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Attorneys for Plaintiffs

**IN THE SECOND JUDICIAL DISTRICT COURT OF DAVIS COUNTY
STATE OF UTAH, FARMINGTON DEPARTMENT**

JARED J. SPACKMAN, DAVID E. ADAMS,
II, DAVID ELLISON ADAMS FAMILY
PROTECTION TRUST, MARGARET
ELIZABETH ANDERSON ADAMS FAMILY
PROTECTION TRUST, STUART ADAMS,
GARY ALEXANDER, MD, JANINE S.
BARKER FAMILY PROTECTION TRUST,
PACIFIC PREMIER TRUST CO. (FKA
PENSCO TRUST CO.) FBO CLAYTON
BASS, MICHAEL L. BEUS, MD, JOHN B.
BITNER, MD, MARK R. BITNER, MD,
ADAM BOWMAN, MD, ROBERT W.
BRINTON, MD, BRUCE BURTONSHAW,
MD, DARIN CHECKETTS, MD,
CHARLENE CLUPPERS, MD, MICHAEL C.
CODY, MD, COL HOLDING, LLC,
JEFFERY DEGRAUW, MD, DONALD
CURT DERU, MD, DURBIN
INVESTMENTS, LLC, BRENT K.
EBERHARD, MD, BRENT K. EBERHARD
REVOCABLE TRUST, CHRIS ENGLISH,
MD, ERICKSEN LEASING, LLC, DUANE
FARLEY, MD, MARK G. FLAMMER
FAMILY TRUST, IVAN FLINT, TAGE
FLINT, WADE FLINT, BLAINE FLINT,
LAURA FOOT, MD, JOSEPH ALLEN
FRANCIS, JR, MD, SCOTT
FREDRICKSON, LES
GREENWOOD, MD, CHRISTIAN HESS,
MD, SHAY & ERIN HOLLEY FAMILY

COMPLAINT

Case No. _____

Judge _____

[Tier 3]

Jury Trial Demanded

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| TRUST, | |
|--------|--|

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PACIFIC PREMIER TRUST (FKA PENSICO TRUST CO.), CUSTODIAN FBO SHAY HOLLEY, IRA, CRAIG AND JILL HURST, S. L. JOHNSON INVESTMENTS LLC, CRAIG K. JULIEN, MD, SHED DEVELOPMENT LLC, ROBERT KIYOMURA, MD, F. WAYNE LARSEN, MD, EQUITY TRUST CO. CUSTODIAN FBO WAYNE LARSEN, BRIAN W. LOVERIDGE, MD, JARED MARTIN, MD, RYAN MCDONALD, MD, MARSHALL MCKINNON, MD, RYAN MEACHAM, MD, MEEK MANAGEMENT LLC, ROBERT L. MELLOR REVOCABLE TRUST, TRAVIS D. NELSON, MD, ROARK B. NEVILLE, MD, BART R NILSON, MD, NOEL NYE, MD, STEPHANIE OLSEN, MD, ROBERT PAYNE, XELAJU, LLC, JEFFREY S. POOLE LIVING TRUST, BO SHAUN POULSON, MD, JAMES REYNOLDS, MD, BRIAN L. RICHARDS, MD, CLAY H. RICHARDSON, MD, MELVIN RICHARDSON, MD, ANDREAS PROPERTIES, LLC, L. VAL ROLLINS, MD, WILLIAM SHEFFIELD, MD, ROBERT R. SIMMONS, MD, DEMETRIOS SKEDROS, MD, KENT D. SMITH, MD, DAVID SCOTT STEINER, MD, DAVID STEVENS, MD, DAVID AND JERRY STEVENSON, ROBERT R. TAYLOR, MD, ROBERT TAYLOR CHARLES SCHWAAB & CO., INC. CUSTODIAN ROLLOVER IRA, ROBERT L. TREFT, MD POST-TAX INVESTMENT TRUST, ROBERT L. TREFT, MD PRE-TAX INVESTMENT TRUST, R. NEIL VANLEEUWEN, MD, TREVIN R. WALLIN TRUST, DAVID H. WARBY, MD, MICHAEL D. WASHBURN PROFIT SHARING 401k TRUST FBO MICHAEL D. WASHBURN, BRENT TOM WATSON, MD, JUPITER LP, SHANE WILLIAMS, MD, PETER V. WILSON, MD, BLAKE YERMAN, MD, OMAHEK INVESTMENTS, LLC, KEYSTONE

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| PROPERTIES, LLC, P & H ANDERSON INVESTMENTS, THE EQUITY TRUST CO. | |
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FBO JON LAYNE BUTTERFIELD IRA,
DANA A. ANDERSON, MD, PETER L.
CHRISTENSEN, MD, GR&SC
ENTERPRISES, LLC, SPENCER N. COLBY,
MD, BRIAN DAVIS, MD, ROBERT DUBIL
REVOCABLE TRUST, MICHAEL L.
DRAPER, MD, RANDALL R. FILLMORE,
MD, R & A GILBERT INVESTMENTS,
LLC, JAMES R. HARNED, CRNA, JOHN
L. HEBREW, MD, MARTIN A.
HOLLINGSWORTH, MD, EQUITY TRUST
CO. FBO MARTIN
HOLLINGSWORTH, JONI WILKIN
HOUGAARD, MD, ROBERT G. HUNTER,
MD, EQUITY TRUST CO., CUSTODIAN
FBO RICHARD JOHANSEN IRA, VAUGHN
D. LAW FAMILY LIVING TRUST, PAUL
SHING-JIAN LEI, MD, REBECCA JANE
LEVINE, MD, CRAIG A. MCMANAMA,
MD, HARDWICK RUGRATS, LLC, THE
STEVE H. PAYNE TRUST, PHILIP
LEONARD
ROBERTS, MD, EDWARD JONES CUST
FBO MAX SHURTLEFF, STEWART
BARLOW, MICHAEL J. BOUWKUIS, MD,
JOHN KEITH HAYES, MD, JOSEPH
JENSEN, MD, DAVID J. HENDERSON, MD,
CLARK PETERSON, MD, BROOKS
POTTER, MD, TRENT RICHARDS, MD,
RICHARD SEEGMILLER, MD, BOHUS
SVAGR, MD, BRYCE DEE ALLRED, MD,
JOHN ANJEWIERDEN, MD, STUART T.
BREISCH, MD, DALE B. HULL, MD,
STUART C. MARSHALL, MD,

Plaintiffs,

vs.

