cline
Attorney for Dixon Hughes Goodman LLP

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

Jessica K. Altman, Insurance
Commissioner of the Commonwealth
of Pennsylvania in her capacity as the
Statutory Rehabilitator of Senior
Health Insurance Company of
Pennsylvania ("SHIP"),

Plaintiff,

v.

Vanbridge, an EPIC Company

Vanbridge LLC (fka VBR Holdings,
LLC, fka Vanbridge Holdings, LLC)

Roebeling Re Ltd.

Dixon Hughes Goodman LLP

Golden Tree Asset Management LP

Bruckner Charitable Trust

Bruckner Investment Trust

Defendants.

2 SHP 2022

**ANSWER WITH NEW MATTER
OF DIXON HUGHES GOODMAN
LLP**

Dixon Hughes Goodman LLP answers the Complaint of Jessica K.

Altman as follows:

I. THE PARTIES

1. Admitted.

2. Admitted.

3. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

4. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

5. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the allegations of this paragraph, which are therefore denied.

6. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments in this paragraph, which are therefore denied.

7. Admitted that Roebing Re Ltd. is a Barbados domiciled entity formed in 2016. After reasonable investigation, Dixon Hughes Goodman LLP

lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

8. Admitted.

9. Admitted.

10. Admitted.

11. Admitted.

II. JURISDICTION AND VENUE

12. Admitted.

13. Admitted.

III. FACTS

A. SHIP and its Business

14. Admitted that SHIP and its predecessors have provided long-term care insurance policy coverage from some time in the past. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

15. Admitted that SHIP's book of business consists of a closed block of long-term care insurance policies. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

16. Admitted that at some time in the past SHIP ceased selling new insurance policies. Otherwise denied for lack of information sufficient to form a belief.

17. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

18. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

19. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

20. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

21. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

22. Admitted that Eide Bailly LLP was SHIP's independent auditor in 2016. After reasonable investigation, Dixon Hughes Goodman LLP lacks

knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

23. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

B. SHIP and Fuzion Analytics

24. Admitted that Fuzion Analytics Inc. is a Delaware corporation providing administrative and management services to SHIP in 2016 and 2017. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

25. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

26. Admitted that in 2016 and 2017, Fuzion undertook administrative or managerial responsibility and functioned as a management company for SHIP, including administration of its long-term care policies. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

27. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

C. Overview of SHIP's Financial Deterioration

28. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

29. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

D. The Roebling Scheme

30. Admitted that at some time Vanbridge provided recommendations and advice related to a transaction between SHIP and Roebling Re. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

31. Vanbridge's engagement letter with SHIP dated March 21, 2016, is a written document which is the best evidence of its own contents and speaks for itself. The genuineness of Exhibit 1 is admitted. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information

sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

32. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

33. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

34. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied. By way of further response, it is specifically alleged that the transaction was approved by the plaintiff.

35. Admitted only that a true copy of the amended and restated Coinsurance Agreement was attached to the Complaint as Exhibit 2, and that it is the best evidence of its own contents and speaks for itself. Admitted, on information and belief, that the transaction was advised by Vanbridge. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

36. Admitted that in or around September 2016 Roebing Re was a newly created offshore entity, and admitted, on information learned at later times, it was owned by the Bruckner Investment Trust. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

37. The reinsurance agreement or agreements are written documents that are the best evidence of their own contents and speak for themselves, as are documents relating to the transaction in question. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

38. Admitted that under the transaction documents Roebing Re appeared to accept financial responsibility for the liabilities referenced in paragraphs 37 and 38. Otherwise denied for lack of information sufficient to form a belief, except specifically alleged that at the time Dixon Hughes Goodman LLP, through its employees, raised a question as to whether there had in fact been a bona fide transfer of risk, and expressed concerns about same. Otherwise denied.

39. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

40. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

41. Denied that these Defendants “falsely represented that these securities had a face value of \$150.9 million,” because these Defendants simply provided a calculation based on information provided by others. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

42. On information and belief, admitted that the Bruckner Investment Trust issued SHIP a note with a 2.5% coupon rate and a 15-year maturity date, which note was collateralized. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

43. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

44. Admitted, on information and belief, that the Bruckner Investment Trust issued a note with a face value of \$29 million. Admitted that the note was collateralized behind, or inferiorly to, the \$100 million note. Admitted

that it had a 20-year maturity. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

45. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

46. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

47. Denied. Dixon Hughes Goodman was not engaged to opine on the transfer of risk. The engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, a genuine copy of which is attached to the Complaint as Exhibit 3, specifically states that Dixon Hughes Goodman LLP was to perform a calculation engagement. “In a *calculation engagement*, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a ‘calculated value’ either as a single amount or as a range of values.” By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also

states: “Our services do not constitute an audit or verification of the underlying financial records.” In addition, the engagement letter attached to the Complaint as Exhibit 3 included certain limiting conditions, including one that as part of the engagement, “Dixon Hughes Goodman will not audit, review, or compile the financial information provided to us, and accordingly, we will express no opinion or any other form of assurance on this information.”

48. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

49. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

50. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

51. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

52. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

53. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

54. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

55. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

56. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

57. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

58. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

59. The unspecified “April 2018 regulatory filings” are written documents which are the best evidence of their own contents and which speak for themselves. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

60. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

E. SHIP is Placed in Rehabilitation Following a Mandatory Control Level Event

61. Admitted, on information and belief.

62. The financial statement is a written document which is the best evidence of its own contents and speaks for itself. This Defendant neither has personal knowledge of the financial statement, nor of the company’s true financial status, or whether it was, or was not, statutorily insolvent at that time. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or

information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

63. The RBC report is a written document which is the best evidence of its own contents and speaks for itself. This Defendant neither has personal knowledge of the RBC report, nor of the company's true financial status, or whether it was, or was not, statutorily insolvent at that time. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

64. Admitted, on information and belief.

65. To the extent that paragraph 65 alleges any fact, as opposed to a conclusion of law to which no response is required, it is denied for lack of information sufficient to form a belief.

66. Admitted, on information and belief.

67. Admitted, on information and belief.

68. Admitted, on information and belief.

69. The proposed Plan of Rehabilitation approved by the Commonwealth Court on August 24, 2021, is a written document which is the best evidence of its own contents and speaks for itself. After reasonable investigation,

Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

70. Denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

IV. CAUSES OF ACTION

Count 1: Breach of Contract (As Against Vanbridge)

71. The responses to the preceding paragraphs are incorporated by reference.

72. Admitted only, on information and belief, that SHIP entered into a contract with Vanbridge, and that a document purporting to be a copy of that contract is attached to the Complaint as Exhibit 1. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

73.-78. Paragraphs 73-78 allege claims against a defendant other than this defendant, accordingly, they are denied for lack of information sufficient to form a belief.

Count 2: Breach of Contract (As Against Dixon Hughes)

79. The responses to the preceding paragraphs are incorporated by reference.

80. Admitted that SHIP entered into a contract with Dixon Hughes Goodman LLP and that a true and accurate copy of that contract is attached to the Complaint as Exhibit 3. Denied that plaintiff's characterization of the contract is accurate. By way of further response, the engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, states that Dixon Hughes Goodman LLP was to perform a calculation engagement. "In a *calculation engagement*, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a 'calculated value' either as a single amount or as a range of values." By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also states: "Our services do not constitute an audit or verification of the underlying financial records." By way of further response, Dixon Hughes Goodman LLP denies that it was part of any scheme.

81. Denied. Dixon Hughes Goodman was not engaged to opine on the transfer of risk. The engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, a genuine copy of which is attached to the Complaint as Exhibit 3, specifically states that Dixon Hughes Goodman LLP was to perform a calculation engagement. "In a *calculation engagement*, the valuation

analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a ‘calculated value’ either as a single amount or as a range of values.” By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also states: “Our services do not constitute an audit or verification of the underlying financial records.” In addition, the engagement letter attached to the Complaint as Exhibit 3 included certain limiting conditions, including one that as part of the engagement, “Dixon Hughes Goodman will not audit, review, or compile the financial information provided to us, and accordingly, we will express no opinion or any other form of assurance on this information.”

82. Denied. Dixon Hughes Goodman was not engaged to opine on its overall assessment of SHIP’s financial health. The engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, a genuine copy of which is attached to the Complaint as Exhibit 3, specifically states that Dixon Hughes Goodman LLP was to perform a calculation engagement. “In a *calculation engagement*, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst

calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a ‘calculated value’ either as a single amount or as a range of values.” By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also states: “Our services do not constitute an audit or verification of the underlying financial records.” The remaining averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied. In addition, the engagement letter attached to the Complaint as Exhibit 3 included certain limiting conditions, including one that as part of the engagement, “Dixon Hughes Goodman will not audit, review, or compile the financial information provided to us, and accordingly, we will express no opinion or any other form of assurance on this information.”

83. Denied. Dixon Hughes Goodman was not engaged to opine on SHIP’s financial health. The engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, a genuine copy of which is attached to the Complaint as Exhibit 3, specifically states that Dixon Hughes Goodman LLP was to perform a calculation engagement. “In a *calculation engagement*, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a

‘calculated value’ either as a single amount or as a range of values.” By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also states: “Our services do not constitute an audit or verification of the underlying financial records.” The remaining averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied. In addition, the engagement letter attached to the Complaint as Exhibit 3 included certain limiting conditions, including one that as part of the engagement, “Dixon Hughes Goodman will not audit, review, or compile the financial information provided to us, and accordingly, we will express no opinion or any other form of assurance on this information.”

