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6 *Association and Hilda H. Chavez*

7 IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

8 IN AND FOR THE COUNTY OF MARICOPA

9 PETER S. DAVIS, as Receiver of
DENSICO INVESTMENT
10 CORPORATION, an Arizona corporation,

11 Plaintiff,

12 v.

13 U.S. BANK, NA, a national banking
organization; HILDA H. CHAVEZ and
14 JOHN DOE CHAVEZ, a married couple;
JP MORGAN CHASE BANK, N.A., a
15 national banking organization;
SAMANTHA NELSON f/k/a
16 SAMANTHA KUMBALECK and
KRISTOFER NELSON, a married couple;
17 and VIKRAM DADLANI and JANE DOE
DADLANI, a married couple.

18 Defendants.
19

No. CV2019-011499

**ANSWER TO THIRD AMENDED
COMPLAINT**

(Assigned to the Hon. Daniel Martin)

20 Defendants U.S. Bank National Association and Hilda H. Chavez (collectively, the
21 “U.S. Bank Defendants”) for their Answer to the Third Amended Complaint of Peter S.
22 Davis as the Receiver of DenSco Investment Corporation (“DenSco”), admit, deny, and
23 allege as follows:

24 **PARTIES, JURISDICTION, AND VENUE**

25 1. Answering Paragraph 1, the U.S. Bank Defendants are without knowledge
26 or information sufficient to form a belief as to the truth of the allegations and on that
27 basis, deny the allegations.
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1 2. Answering Paragraph 2, the U.S. Bank Defendants are without knowledge
2 or information sufficient to form a belief as to the truth of the allegations and on that
3 basis, deny the allegations.

4 3. Answering Paragraph 3, the U.S. Bank Defendants are without knowledge
5 or information sufficient to form a belief as to the truth of the allegations and on that
6 basis, deny the allegations.

7 4. Answering Paragraph 4, the U.S. Bank Defendants deny that they, or any
8 U.S. Bank’s senior managers, substantially assisted, authorized, ratified, or recklessly
9 tolerated any alleged unlawful conduct of Menaged. The U.S. Bank Defendants lack
10 knowledge or information sufficient to form a belief as to the truth of the remaining
11 allegations and, on that basis, deny them.

12 5. Answering Paragraph 5, the U.S. Bank Defendants deny the allegations.

13 6. Answering Paragraph 6, the U.S. Bank Defendants deny the allegations.

14 7. Answering Paragraph 7, the U.S. Bank Defendants admit that certain U.S.
15 Bank employees issued cashier’s checks, that one or more U.S. Bank employees observed
16 Veronica Castro taking photographs of one or more cashier’s checks, that certain cashier’s
17 checks that were not used were deposited back into the account from which the funds
18 were drawn, and the back of certain cashier’s checks were stamped “Not Used for
19 Intended Purposes.” The U.S. Bank Defendants deny the remaining allegations.

20 8. Answering Paragraph 8, the U.S. Bank Defendants deny the allegations.

21 9. Answering Paragraph 9, the U.S. Bank Defendants admit that U.S. Bank
22 received wire transfers for credit into the Easy Investments LLC account, which identified
23 DENSCO INVESTMENT as the originator. The U.S. Bank Defendants deny the
24 remaining allegations.

25 10. Answering Paragraph 10, the U.S. Bank Defendants admit that DenSco
26 purports to bring this action to recover alleged damages premised on allegations of aiding
27 and abetting fraud, and civil racketeering as to Defendant Chavez, but deny the remaining
28 allegations.

1 11. Answering Paragraph 11, upon information and belief, the U.S. Bank
2 Defendants admit that DenSco was an Arizona corporation. The U.S. Bank Defendants
3 are without knowledge or information sufficient to form a belief as to the former location
4 of DenSco’s office and on that basis, deny those allegations. The U.S. Bank Defendants
5 deny any remaining allegations.

6 12. Answering Paragraph 12, the U.S. Bank Defendants are without knowledge
7 or information sufficient to form a belief as to the truth of the allegations and on that
8 basis, deny them.