STEWARD HEALTH CARE SERVICES,
LLC, a Delaware limited liability company,
and IASIS HEALTHCARE HOLDINGS,
INC., a Delaware corporation,

Defendants.

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Plaintiffs, by and through their attorneys, complain of Defendants and allege as follows: **Rule 26(c)(3) Tier Designation – Tier 3**

This case arises under Tier 3 as described in Rule 26(c)(3), Utah R. Civ. P.

INTRODUCTION

1. Plaintiffs are limited partners of Davis Hospital & Medical Center Limited Partnership (the “Davis Partnership”) and/or Jordan Valley Hospital & Medical Center Limited Partnership (the “Jordan Valley Partnership”) (collectively, the “Partnerships”).
2. This action is brought by Plaintiffs against Steward Health Care Services, LLC (“Steward”) and IASIS Healthcare Holdings, Inc. (“IASIS Holdings” or the “General Partner”).
3. Plaintiffs, in their capacity as individual limited partners of the Partnerships, are asserting derivative claims against Steward and IASIS Holdings (collectively, the “Steward Defendants”) on behalf of the Partnerships, as well as direct claims of their own. The claims are as follows: (a) derivative claims against Steward for conversion of the Partnerships’ funds and assets; (b) derivative claim against IASIS Holdings for aiding and abetting Steward’s conversion of the Partnerships’ funds and assets; (c) derivative and direct claims against the Steward Defendants for breach of fiduciary duty and the duty of loyalty; (d) derivative and direct claims against Steward for aiding and abetting IASIS Holdings in its breach of its fiduciary duties and duty of loyalty; (e) derivative and direct claims against the Steward Defendants for fraudulent non disclosure; (f) derivative and direct claims against IASIS Holdings for breach of contract; (g) derivative and direct claims against Steward for aiding and abetting the General Partner’s breach of contract; (h) derivative and direct claims against IASIS Holdings for breach of the implied

covenant of good faith and fair dealing; (i) derivative claim against Steward for unjust enrichment; and (j) derivative claim against the Steward Defendants for an accounting.

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PARTIES

4. Plaintiffs are limited partners of the Davis Partnership (“Davis LPs”) and/or the Jordan Valley Partnership (“Jordan Valley LPs”). Many of the Plaintiffs who are Davis LPs reside in Davis County, Utah. Many of the Plaintiffs who are Jordan Valley LPs reside in Salt Lake County, Utah.

5. Defendant Steward is a Delaware limited liability company. At all relevant times, Steward has been doing business in the State of Utah. After acquiring ownership of IASIS Holdings in 2017, Steward has exercised complete control over IASIS Holdings and the Partnerships. Steward is the alter ego of IASIS Holdings.

6. Defendant IASIS Holdings is a Delaware corporation and, at all relevant times, has been doing business in the State of Utah. IASIS Holdings is the general partner of the Partnerships.

Since 2017, IASIS Holdings has been a wholly-owned subsidiary of Steward. **THE**

PARTNERSHIPS

7. The Davis Partnership is a Delaware limited partnership doing business in Davis County, Utah. The Davis Partnership previously owned Davis Hospital, a hospital located in Layton, Utah. On or about May 1, 2023, the Steward Defendants caused the Davis Partnership to sell substantially all of its assets to a third party.

8. The Jordan Valley Partnership is a Delaware limited partnership doing business in Salt Lake County, Utah. The Jordan Valley Partnership previously owned Jordan Valley Hospital, a hospital located in West Jordan, Utah. On or about May 1, 2023, the Steward Defendants caused

the Jordan Valley Partnership to sell substantially all of its assets to a third party.

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DERIVATIVE CLAIMS

9. Plaintiffs, as limited partners of the Partnerships, have standing to assert the derivative claims alleged herein on behalf of the Partnerships.

10. Certain limited partners of the Partnerships made demand upon the General Partner to take action to stop the wrongful conduct being committed by Steward, to take corrective action on behalf of the Partnerships to collect money owed by Steward to the Partnerships, and, if necessary, to take legal action against Steward to remedy its wrongful conduct, but the General Partner, who is owned and controlled by Steward, failed and refused to do so.

11. Plaintiffs are not required to make any further demand upon the General Partner prior to bringing the derivative claims alleged herein, because such a demand would be futile since the General Partner controls the operations and management of the Partnerships, makes the decision on whether the Partnerships will take legal action against Steward for the wrongs committed as alleged herein, is owned and controlled by Steward, the entity against whom some of the Derivative Claims are asserted, has itself committed some of the wrongful acts alleged herein, and has failed and refused to take legal action against Steward or itself after being asked to do so by some of the Partnerships' limited partners.

GENERAL ALLEGATIONS

Creation of the Partnerships

12. Prior to 2003, IASIS Healthcare, LLC was the owner of Davis Hospital and Jordan

Valley Hospital (collectively, the “Hospitals”).

13. In 2003, IASIS Healthcare, LLC organized the Partnerships. IASIS Holdings was a subsidiary or affiliated entity of IASIS Healthcare, LLC. IASIS Holdings was made the General Partner of the Partnerships.

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14. IASIS Healthcare, LLC also organized Davis Healthcare Holdings, Inc. (“DHH”), a Delaware limited liability company, and made DHH the original limited partner of the Davis Partnership. IASIS Healthcare, LLC also organized Jordan Valley Healthcare Holdings, Inc. (“JVHH”), a Delaware limited liability company, and made JVHH the original limited partner of the Jordan Valley Partnership. DHH and JVHH are referred to herein as the “Original Limited Partners.”

15. Other individuals and/or entities purchased limited partnership interests in the Partnerships (the “Other Limited Partners”).