84. Denied. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied. To the extent any averments of this paragraph are deemed factual, Dixon Hughes Goodman denies that it knew or intended SHIP to rely on any representations. The engagement letter between Dixon Hughes Goodman LLP and SHIP dated January 9, 2017, a genuine copy of which is attached to the Complaint as Exhibit 3, specifically states that Dixon Hughes Goodman LLP was to perform a calculation engagement. “In a *calculation engagement*, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation

engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a ‘calculated value’ either as a single amount or as a range of values.” By way of further response, the engagement letter attached to the Complaint as Exhibit 3 also states: “Our services do not constitute an audit or verification of the underlying financial records.”

85. Denied that any false representation was made, or that any fraudulent statement was provided regarding SHIP’s financial health. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

86. Denied. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied.

87. Admitted only that Dixon Hughes Goodman LLP owed SHIP those duties provided by law. Denied to the extent it suggests Dixon Hughes Goodman LLP was engaged to perform services beyond those described in the engagement letter attached to the Complaint as Exhibit 3. By way of further response, SHIP did not file GAAP financial statements, nor was Dixon Hughes Goodman LLP engaged to discuss GAAP results.

88. Denied. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied.

89. Denied. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied.

**Count 3: Breach of Fiduciary Duty
(As Against Vanbridge, Dixon Hughes and Golden Tree)**

90. The responses to paragraphs 1- 89 are incorporated by reference.

91. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes denies that it owed any duty to SHIP relevant to this lawsuit aside from those limited duties set forth in the engagement letter Exhibit 3 attached to the Complaint. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

92. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

93. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law, to which no response is required, and which are therefore denied. To the extent any averments of this paragraph are deemed factual, Dixon Hughes denies that it owed any duty to SHIP relevant to this lawsuit aside from those limited duties set forth in the engagement letter Exhibit 3 attached to the Complaint. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

94. Denied as to Dixon Hughes Goodman LLP. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

95. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the averments of this paragraph, which are therefore denied.

96. Denied. The averments of this paragraph constitute conclusions of law to which no response is required, and which are therefore denied.

Count 4: Civil Conspiracy (As Against All Defendants)

97. The responses to the preceding paragraphs are incorporated by reference.

98. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes denies that it engaged in any conspiracy against SHIP. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

99. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes denies that it engaged in any conspiracy against SHIP. By way of further response, Dixon Hughes Goodman responds that it fully complied with the duties imposed by it under the engagement letter attached to the Complaint as Exhibit 3, and denies the averments of this paragraph to the extent it implies Dixon Hughes Goodman owed any duties beyond those imposed by the engagement letter. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

100. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

101. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

102. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

103. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To

the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

104. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

105. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

106. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information

sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

107. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required. To the extent any averments of this paragraph are deemed factual, Dixon Hughes responds that after reasonable investigation, it lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

Count 5: Negligence (As Against All Defendants)

108. The responses to the preceding paragraphs are incorporated by reference.

109. Admitted only that Dixon Hughes Goodman LLP had those duties imposed by law in carrying out their work as professionals, which duties were defined and limited by the contract between Dixon Hughes Goodman LLP and SHIP. After reasonable investigation, Dixon Hughes Goodman LLP lacks knowledge or information sufficient to admit or deny the remaining averments of this paragraph, which are therefore denied.

110. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required.

111. Denied as to Dixon Hughes Goodman LLP. The averments of this paragraph constitute conclusions of law to which no response is required.

Count 6: Breach of Contract (As Against Roebling Re)

112. The responses to the preceding paragraphs are incorporated by reference.

113.-120. These allegations are made solely against another defendant, of which Dixon Hughes Goodman LLP lacks personal knowledge. Otherwise denied for lack of information sufficient to form a belief.

WHEREFORE, having answered the Plaintiff's Complaint, Dixon Hughes Goodman LLP prays the Court that:

- A. This action be dismissed, with prejudice;
- B. The costs of this action be taxed against the Plaintiff or some party other than Dixon Hughes Goodman LLP;
- C. The Court grant to Dixon Hughes Goodman LLP such other and further relief which as to the Court may seem just and proper; and
- D. That Dixon Hughes Goodman LLP have a trial by jury on all issues in this action.

NEW MATTER

121. Dixon Hughes Goodman LLP's responses to paragraphs 1-120 are incorporated by reference.

122. Subsequent to the events alleged in the Complaint involving Dixon Hughes Goodman LLP, the Plaintiff hired Dixon Hughes Goodman LLP to assist and advise with accounting for SHIP transactions.

123. Plaintiff's conduct is inconsistent with their allegations of breach of contract, negligence, and other wrongful conduct before that time.