9 13. Answering Paragraph 13, upon information and belief, the U.S. Bank
10 Defendants admit that Plaintiff was appointed as DenSco’s Receiver in Case No.
11 CV2016-014142. Further answering, the U.S. Bank Defendants are without knowledge or
12 information sufficient to form a belief as to the truth of the allegations regarding the
13 Receiver obtaining approval to pursue this action and on that basis, deny those allegations.

14 14. Answering Paragraph 14, the U.S. Bank Defendants admit the allegations.

15 15. Answering Paragraph 15, the U.S. Bank Defendants admit that Hilda
16 Chavez has worked as an in store branch assistant, and later as a branch manager, of U.S.
17 Bank National Association at certain times and that she is an Arizona resident. The U.S.
18 Bank Defendants deny the remaining allegations.

19 16. Answering Paragraph 16, upon information and belief, the U.S. Bank
20 Defendants admit the allegations.

21 17. Answering Paragraph 17, the U.S. Bank Defendants are without knowledge
22 or information sufficient to form a belief as to the truth of the allegations and on that
23 basis, deny the allegations.

24 18. Answering Paragraph 18, the U.S. Bank Defendants are without knowledge
25 or information sufficient to form a belief as to the truth of the allegations and on that
26 basis, deny the allegations.

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1 28. Answering Paragraph 28, the U.S. Bank Defendants are without knowledge
2 or information sufficient to form a belief as to the truth of the allegations and on that
3 basis, deny the allegations.

4 29. Answering Paragraph 29, the U.S. Bank Defendants are without knowledge
5 or information sufficient to form a belief as to the truth of the allegations and on that
6 basis, deny the allegations.

7 30. Answering Paragraph 30, the U.S. Bank Defendants are without knowledge
8 or information sufficient to form a belief as to the truth of the allegations and on that
9 basis, deny the allegations.

10 31. Answering Paragraph 31, the U.S. Bank Defendants admit, upon
11 information and belief, that DenSco and Menaged entered into a Forbearance Agreement.
12 The U.S. Bank Defendants are without knowledge or information sufficient to form a
13 belief as to the truth of the remaining allegations and on that basis, deny the allegations.

14 32. Answering Paragraph 32, the U.S. Bank Defendants are without knowledge
15 or information sufficient to form a belief as to the truth of the allegations and on that
16 basis, deny the allegations.

17 33. Answering Paragraph 33, the U.S. Bank Defendants are without knowledge
18 or information sufficient to form a belief as to the truth of the allegations and on that
19 basis, deny the allegations.

20 34. Answering Paragraph 34, the U.S. Bank Defendants are without knowledge
21 or information sufficient to form a belief as to the truth of the allegations and on that
22 basis, deny the allegations.

23 35. Answering Paragraph 35, the U.S. Bank Defendants are without knowledge
24 or information sufficient to form a belief as to the truth of the allegations and on that
25 basis, deny the allegations.

26 36. Answering Paragraph 36, the U.S. Bank Defendants are without knowledge
27 or information sufficient to form a belief as to the truth of the allegations and on that
28 basis, deny the allegations.

1 46. Answering Paragraph 46, the U.S. Bank Defendants deny the allegations.

2 47. Answering Paragraph 47, these allegations do not require a response from
3 the U.S. Bank Defendants.

4 48. Answering Paragraph 48, the U.S. Bank Defendants admit that Menaged
5 represented to certain employees that he purchased homes from public auctions. The U.S.
6 Bank Defendants deny the remaining allegations.

7 49. Answering Paragraph 49, the U.S. Bank Defendants deny the allegations.

8 50. Answering Paragraph 50, the U.S. Bank Defendants admit the receipt of
9 wire transfers for credit into the Easy Investments LLC account, which identified
10 DENSCO INVESTMENT as the originator, during the referenced time period. The U.S.
11 Bank Defendants are without knowledge or information sufficient to form a belief as to
12 the truth of the remaining allegations and on that basis, deny the remaining allegations.