16. In 2003, the General Partner, DHH and the Other Limited Partners of the Davis Partnership entered into a limited partnership agreement (the “Original Davis LP Agreement”). In 2003, the General Partner, JVHH and the Other Limited Partners of the Jordan Valley Partnership entered into a limited partnership agreement (the “Original Jordan Valley LP Agreement”).

17. Soon after or concurrent with the organization of the Partnerships, IASIS Healthcare, LLC transferred ownership of the Davis Hospital and its business, real property, and other assets to the Davis Partnership, and transferred ownership of the Jordan Valley Hospital and its business, real property, and other assets to the Jordan Valley Partnership.

18. In 2007, some of the Other Limited Partners as well as additional individuals and

entities (collectively, the “Secondary Investors”) purchased additional limited partnership interests in the Partnerships as part of a secondary offering. These Secondary Investors, along with the Other Limited Partners, but excluding the Original Limited Partners (DHH and JVHH), are collectively referred to herein as the “Limited Partners.”

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19. In 2007, the General Partner, DHH, and the Davis LPs entered into an amended and restated limited partnership agreement for the Davis Partnership, and the General Partner, JVHH, and the Jordan Valley LPs entered into an amended and restated limited partnership agreement for the Jordan Valley Partnership (collectively, the “Amended LP Agreements”). Additional amendments to the Amended LP Agreements have been made since that time. The Amended LP Agreements and all amendments thereto are collectively referred to herein as the “Limited Partnership Agreements.”

20. IASIS Holdings continues to be the General Partner of the Partnerships.

Steward’s Acquisition of IASIS Holdings and the Original Limited Partners (DHH and JVHH)

21. In 2017, Steward entered into a merger agreement with IASIS Healthcare Corporation, the parent company of IASIS Healthcare, LLC (collectively, “IASIS Healthcare”), whereby Steward acquired a large number of hospitals from IASIS Healthcare.

22. As a result of that acquisition, Steward became the owner of IASIS Holdings and the Original Limited Partners, and thereby acquired complete control of the General Partner and the Partnerships. Since that time, Steward has exercised complete control over the Partnerships, and their business, real property and other assets, including Davis Hospital and Jordan Valley

Hospital (collectively, the “Hospitals”).

Loans Totaling \$727 Million were Obtained to Finance Steward’s Purchase of IASIS Holdings and the Original Limited Partners

23. In or around October, 2017, the Steward Defendants caused each of the Partnerships to obtain a loan in the amount of \$350 million from MPT of Layton-Steward, LLC, a Delaware limited liability company (“MPT of Layton-Steward, LLC”), a Steward affiliated entity (“Steward Affiliate”).

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24. The \$350 million that were loaned to each of the Partnerships (\$700 million in total) were used by Steward for its own benefit to finance its purchase of the General Partner and the Original Limited Partners, which gave Steward indirect ownership and complete control of the Partnerships and their business, real property and other assets, including the Hospitals.

25. An additional \$13.5 million subsequently were loaned by MPT of Layton-Steward to each of the Partnerships (\$27 million in total), the proceeds of which also were used by Steward for its own use and benefit.

26. The total amount of the two loans to each of the two Partnerships (collectively, the “Loans” or the “Borrowed Funds”), totaled \$727 million.

27. The Steward Defendants caused the Partnerships to pledge their real property to secure the repayment of the Loans that were obtained for the use and benefit of Steward. 28. The Loans were not needed by the Partnerships and were not appropriate or advisable or in the best interest of the Partnerships, nor were the Borrowed Funds used for the benefit of the Partnerships.

29. The actions of the Steward Defendants in causing the Partnerships to obtain the Loans, to pledge the Partnerships’ real property to secure the repayment of the Loans, and to allow

Steward to use the Borrowed Funds to finance Steward's purchase of the General Partner and the Original Limited Partners and otherwise for Steward's own use and benefit, were not disclosed to the Limited Partners, or approved by them, at the time those transactions occurred. **The Steward Defendants' Sale or Transfer of the Partnerships' Real Property**

30. In 2020, the Steward Defendants caused the Partnerships to sell or transfer all of the Partnerships' real property (the "Real Property") to MPT Utah Lessors, LLC, a Delaware limited liability company ("MPT Utah Lessors, LLC"), another Steward Affiliate.

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31. \$727 million was part of the consideration paid for the Real Property, which amount was used for the sole benefit of Steward in paying off or obtaining forgiveness of the balance owed on the Loans (\$363.5 million owed on the Davis Partnership Loan and \$363.5 million owed on the Jordan Valley Partnership Loan, for a total of \$727 million).

32. This \$727 million (the "\$727 Million") that was used to pay off or obtain forgiveness of the Loans was used for the sole benefit of Steward, and not for the benefit of the Partnerships. None of the \$727 Million was paid to the Partnerships or the Limited Partners or used for the benefit of the Partnerships or the Limited Partners.

33. The Steward Defendants' actions in selling or transferring the Partnerships' Real Property as alleged above, in using the \$727 Million for paying off or obtaining forgiveness of the balance owed on the Loans for the sole benefit of Steward, and in not paying any portion of the \$727 Million to the Partnerships or the Limited Partners, including Plaintiffs, were not disclosed to the Limited Partners, including Plaintiffs, or voted on or approved by them, at the time the Real Property was sold or transferred to the Steward Affiliate.

34. It was not until months after the sale or transfer of the Real Property had occurred that

the Limited Partners became aware of the sale or transfer of the Real Property, and it was not until 2022 or 2023 that the Limited Partners learned that the \$727 Million of the consideration given for the Real Property had been used to pay off or obtain forgiveness of the balance owed on the Loans for the sole benefit of Steward, and not been given to the Partnerships or used for their benefit.

35. The Limited Partners, including Plaintiffs, did not consent to the use of the \$727 Million to pay off or obtain forgiveness of the balance owed on the Loans for the sole benefit of Steward or otherwise for Steward's own use and benefit.

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Steward's Sweeping and Taking of Partnership Funds for Its Personal Use and Benefit 36.