124. By email dated July 7, 2016, to Kenneth Pierce of Vanbridge, copied to several people associated with both Vanbridge and Fuzion Analytics, John Roberts specifically expressed concern about language in the reinsurance agreement, advising that "the limitation proposed would seem to violate this [Paragraph 17 of SSAP 61R]."

125. Although Dixon Hughes Goodman LLP was never contracted to or asked to opine on risk transfer, Dixon Hughes Goodman LLP warned those persons in control of SHIP that provisions in the reinsurance agreement raised, at best, serious questions about whether the reinsurance agreement violated the risk transfer criteria applicable to SHIP through SSAP 61R.

126. Dixon Hughes Goodman LLP had no prior knowledge of, nor did it structure or advise, the transactions between Roebeling, Vanbridge, and Bruckner.

127. In the event that Dixon Hughes Goodman LLP were found to have been negligent, which negligence is again expressly denied, then and in that event the negligence of the Plaintiff, or the organization in whose shoes the Plaintiff stands, was greater than any alleged, but denied, negligence of Dixon Hughes Goodman LLP.

128. Dixon Hughes Goodman LLP pleads the provisions of 42 Pa. C.S. §7102 in bar of any recovery by the Plaintiff in this action.

129. In the event that Dixon Hughes Goodman LLP is found to have been negligent in any respect, which negligence is again expressly denied, then any liability of Dixon Hughes Goodman LLP should be limited to that proportion of the total dollar amount awarded as damages in proportion to the liability of Dixon Hughes Goodman LLP and the liability of all other Defendants and persons to whom liability may be apportioned under Section a.2. of 42 Pa. C.S. §7102.

130. The claims against Dixon Hughes Goodman LLP are barred by the statute of limitations or laches.

131. Dixon Hughes Goodman LLP pleads the engagement letter of January 9, 2017, attached to the Plaintiff's Complaint as Exhibit 3, in bar of any recovery in this action, and specifically the following provisions:

In a calculation engagement, the valuation analyst and the client agree on (1) which valuation approaches and methods are to be used and (2) the extent to which these valuation procedures are to be performed. In a calculation engagement, the analyst calculates the value using these agreed upon procedures and the quantitative results of the analysis are expressed as a "calculated value" either as a single amount or as a range of values.

132. Per the engagement letter, the market value of the portfolio securing the notes as of the calculation date was to be provided by the client along with other information.

133. Dixon Hughes Goodman LLP further pleads the provisions of the engagement letter attached to the Complaint requiring that notice of this claim be given within one year after the asserting party first knew or should have known of the facts giving rise to such claim.

134. Dixon Hughes Goodman LLP further pleads the provisions of the letter which provide that "Dixon Hughes Goodman LLP shall not be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, loss profits and opportunity costs)."

135. Finally, Dixon Hughes Goodman LLP pleads the provisions of the engagement letter that provide that “Dixon Hughes Goodman LLP shall not be liable to client for any actions, damages, claims, liabilities, costs, expenses or losses arising out of the services performed hereunder for a total amount in excess of the fees paid or owing to Dixon Hughes Goodman LLP for services rendered by Dixon Hughes Goodman LLP under this engagement.”

WHEREFORE, having answered the Plaintiff’s Complaint, Dixon Hughes Goodman LLP prays the Court that:

- A. This action be dismissed, with prejudice;
- B. The costs of this action be taxed against the Plaintiff or some party other than Dixon Hughes Goodman LLP;
- C. The Court grant to Dixon Hughes Goodman LLP such other and further relief which as to the Court may seem just and proper; and
- D. That Dixon Hughes Goodman LLP have a trial by jury on all issues in this action.

[SIGNATURE PAGE FOLLOWS]

Dated: April 1, 2022

/s/ Joanna J. Cline

Joanna J. Cline

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VERIFICATION

I, John Roberts, Managing Partner – Growth and Service for Dixon Hughes Goodman LLP, state that I am authorized to make this Verification, and that the facts set forth in the foregoing Answer with New Matter to Plaintiff's Complaint are true and correct to the best of my knowledge, information and belief. I understand that any statements made herein are subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsification to authorities.



John Roberts

CERTIFICATE OF COMPLIANCE

Pursuant to Pennsylvania Rule of Appellate Procedure 127, I certify that this filing complies with the provisions of the *Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts* that require filing confidential information and documents differently than non-confidential information and documents.

/s/ Brian Callaway _____
Brian Callaway

CERTIFICATE OF SERVICE

I hereby certify that, on April 1, 2022, the foregoing **ANSWER**
WITH NEW MATTER OF DIXON HUGHES GOODMAN LLP was served
upon the parties to this action by the Court's electronic filing system and by
mailing a copy thereof by first-class, postage pre-paid mail to the following
counsel of record:

Ms. Leslie Miller Greenspan
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Philadelphia, PA 19103

/s/ Brian Callaway
Brian Callaway