13 51. Answering Paragraph 51, the U.S. Bank Defendants admit that certain wires
14 included the name of the originator, DenSco, but deny the remaining allegations.

15 52. Answering Paragraph 52, the U.S. Bank Defendants are without knowledge
16 or information sufficient to form a belief as to the truth of the allegations and on that
17 basis, deny the allegations.

18 53. Paragraph 53, the U.S. Bank Defendants admit that certain U.S. Bank
19 employees provided ordinary banking services to Menaged and Castro at the U.S. Bank
20 Branch. The U.S. Bank Defendants deny the remaining allegations.

21 54. Answering Paragraph 54, the U.S. Bank Defendants admit that certain U.S.
22 Bank employees caused U.S. Bank to issue, at various times, cashier's checks. The U.S.
23 Bank Defendants are without knowledge or information sufficient to form a belief as to
24 the truth of the remaining allegations and on that basis, deny the allegations.

25 55. Answering Paragraph 55, the U.S. Bank Defendants admit that certain
26 individual cashier's checks included the following information "DenSco Payment" and an
27 address. The U.S. Bank Defendants deny the remaining allegations.

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1 67. Answering Paragraph 67, the U.S. Bank Defendants are without knowledge
2 or information sufficient to form a belief as to the truth of the allegations and on that
3 basis, deny the allegations.

4 68. Answering Paragraph 68, the U.S. Bank Defendants are without knowledge
5 or information sufficient to form a belief as to the truth of the allegations and on that
6 basis, deny the allegations.

7 69. Answering Paragraph 69, the U.S. Bank Defendants are without knowledge
8 or information sufficient to form a belief as to the truth of the allegations and on that
9 basis, deny the allegations.

10 70. Answering Paragraph 70, the U.S. Bank Defendants are without knowledge
11 or information sufficient to form a belief as to the truth of the allegations and on that
12 basis, deny the allegations.

13 71. Answering Paragraph 71, the U.S. Bank Defendants are without knowledge
14 or information sufficient to form a belief as to the truth of the allegations and on that
15 basis, deny the allegations.

16 72. Answering Paragraph 72, the U.S. Bank Defendants are without knowledge
17 or information sufficient to form a belief as to the truth of the allegations and on that
18 basis, deny the allegations.

19 73. Answering Paragraph 73, the U.S. Bank Defendants are without knowledge
20 or information sufficient to form a belief as to the truth of the allegations and on that
21 basis, deny the allegations.

22 74. Answering Paragraph 74, the U.S. Bank Defendants are without knowledge
23 or information sufficient to form a belief as to the truth of the allegations and on that
24 basis, deny the allegations.

25 75. Answering Paragraph 75, the U.S. Bank Defendants are without knowledge
26 or information sufficient to form a belief as to the truth of the allegations and on that
27 basis, deny the allegations.

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1 76. Answering Paragraph 76, the U.S. Bank Defendants are without knowledge
2 or information sufficient to form a belief as to the truth of the allegations and on that
3 basis, deny the allegations.

4 77. Answering Paragraph 77, the U.S. Bank Defendants are without knowledge
5 or information sufficient to form a belief as to the truth of the allegations and on that
6 basis, deny the allegations.

7 78. Answering Paragraph 78, the U.S. Bank Defendants are without knowledge
8 or information sufficient to form a belief as to the truth of the allegations and on that
9 basis, deny the allegations.

10 79. Answering Paragraph 79, the U.S. Bank Defendants are without knowledge
11 or information sufficient to form a belief as to the truth of the allegations and on that
12 basis, deny the allegations.

13 80. Answering Paragraph 80, the U.S. Bank Defendants are without knowledge
14 or information sufficient to form a belief as to the truth of the allegations and on that
15 basis, deny the allegations.

16 81. Answering Paragraph 81, the U.S. Bank Defendants are without knowledge
17 or information sufficient to form a belief as to the truth of the allegations and on that
18 basis, deny the allegations.