After Steward became the owner of the General Partner and assumed complete control of the General Partner and the Partnerships, Steward, with the knowing participation and assistance of the General Partner, began "sweeping" or taking from the Partnerships' bank accounts funds belonging to the Partnerships or causing funds belonging to the Partnerships to be deposited in an account controlled by Steward or a Steward Affiliate (the "Swept Funds"). 37. Steward did not use the Swept Funds for the benefit of the Partnerships but instead used the Swept Funds to pay Steward's other obligations, including, without limitation, the expenses of Steward's other hospitals and facilities around the country.

38. From time to time, Steward would return a small portion of the Swept Funds to the Partnerships for their use in operating Davis Hospital and Jordan Valley Hospital and paying the Partnerships' expenses; however, the money Steward returned to the Partnerships was a fraction of the amount of the Swept Funds taken or collected by Steward, and such returned funds were insufficient for the Partnerships to timely pay their ongoing obligations, including amounts owed

to their vendors, suppliers and other creditors, and to make quarterly distributions to the Limited Partners, as had been done in the past.

39. Steward's taking and/or retaining of the Swept Funds caused the Partnerships to be unable to timely pay their vendors, suppliers and creditors for amounts owed to them, and caused many of the vendors and suppliers to stop doing business with the Hospitals and to refuse to sell to the Hospitals the supplies and products that they needed.

40. Because the Hospitals were not able to obtain needed supplies and products from their vendors and suppliers due to Steward's action in taking the Swept Funds, the reputation and goodwill of the Partnerships and the Hospitals was damaged, patients went to other hospitals or

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healthcare facilities for their surgeries or other treatments, and the Partnerships suffered a significant decrease in business and a substantial loss of revenue.

41. This in turn adversely affected the profitability of the Hospitals and the Partnerships.

42. The Limited Partners, including Plaintiffs, were directly harmed and damaged by the Steward Defendants' actions.

43. The net amount of the Swept Funds taken by Steward to date from the Davis Partnership is believed to be in excess of \$6,088,266, and from the Jordan Valley Partnership is believed to be in excess of \$11,993,596, for a total amount in excess of \$18,081,862. This equals approximately \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LPs.

44. Steward failed to reimburse the Partnerships for the Swept Funds, and failed to pay the Limited Partners, including Plaintiffs, for their share of the Swept Funds, that were taken by Steward for its own use and benefit.

Payment by Steward of Certain Amounts Owed to the Partnerships and the Limited Partners and Steward's Failure to Pay Other Amounts Owed.

45. In April 2023, Steward entered into a Terms Sheet and Standstill Agreement (the "Davis Standstill Agreement") with certain Davis LPs (the "Davis Standstill LPs") and a Terms Sheet and Standstill Agreement (the "Jordan Valley Standstill Agreement") with certain Jordan Valley LPs (the "Jordan Valley Standstill LPs"). Plaintiffs are not Davis Standstill LPs or Jordan Valley Standstill LPs (collectively, the "Standstill LPs") and are not parties to the Davis Standstill Agreement and/or the Jordan Valley Standstill Agreement (collectively, the "Standstill Agreements").

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46. In the Standstill Agreements, Steward acknowledged, among other things, that Steward and/or the Partnerships owed the Partnerships' Limited Partners the residual proceeds from the Partnerships' 2020 real estate transaction involving the transfer of the Partnerships' Real Property ("Residual Proceeds from the Propco Sale"), including their share of the \$727 Million that had been used to pay off or obtain forgiveness of the balance owed on the Loans for the sole benefit of Steward.

47. Steward also agreed to pay interest on the Limited Partners' share of the Residual Proceeds from the Propco Sale at the rate of 1 Month LIBOR +2.5% per annum. The Standstill LPs did not agree, however, that this rate of interest was the interest rate that Steward was obligated to pay on the Limited Partners' share of the Residual Proceeds from the Propco Sale.

48. Steward subsequently paid the Limited Partners, including Plaintiffs, their share of the Residual Proceeds from the Propco Sale, plus interest thereon at the rate of 1 Month LIBOR

+2.5% per annum (the monthly average of which was approximately 3.4% per annum).

49. However, Plaintiffs are informed and believe, and therefore allege, that an audit of the Partnerships by an accounting firm, Crowe, LLC (the “Crowe Audit”), which was completed in the summer of 2023, showed that the books and records of the Partnerships stated that interest at the rate of 8% per annum was owed on the Residual Proceeds from the Propco Sale, not the rate that Steward had paid. Thus, the interest paid by Steward on this obligation to the Limited Partners, including Plaintiffs, was not sufficient to satisfy Steward’s interest obligation on the Limited Partners’ share of the Residual Proceeds from the Propco Sale.

50. Considering the difference between the rate of interest owed on this obligation (8% per annum) and the rate of interest paid on this obligation (1 Month LIBOR +2.5% per annum, which averaged approximately 3.4% per annum), Plaintiffs estimate that the additional interest

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that is still owed on the Limited Partners’ share of the Residual Proceeds from the Propco Sale, based on the rate that Steward is obligated to pay according to the books of the Partnerships and the Crowe Audit, through December 31, 2023, is approximately \$4,088,536 for the Davis LPs and approximately \$3,460,274 to the Jordan Valley LPs, for a total amount of \$7,439,992, or \$2,105.32 per Unit for the Davis LPs and \$1,781.81 per Unit for the Jordan Valley LPs.

51. Alternatively, under Utah law, the prejudgment interest rate owed by Steward on the Residual Proceeds from the Propco Sale is 10% per annum. Thus, the prejudgment interest rate owed by Steward on the Residual Proceeds from the Propco Sale is 10% per annum from the date those amounts were due to the date of judgment. The difference between the prejudgment rate of interest owed to the Limited Partners on their share of the Residual Proceeds from the Propco Sale (10% per annum) and the rate of interest paid on this obligation (1 Month LIBOR

+2.5% per annum, which averaged 3.4% per annum) is 6.6% per annum.