19 82. Answering Paragraph 82, the U.S. Bank Defendants are without knowledge
20 or information sufficient to form a belief as to the truth of the allegations and on that
21 basis, deny the allegations.

22 83. Answering Paragraph 83, the U.S. Bank Defendants are without knowledge
23 or information sufficient to form a belief as to the truth of the allegations and on that
24 basis, deny the allegations.

25 84. Answering Paragraph 84, the U.S. Bank Defendants are without knowledge
26 or information sufficient to form a belief as to the truth of the allegations and on that
27 basis, deny the allegations.

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1 85. Answering Paragraph 85, the U.S. Bank Defendants are without knowledge
2 or information sufficient to form a belief as to the truth of the allegations and on that
3 basis, deny the allegations.

4 86. Answering Paragraph 86, the U.S. Bank Defendants are without knowledge
5 or information sufficient to form a belief as to the truth of the allegations and on that
6 basis, deny the allegations.

7 87. Answering Paragraph 87, the U.S. Bank Defendants are without knowledge
8 or information sufficient to form a belief as to the truth of the allegations and on that
9 basis, deny the allegations.

10 88. Answering Paragraph 88, the U.S. Bank Defendants are without knowledge
11 or information sufficient to form a belief as to the truth of the allegations and on that
12 basis, deny the allegations.

13 89. Answering Paragraph 89, the U.S. Bank Defendants are without knowledge
14 or information sufficient to form a belief as to the truth of the allegations and on that
15 basis, deny the allegations.

16 90. Answering Paragraph 90, the U.S. Bank Defendants are without knowledge
17 or information sufficient to form a belief as to the truth of the allegations and on that
18 basis, deny the allegations.

19 91. Answering Paragraph 91, the U.S. Bank Defendants are without knowledge
20 or information sufficient to form a belief as to the truth of the allegations and on that
21 basis, deny the allegations.

22 92. Answering Paragraph 92, the U.S. Bank Defendants are without knowledge
23 or information sufficient to form a belief as to the truth of the allegations and on that
24 basis, deny the allegations.

25 93. Answering Paragraph 93, the U.S. Bank Defendants are without knowledge
26 or information sufficient to form a belief as to the truth of the allegations and on that
27 basis, deny the allegations.

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1 103. Answering Paragraph 103, the U.S. Bank Defendants are without
2 knowledge or information sufficient to form a belief as to the truth of the allegations and
3 on that basis, deny the allegations.

4 104. Answering Paragraph 104, upon information and belief, the U.S. Bank
5 Defendants admit the allegations.

6 105. Answering Paragraph 105, the U.S. Bank Defendants are without
7 knowledge or information sufficient to form a belief as to the truth of the allegations and
8 on that basis, deny the allegations.

9 106. Answering Paragraph 106, the U.S. Bank Defendants admit that the
10 Receivership Order was entered on August 18, 2016. The U.S. Bank Defendants deny
11 and remaining allegations.

12 107. Answering Paragraph 107, the U.S. Bank Defendants are without
13 knowledge or information sufficient to form a belief as to the truth of the allegations and
14 on that basis, deny the allegations.

15 108. Answering Paragraph 108, the U.S. Bank Defendants are without
16 knowledge or information sufficient to form a belief as to the truth of the allegations and
17 on that basis, deny the allegations.

18 109. Answering Paragraph 109, upon information and belief, the U.S. Bank
19 Defendants admit that the Receiver deposed Menaged on October 20, 2016 in another
20 lawsuit.

21 110. Answering Paragraph 110, the U.S. Bank Defendants admit that the
22 Receiver issued a subpoena to U.S. Bank in another lawsuit to which U.S. Bank
23 responded. Upon information and belief, the U.S. Bank Defendants admit that the
24 Receiver issued a subpoena to Chase. The U.S. Bank Defendants are without knowledge
25 or information sufficient to form a belief as to the truth of the remaining allegations and
26 on that basis, deny the allegations.

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1 111. Answering Paragraph 111, the U.S. Bank Defendants are without
2 knowledge or information sufficient to form a belief as to the truth of the allegations and
3 on that basis, deny the allegations.

4 112. Answering Paragraph 112, the U.S. Bank Defendants are without
5 knowledge or information sufficient to form a belief as to the truth of the allegations and
6 on that basis, deny the allegations.

7 113. Answering Paragraph 113, the U.S. Bank Defendants are without
8 knowledge or information sufficient to form a belief as to the truth of the allegations and
9 on that basis, deny the allegations.

10 **COUNT ONE AS TO THE U.S. BANK DEFENDANTS**

11 114. Answering Paragraph 114, the U.S. Bank Defendants incorporate by
12 reference their responses to the prior paragraphs as though fully set forth in the responses
13 that follow.

14 115. Answering Paragraph 115, the U.S. Bank Defendants are without
15 knowledge or information sufficient to form a belief as to the truth of the allegations and
16 on that basis, deny the allegations.

17 116. Answering Paragraph 116, the U.S. Bank Defendants deny the allegations.

18 117. Answering Paragraph 117, the U.S. Bank Defendants deny the allegations.

19 **COUNT TWO AS TO THE CHASE BANK DEFENDANTS**

20 118. Answering Paragraph 118, the U.S. Bank Defendants incorporate by
21 reference their responses to the prior paragraphs as though fully set forth in the responses
22 that follow.

23 119. Answering Paragraph 119, the U.S. Bank Defendants are without
24 knowledge or information sufficient to form a belief as to the truth of the allegations and
25 on that basis, deny the allegations.

26 120. Answering Paragraph 120, the U.S. Bank Defendants are without
27 knowledge or information sufficient to form a belief as to the truth of the allegations and
28 on that basis, deny the allegations.

1 121. Answering Paragraph 121, the U.S. Bank Defendants are without
2 knowledge or information sufficient to form a belief as to the truth of the allegations and
3 on that basis, deny the allegations.

4 **COUNT THREE AS TO THE U.S. BANK DEFENDANTS**

5 122. Answering Paragraph 122, the U.S. Bank Defendants incorporate by
6 reference their responses to the prior paragraphs as though fully set forth in the responses
7 that follow.

8 123. Answering Paragraphs 123, the U.S. Bank Defendants affirmatively allege
9 that the Court's Under Advisement Ruling of September 13, 2021 grants Defendants'
10 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
11 response is required.

12 124. Answering Paragraph 124, the U.S. Bank Defendants affirmatively allege
13 that the Court's Under Advisement Ruling of September 13, 2021 grants Defendants'
14 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
15 response is required.

16 125. Answering Paragraph 125, the U.S. Bank Defendants affirmatively allege
17 that the Court's Under Advisement Ruling of September 13, 2021 grants Defendants'
18 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
19 response is required.

20 126. Answering Paragraph 126, the U.S. Bank Defendants affirmatively allege
21 that the Court's Under Advisement Ruling of September 13, 2021 grants Defendants'
22 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
23 response is required.

24 **COUNT FOUR AS TO THE CHASE DEFENDANTS**

25 127. Answering Paragraph 127, the U.S. Bank Defendants incorporate by
26 reference their responses to the prior paragraphs as though fully set forth in the responses
27 that follow.
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1 128. Answering Paragraph 128, the U.S. Bank Defendants affirmatively allege
2 that the Court’s Under Advisement Ruling of September 13, 2021 grants Defendants’
3 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
4 response is required.

5 129. Answering Paragraph 129, the U.S. Bank Defendants affirmatively allege
6 that the Court’s Under Advisement Ruling of September 13, 2021 grants Defendants’
7 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
8 response is required.

9 130. Answering Paragraph 130, the U.S. Bank Defendants affirmatively allege
10 that the Court’s Under Advisement Ruling of September 13, 2021 grants Defendants’
11 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
12 response is required.

13 131. Answering Paragraph 131, the U.S. Bank Defendants affirmatively allege
14 that the Court’s Under Advisement Ruling of September 13, 2021 grants Defendants’
15 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
16 response is required.