52. The Steward Defendants have failed to pay to the Limited Partners, including Plaintiffs, their share of the residual cash shown on the Partnerships' books as of the date that the Steward Defendants sold the assets of the Partnerships to a third-party Buyer, as reflected on the Crowe Audit (the "Residual Cash"), which Steward agreed to pay in the Standstill Agreements.

53. The Steward Defendants also have failed to pay to the Limited Partners, including Plaintiffs, their share of the profits recognized on the Partnerships' books, as reflected on the Crowe Audit, as unpaid distributions of the net quarterly income for the period starting with 4 Quarter 2021 up to and through April 2023 in the case of the Davis LPs and for the period starting with 3 Quarter 2021 up to and through April 2023 in the case of the Jordan Valley LPs (the "Unpaid Distributions of Profits"), which Steward agreed to pay in the Standstill Agreements.

**FIRST CLAIM FOR RELIEF
(Conversion – Derivative Claim against Steward)**

54. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

55. The Partnerships were and are the rightful owners of the Residual Proceeds from the Propco Sale, including the \$727 Million was used to pay off or obtain forgiveness of the balance owed on the Loans for the sole benefit of Steward, and the Swept Funds (collectively, the "Converted Funds"), and have a property interest in those Converted Funds.

56. At all relevant times, the Partnerships had the right to the possession and use of those Converted Funds.

57. Steward intentionally deprived the Partnerships of those Converted Funds and used those Converted Funds for Steward's own use and benefit.

58. In May, 2023, after certain Limited Partners threatened to sue the Steward Defendants for their actions in taking the Converted Funds, Steward paid the Limited Partners, including Plaintiffs, their share of the Residual Proceeds from the Propco Sale and a certain amount of interest on their share of the Residual Proceeds from the Propco Sale. However, Steward failed to pay the Partnerships or the Limited Partners, including Plaintiffs, for all interest owed on the Residual Proceeds from the Propco Sale ("Unpaid Interest on the Residual Proceeds").

59. Steward also failed and refused to reimburse or pay the Partnerships the net amount of the Swept Funds that belonged to the Partnerships and were wrongfully taken by Steward, and failed and refused to pay the Limited Partners, including Plaintiffs, their share of the net amount of the Swept Funds.

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60. The Partnerships and the Limited Partners, including Plaintiffs, have suffered damages as a result of Steward's failure to pay the Partnerships and the Limited Partners, including Plaintiffs, the Unpaid Interest on the Residual Proceeds, in an amount not less than \$4,088,536 for the Davis LPs and \$3,460,274 for the Jordan Valley LPs, for a total amount of \$7,439,992, or \$2,105.32 per Unit for the Davis LPs and \$1,781.81 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at trial, and Steward is liable to the Partnerships and the Limited Partners, including Plaintiffs, for such damages.

61. The Partnerships and the Limited Partners, including Plaintiffs, also have suffered

damages as a result of Steward's failure to pay the Partnerships and the Limited Partners, including Plaintiffs, for the net amount of the Swept Funds taken and used by Steward, in an amount not less than \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at trial, plus interest thereon, and Steward is liable to the Partnerships and the Limited Partners for such damages.

62. As a result of Steward's conversion of the Converted Funds, the Partnerships and the Limited Partners, including Plaintiffs, have been damaged in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at trial, plus interest thereon, and Steward is liable to the Partnerships and the Limited Partners for such damages.

63. The actions of Steward as alleged herein were willful and without legal justification. 64.

Based upon the foregoing, Plaintiffs, on behalf of the Partnerships, are entitled to judgment against Steward for conversion, in an amount not less than \$10,176,802 for the Davis

LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of Plaintiffs' attorneys' fees and costs incurred herein as allowed by law.

65. Steward acted willfully, intentionally, maliciously, and/or with reckless disregard of the rights of the Partnerships and the Limited Partners, including Plaintiffs, and therefore is liable to Plaintiffs, on behalf of the Partnerships, for an award of punitive damages, in an amount to be

determined at trial.

**SECOND CLAIM FOR RELIEF
(Aiding and Abetting Conversion –
Derivative Claim against IASIS Holdings)**

66. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

67. IASIS Holdings knowingly participated with and assisted Steward in Steward's actions in taking the Residual Proceeds from the Sale of the Real Property, including the \$727 Million, and sweeping and taking the Swept Funds, and took no action to stop Steward from engaging in such wrongful conduct.

68. In so doing, IASIS Holdings aided and abetted Steward in its conversion of the Converted Funds.

69. The damages and harm suffered by the Partnerships and the Limited Partners, including Plaintiffs, from the taking of the Converted Funds were proximately caused by Steward's conversion of the Converted Funds and by IASIS Holdings' wrongful conduct in aiding and abetting Steward's conversion of the Converted Funds.

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70. As a result of IASIS Holdings' wrongful conduct in aiding and abetting the conversion of the Converted Funds, the Partnerships have been damaged in an amount equal to the Unpaid Interest on the Residual Proceeds, in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, and IASIS Holdings is liable to Plaintiffs, on behalf of the Partnerships,

for such damages.

71. As a result of IASIS Holdings' wrongful conduct in aiding and abetting the conversion of the Converted Funds, the Partnerships have been damaged in an amount equal to the Swept Funds, in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, and IASIS Holdings is liable to Plaintiffs, on behalf of the Partnerships, for such damages.

72. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships, are entitled to judgment against IASIS Holdings for aiding and abetting the conversion of the Converted Funds by Steward in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of Plaintiffs' attorneys' fees and costs incurred herein as allowed by law.

73. IASIS Holdings acted willfully, intentionally, maliciously, and/or with reckless disregard of the rights of the Partnerships and therefore is liable to Plaintiffs, on behalf of the Partnerships, for an award of punitive damages in an amount to be determined at trial.

**THIRD CLAIM FOR RELIEF
(Breach of Fiduciary Duty and the Duty of Loyalty –
Derivative and Direct Claims against the Steward Defendants)**

74. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

75. A special relationship arose and existed between the General Partner and the

Partnerships and the Limited Partners, including Plaintiffs, based on the General Partner's position as the general partner of the Partnerships and because the General Partner managed and controlled the Partnerships and their business, Real Property and other assets, including the Partnerships' Hospitals.