17 132. Answering Paragraph 132, the U.S. Bank Defendants affirmatively allege
18 that the Court’s Under Advisement Ruling of September 13, 2021 grants Defendants’
19 Motion to Dismiss aiding and abetting conversion against Defendants, so no further
20 response is required.

21 **COUNT FIVE AS TO THE U.S. BANK DEFENDANTS**

22 133. Answering Paragraph 133, the U.S. Bank Defendants incorporate by
23 reference their responses to the prior paragraphs as though fully set forth in the responses
24 that follow.

25 134. Answering Paragraph 134, the U.S. Bank Defendants affirmatively allege
26 that the Court’s Under Advisement Ruling of September 13, 2021 granted Defendants’
27 Motion to Dismiss aiding and abetting breach of fiduciary duty against Defendants, so no
28 further response is required.

1 142. Answering Paragraph 142, the U.S. Bank Defendants affirmatively allege
2 that the Court's Under Advisement Ruling of September 13, 2021 granted Defendants'
3 Motion to Dismiss aiding and abetting breach of fiduciary duty against Defendants, so no
4 further response is required.

5 143. Answering Paragraph 143, the U.S. Bank Defendants affirmatively allege
6 that the Court's Under Advisement Ruling of September 13, 2021 granted Defendants'
7 Motion to Dismiss aiding and abetting breach of fiduciary duty against Defendants, so no
8 further response is required.

9 **COUNT SEVEN AS TO THE U.S. BANK DEFENDANTS**

10 144. Answering Paragraph 144, the U.S. Bank Defendants incorporate by
11 reference their responses to the prior paragraphs as though fully set forth in the responses
12 that follow.

13 145. Answering Paragraph 145, Chavez is without knowledge or information
14 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
15 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
16 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
17 Defendants U.S. Bank and Chase, so no further response is required.

18 146. Answering Paragraph 146, Chavez is without knowledge or information
19 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
20 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
21 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
22 Defendants U.S. Bank and Chase, so no further response is required.

23 147. Answering Paragraph 147, Chavez is without knowledge or information
24 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
25 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
26 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
27 Defendants U.S. Bank and Chase, so no further response is required.
28

1 148. Answering Paragraph 148, Chavez is without knowledge or information
2 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
3 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
4 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
5 Defendants U.S. Bank and Chase, so no further response is required.

6 149. Answering Paragraph 149, Chavez is without knowledge or information
7 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
8 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
9 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
10 Defendants U.S. Bank and Chase, so no further response is required.

11 150. Answering Paragraph 150, Chavez is without knowledge or information
12 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
13 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
14 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
15 Defendants U.S. Bank and Chase, so no further response is required.

16 151. Answering Paragraph 151, Chavez is without knowledge or information
17 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
18 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
19 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
20 Defendants U.S. Bank and Chase, so no further response is required.

21 152. Answering Paragraph 152, Chavez is without knowledge or information
22 sufficient to form a belief as to the truth of the allegations and on that basis, denies the
23 allegations. U.S. Bank affirmatively alleges that the Court's Under Advisement Ruling of
24 September 13, 2021 granted Defendants' Motion to Dismiss civil racketeering against
25 Defendants U.S. Bank and Chase, so no further response is required.

26 153. Answering Paragraph 153, Chavez denies the allegations. U.S. Bank
27 affirmatively alleges that the Court's Under Advisement Ruling of September 13, 2021
28

1 granted Defendants’ Motion to Dismiss civil racketeering against Defendants U.S. Bank
2 and Chase, so no further response is required.

3 **COUNT EIGHT AS TO THE CHASE DEFENDANTS**

4 154. Answering Paragraph 154, the U.S. Bank Defendants incorporate by
5 reference their responses to the prior paragraphs as though fully set forth in the responses
6 that follow.

7 155. Answering Paragraph 155, Chavez is without knowledge or information
8 sufficient to form a belief as to the truth of the allegations to the extent that they are
9 directed at Chase and on that basis, denies the allegations. To the extent that the
10 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
11 the Court’s Under Advisement Ruling of September 13, 2021 granted Defendants’ Motion
12 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
13 response is required.