76. As a result of the special relationship that existed between the General Partner and the Partnerships and the Limited Partners, including Plaintiffs, the General Partner owed fiduciary duties and a duty of loyalty to the Partnerships and the Limited Partners, including Plaintiffs, to act with the utmost good faith, care, and loyalty toward them and for their benefit with respect to the management and operation of the Partnerships and their business, Real Property and other assets, including the Partnerships' Hospitals.

77. Because Steward was and is the owner of the General Partner, has exercised and is exercising complete control of the General Partner and the Partnerships, and has used the General Partner to enrich itself at the expense of the Partnerships and the Limited Partners, Steward also owed and owes fiduciary duties and a duty of loyalty to the Partnerships and the Limited Partners, including Plaintiffs, to act with the utmost good faith, care, and loyalty toward them and for their benefit with respect to the management and operation of the Partnerships and their business, Real Property and other assets, including the Partnerships' Hospitals.

78. As the ones who controlled the Partnerships' Real Property, funds and other assets, the Steward Defendants owed a fiduciary duty and a duty of loyalty to the Partnerships and the Limited Partners, including Plaintiffs, to not intentionally use the Partnerships' Real Property, funds and other assets in a way that benefits Steward and/or other Steward Affiliates to the

detriment of the Partnerships and the Limited Partners, including Plaintiffs, without the agreement of the Limited Partners.

79. The Steward Defendants also owed a fiduciary duty and a duty of loyalty to the Partnerships and the Limited Partners, including Plaintiffs, to act with complete fidelity in their use and control of the Partnerships' Real Property, funds and other assets for the benefit of the Partnerships and the Limited Partners, including Plaintiffs, and to not use or exercise control over the Partnerships' Real Property, funds and other assets to the detriment of the Partnerships and the Limited Partners, including Plaintiffs.

80. In causing the Partnerships to obtain the Loans and to give the Borrowed Funds to Steward for its own use and benefit and not for the benefit of the Partnerships or the Limited Partners, and in allowing Steward to sweep and take the Swept Funds that belong to the Partnerships and use those funds for Steward's own use and benefit, to the detriment of the Partnerships and the Limited Partners, including Plaintiffs, the Steward Defendants breached their fiduciary duties and duty of loyalty owed to the Partnerships and the Limited Partners, including Plaintiffs.

81. The Partnerships and Plaintiffs have been damaged by the Steward Defendants' breach of their fiduciary duties and duty of loyalty in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater

amount as may be proven at trial, and the Steward Defendants are liable to the Partnerships and the Limited Partners, including Plaintiffs, for such damages.

82. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual

capacity, are entitled to judgment against the Steward Defendants, jointly and severally, for breach of their fiduciary duties and their duty of loyalty in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of Plaintiffs' attorneys' fees and costs incurred herein as allowed by law.

83. The Steward Defendants acted willfully, intentionally, maliciously, and/or with reckless disregard of the rights of the Partnerships and the Limited Partners, including Plaintiffs, and therefore are jointly and severally liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for an award of punitive damages, in an amount to be determined at trial.

FOURTH CLAIM FOR RELIEF
(Aiding and Abetting the General Partner's Breach of Fiduciary Duty –
Derivative and Direct Claims against Steward)

84. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

85. IASIS Holdings had a fiduciary relationship with the Partnerships and the Limited Partners, including Plaintiffs, and owed fiduciary duties to them.

86. IASIS Holdings' conduct, as alleged above, constitutes breaches of its fiduciary duties and duty of loyalty owed to the Partnerships and the Limited Partners, including Plaintiffs. 87. Steward knowingly directed and participated in IASIS Holdings' breach of its fiduciary duties and duty of loyalty as alleged above.

88. Steward knowingly and wrongfully aided and abetted IASIS Holdings in breaching its fiduciary duties and duty of loyalty owed to the Partnerships and the Limited Partners, including

Plaintiffs.

89. The damages and harm suffered by the Partnerships and the Limited Partners were proximately caused by Steward's wrongful conduct in aiding and abetting IASIS Holdings in the breach of its fiduciary duties and duty of loyalty.

90. As a result of Steward's wrongful conduct in aiding and abetting the breach by IASIS Holdings of its fiduciary duties and duty of loyalty, the Partnerships and the Limited Partners, including Plaintiffs, have been damaged in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial.

91. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual capacity, are entitled to judgment against Steward for aiding and abetting the breach by IASIS Holdings of its fiduciary duties and duty of loyalty in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of Plaintiffs' attorneys' fees and costs incurred herein as allowed by law.

92. Steward acted willfully, intentionally, maliciously, and/or with reckless disregard of the rights of the Partnerships and the Limited Partners, including Plaintiffs, and therefore is liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for an award of punitive damages.

entitled to recover punitive damages from Steward in an amount to be determined at trial.

**FIFTH CLAIM FOR RELIEF
(Fraudulent Non-disclosure –
Derivative and Direct Claims against the Steward Defendants)**

94. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

95. At all relevant times, the Steward Defendants owed the Limited Partners, including Plaintiffs, a duty to accurately, timely, and completely disclose and reveal to them all material information pertaining to the management and operation of the Partnerships and their business, Real Property, and other assets, including the Hospitals, and to not fail to disclose or conceal any such material information from them.

96. The Steward Defendants failed to disclose to the Limited Partners, including Plaintiffs, and concealed from them, the following material information:

a. that the Steward Defendants caused the Partnerships to obtain the Loans and that Steward used the Borrowed Funds to finance Steward's purchase of the General Partner and the Original Limited Partners and obtain indirect ownership and control of the Partnerships and their business, Real Property, and other assets, including the Hospitals;

b. that the Steward Defendants caused the Partnerships to sell or transfer their Real Property to a Steward Affiliate when the sale or transfer of the Real Property was not needed by the Partnerships and was not in the best interest of the Partnerships;

c. that the Residual Proceeds from the Sale of the Real Property, including the \$727 Million, was used for the sole benefit of Steward and not for the benefit of the Partnerships or the Limited Partners, including Plaintiffs; and

d. that Steward swept and took the Swept Funds that belonged to the Partnerships, and that the General Partner knowingly participated in and allowed Steward to sweep and take the Swept Funds, for Steward's own use and benefit.

97. The Steward Defendants knew and were fully aware of the foregoing material information but failed to disclose that information to the Limited Partners, including Plaintiffs, and concealed from them such information.

98. The Steward Defendants' actions in failing to disclose and in concealing the foregoing information were intentional and willful.

99. The Steward Defendants knew or should have known that the Limited Partners, including Plaintiffs, would take action to stop the actions taken by the Steward Defendants as alleged herein if they were provided with the information that the Steward Defendants failed to disclose to them and concealed from them.

100. In failing to accurately, timely, and completely disclose to the Limited Partners, including Plaintiffs, the foregoing information that the Steward Defendants had a duty to disclose, the Steward Defendants are liable to Plaintiffs for fraudulent non-disclosure.

101. As a result of such fraudulent non-disclosure, the Partnerships and the Limited Partners have been damaged in an amount not less than \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial.

102. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual capacity, are entitled to judgment against the Steward Defendants, jointly and severally, for fraudulent non-disclosure in an amount not less than \$10,176,802 for the Davis

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LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and Plaintiffs' attorneys' fees and costs incurred herein as allowed by law.

103. The Steward Defendants acted willfully, intentionally, maliciously, and/or with reckless disregard of the rights of the Partnerships and the Limited Partners, including Plaintiffs, and therefore are jointly and severally liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for an award of punitive damages in an amount to be determined at trial.

SIXTH CLAIM FOR RELIEF
(Breach of the Limited Partnership Agreements –
Derivative and Direct Claims against IASIS Holdings)

104. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

105. The Limited Partnership Agreements constitute valid, binding and enforceable contracts between the General Partner and the Limited Partners, including Plaintiffs, which were entered into for valuable consideration.

106. Section 7.1 of the Amended LP Agreements provide: "Funds deposited in the Partnership's bank accounts may be withdrawn only to pay Partnership debts or obligations or to be distributed to the Partners under this Agreement."

107. Steward had no right to "sweep" and take the Partnerships' funds for its own use and benefit, including using those funds to pay the obligations and expenses of other Steward hospitals and/or affiliates.

108. In knowingly participating and allowing Steward's actions in sweeping and taking the

Partnership' funds, in taking no action to stop Steward from sweeping and taking the

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Partnerships' funds, and in taking no action to recover from Steward the amount of the Swept Funds, IASIS Holdings breached the Limited Partner Agreements.

109. The Partnerships and Plaintiffs have suffered damages as a result of IASIS Holdings' breach of contract alleged above in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, and IASIS Holdings is liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for such damages.

110. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual capacity, are entitled to judgment against IASIS Holdings for breach of contract in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of their attorneys' fees and costs incurred herein as allowed by law.

**SEVENTH CLAIM FOR RELIEF
(Breach of the Limited Partnership Agreements –
Derivative and Direct Claims against IASIS Holdings)**

111. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

112. The Limited Partnership Agreements constitute valid, binding and enforceable contracts between the General Partner and the Limited Partners, including Plaintiffs, which were

entered into for valuable consideration.

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113. Section 6.1 of the Limited Partnership Agreements provides as follows:

6.1 Distributions of Excess Cash. Except as otherwise may be provided in Section 15.3, or as otherwise may be prohibited or required by applicable law, the General Partner may determine in its discretion the extent (if any) to which the Partnership's cash on hand exceeds its current and anticipated needs, including without limitation, for operating expenses, debt service, authorized acquisitions, capital expenditures, and a reasonable contingency reserve. If such an excess exists, the General Partner may cause the Partnership to distribute such excess to the Partners quarterly; provided, that all distributions pursuant to this Section 6.1 shall be made pro rata in accordance with the Partners' respective Sharing Percentages. (Underlining added.)

114. Steward's taking of the Swept Funds for its personal use and benefit purportedly was done because Steward is the owner of the Original Limited Partners, which were the owners of a large percentage of the outstanding ownership interests in the Partnerships.

115. The taking of the Swept Funds by Steward, with the knowledge and consent of the General Partner, based on Steward's ownership of the Original Limited Partners, constitutes a distribution of the Partnerships' funds to the Original Limited Partners.

116. In allowing the Swept Funds to be distributed to the Original Limited Partners, and in not disbursing such funds pro rata to all of the limited partners of the Partnerships, including the Davis LPs and the Jordan Valley LPs, in accordance with the Limited Partners' respective Sharing Percentages, IASIS Holdings breached the Limited Partnership Agreements.

117. The Partnerships and the Limited Partners, including Plaintiffs, have suffered damages as a result of IASIS Holdings' breach of contract alleged herein in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan

Valley LP's, or such greater amount as may be proven at trial, and IASIS Holdings is liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for such damages.

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118. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual capacity, are entitled to judgment against IASIS Holdings for breach of contract in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of their attorneys' fees and costs incurred herein as allowed by law.

EIGHTH CLAIM FOR RELIEF
(Breach of the Implied Covenant of Good Faith and
Fair Dealing – Derivative and Direct Claims against IASIS Holdings) 119.

Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

120. Implicit in the Limited Partnership Agreements is an implied covenant of good faith and fair dealing, which obligated IASIS Holdings to act in good faith and deal fairly with the Partnerships and the Limited Partners in all respects with regard to the use and distribution of the Partnerships' funds, and in the performance of its duties and obligations under the Limited Partnership Agreements.

121. IASIS Holdings acted intentionally or purposefully in preventing the Partnerships and the Limited Partners from receiving the fruits of the Limited Partnership Agreements by causing the Partnerships to obtain the Loans and giving the Borrowed Funds to Steward, allowing

Steward to cause the Partnerships to sell or transfer the Real Property to a Steward Affiliate without remitting the proceeds from the sale of the Real Property to the Partnerships, and by allowing Steward to sweep and take the Partnerships' funds and use those Swept Funds for

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Steward's own use and benefit, to the detriment of the Partnerships and the Limited Partners, including Plaintiffs.