14 156. Answering Paragraph 156, Chavez is without knowledge or information
15 sufficient to form a belief as to the truth of the allegations to the extent that they are
16 directed at Chase and on that basis, denies the allegations. To the extent that the
17 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
18 the Court’s Under Advisement Ruling of September 13, 2021 granted Defendants’ Motion
19 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
20 response is required.

21 157. Answering Paragraph 157, Chavez is without knowledge or information
22 sufficient to form a belief as to the truth of the allegations to the extent that they are
23 directed at Chase and on that basis, denies the allegations. To the extent that the
24 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
25 the Court’s Under Advisement Ruling of September 13, 2021 granted Defendants’ Motion
26 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
27 response is required.

28

1 158. Answering Paragraph 158, Chavez is without knowledge or information
2 sufficient to form a belief as to the truth of the allegations to the extent that they are
3 directed at Chase and on that basis, denies the allegations. To the extent that the
4 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
5 the Court's Under Advisement Ruling of September 13, 2021 granted Defendants' Motion
6 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
7 response is required.

8 159. Answering Paragraph 159, Chavez is without knowledge or information
9 sufficient to form a belief as to the truth of the allegations to the extent that they are
10 directed at Chase and on that basis, denies the allegations. To the extent that the
11 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
12 the Court's Under Advisement Ruling of September 13, 2021 granted Defendants' Motion
13 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
14 response is required.

15 160. Answering Paragraph 160, Chavez is without knowledge or information
16 sufficient to form a belief as to the truth of the allegations to the extent that they are
17 directed at Chase and on that basis, denies the allegations. To the extent that the
18 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
19 the Court's Under Advisement Ruling of September 13, 2021 granted Defendants' Motion
20 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
21 response is required.

22 161. Answering Paragraph 161, Chavez is without knowledge or information
23 sufficient to form a belief as to the truth of the allegations to the extent that they are
24 directed at Chase and on that basis, denies the allegations. To the extent that the
25 allegations are directed at Chavez, she denies them. U.S. Bank affirmatively alleges that
26 the Court's Under Advisement Ruling of September 13, 2021 granted Defendants' Motion
27 to Dismiss civil racketeering against Defendants U.S. Bank and Chase, so no further
28 response is required.

1 date of insolvency [December 31, 2012] through June 30, 2016.” Accordingly, any injury
2 alleged herein was due to DenSco’s own misconduct and wrongdoing and is at least
3 equally the fault of DenSco.

4 7. DenSco’s claims are barred by comparative fault, including the fault of
5 DenSco, Chittick, their attorneys, and Menaged.

6 8. DenSco’s claims are barred by the doctrine of assumption of risk, as
7 DenSco continued doing business with Menaged after discovering his alleged misuse of
8 loan proceeds and fraud.

9 9. DenSco’s claims are barred based on the admissions made or adopted by the
10 Receiver in this action and others, including those admissions concerning DenSco’s
11 knowledge of Menaged’s conduct, affirmatively establishing that DenSco could never
12 have reasonably relied on any purported representations by Menaged concerning his
13 alleged use of the loan proceeds.

14 10. DenSco’s claims may be barred, in whole or in part, by the doctrines of *res*
15 *judicata*, estoppel, and preclusion, to the extent any issues have been previously decided
16 in any related court proceedings.

17 11. DenSco’s claim may be barred, in whole or in part, by DenSco’s failure to
18 mitigate damages.

19 WHEREFORE, the U.S. Bank Defendants pray for the following relief:

- 20 A. Dismissal of the U.S. Bank Defendants, with prejudice;
21 B. The U.S. Bank Defendants’ costs (A.R.S. § 12-341);
22 C. Hilda Chavez’s costs and attorneys’ fees pursuant to A.R.S. § 13-
23 2314.04(A); and
24 D. Such other relief that the Court deems just and proper.

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DATED this 27th day of September, 2021.

SNELL & WILMER L.L.P.

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The foregoing was electronically
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