122. The actions of the General Partner as alleged herein were contrary to the express and implied terms of the Limited Partnership Agreements and the reasonable and justified expectations of the Limited Partners, including Plaintiffs, and constitute one or more breaches of the implied covenant of good faith and fair dealing.

123. IASIS Holdings' actions in breach of the implied covenant of good faith and fair dealing have caused the Partnerships and the Limited Partners, including Plaintiffs, to suffer damages in an amount not less than \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, and IASIS Holdings is liable to Plaintiffs, on behalf of the Partnerships and in their individual capacity, for such damages.

124. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships and in their individual capacity, are entitled to judgment against IASIS Holdings for breach of the covenant of good faith and fair dealing that is implicit in the Limited Partnership Agreements in an amount not less than \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total amount of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the

Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon, and an award of their attorneys' fees and costs incurred herein as allowed by applicable law.

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NINTH CLAIM FOR RELIEF
(Unjust Enrichment – Derivative Claim against Steward)

125. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

126. Steward had a substantial benefit conferred upon it, and was enriched, when the Steward Defendants caused the Partnerships to obtain the Loans for use by Steward in financing its purchase of IASIS Holdings and the Original Limited Partners, when the Partnerships' Real Property was sold or transferred for the benefit of Steward, when the Residual Proceeds from the Sale of the Real Property was used for the sole benefit of Steward, and when Steward swept and converted the Swept Funds for its own use and benefit.

127. Steward had knowledge of, and understood, appreciated, accepted, and retained, the benefits conferred upon it by the Partnerships.

128. Steward's wrongful conduct resulted in substantial financial loss (which is referred to as "impoverishment" under applicable Delaware law) by the Partnerships. 129. There is a direct relation and connection between Steward's enrichment and the Partnerships' substantial financial loss or impoverishment.

130. Steward's conduct lacked justification.

131. Under the circumstances, based on Steward's wrongful and unjust actions as alleged herein, it would be inequitable to allow Steward to retain the benefits conferred upon it by the Partnerships without paying the Partnerships the fair and reasonable value of those benefits.

132. The Partnerships have no adequate remedy at law.

133. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships, are entitled to judgment against Steward for unjust enrichment in an amount not less than \$10,176,802 for the

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Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LP's, or such greater amount as may be proven at trial, together with prejudgment interest thereon and an award of Plaintiff's attorneys' fees and costs incurred herein as allowed by law.

TENTH CLAIM FOR RELIEF
(Accounting – Derivative Claim against the Steward Defendants)

134. Plaintiffs reallege and incorporate herein by reference the allegations in the preceding paragraphs of this Complaint as though set forth verbatim herein.

135. The Steward Defendants have a duty to account to the Partnership and the Limited Partners, including Plaintiffs, regarding Steward's use of the Partnership's funds, as alleged herein.

136. Plaintiffs, on behalf of the Partnership, are entitled to receive a full and complete accounting from the Steward Defendants regarding the use of the Borrowed Funds provided to Steward, the principal and interest paid by the Partnerships on the Loans, the use of the proceeds from the sale of the Partnerships' Real Property, including the use of the Residual Proceeds from

the Sale of the Real Property, and the amount and use of the Swept Funds.

137. The Steward Defendants should be required to pay for that accounting. 138. Based upon the foregoing, Plaintiffs, on behalf of the Partnerships, are entitled to judgment against the Steward Defendants, jointly and severally, requiring them to provide an accounting regarding the foregoing items as alleged above, and to pay for that accounting.

PRAYER FOR RELIEF

Plaintiffs pray for judgment as follows:

1. For judgment against Steward for conversion, in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the First Claim for Relief;

2. For judgment against IASIS Holdings for aiding and abetting in Steward's conversion, in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Second Claim for Relief;

3. For judgment against the Steward Defendants, jointly and severally, for breach of

fiduciary duty and the duty of loyalty, in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Third Claim for Relief;

4. For judgment against Steward for aiding and abetting in IASIS Holdings' breach of fiduciary duty and duty of loyalty, in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as

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may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Fourth Claim for Relief;

5. For judgment against the Steward Defendants for fraudulent non-disclosure in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Fifth Claim for Relief;

6. For judgment against IASIS Holdings for breach of the Limited Partnership Agreements, in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Sixth Claim for Relief;

7. For judgment against IASIS Holdings for breach of the Limited Partnership Agreements, in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Seventh Claim for Relief;

8. For judgment against IASIS Holdings for breach of the implied covenant of good faith and fair dealing, in an amount in excess of \$6,088,266 for the Davis LPs and \$11,993,596 for the Jordan Valley LPs, for a total of \$18,081,862, or \$3,135.05 per Unit for the Davis LPs and \$6,175.90 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at

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the arbitration hearing, together with prejudgment interest thereon, as alleged in the Eighth Claim for Relief;

9. For judgment against Steward for unjust enrichment, in an amount in excess of \$10,176,802 for the Davis LPs and \$15,453,879 for the Jordan Valley LPs, for a total amount of \$25,521,854, or \$5,240.37 per Unit for the Davis LPs and \$7,957.71 per Unit for the Jordan Valley LPs, or such greater amount as may be proven at the arbitration hearing, together with prejudgment interest thereon, as alleged in the Ninth Claim for Relief;

10. For judgment against the Steward Defendants for an accounting, as alleged in the Twelfth Claim for Relief;

11. For an award of Plaintiffs' attorneys' fees and costs incurred herein as allowed by law; and

12. For such other and further relief as the Court deems just and

equitable. DATED this 25th day of January, 2024.

DENTONS DURHAM JONES PINEGAR P.C.

/s/ Richard M. Hymas

Richard M. Hymas

Matthew J. Orme

Johnny R. Richardson

Attorneys for Plaintiffs