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SPOKANE, WASHINGTON

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11 UNITED STATES DISTRICT COURT
12 EASTERN DISTRICT OF WASHINGTON

13 IN RE RIVER PARK SQUARE
14 PROJECT BOND LITIGATION

No. CS-01-0127-EFS

ANSWER OF CITY OF SPOKANE
TO COUNTERCLAIM OF
PRUDENTIAL SECURITIES
INCORPORATED

15
16 The City of Spokane answers the counterclaim of
17 Prudential Securities Incorporated ("Prudential") as
18 follows:
19

20 **ANSWER**

21 1. - 5. This defendant admits the allegations in
22 paragraphs 1 through 5.

23 6. This defendant admits the allegations in the
24 first sentence of paragraph 6. As to the second sentence,
25
26
27

28 ANSWER OF CITY OF SPOKANE TO
COUNTERCLAIM OF PRUDENTIAL
SECURITIES INCORPORATED - 1

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1 this defendant defers to City Ordinance C-31823 which is a
2 written document and speaks for itself.

3 7. - 8. This defendant denies the allegations in
4 paragraphs 7 and 8.

5 9. This defendant admits that section 7A of
6 Ordinance C-31823 required adoption of a resolution, and
7 admits that the City of Spokane adopted Resolution 97-2 on
8 January 13, 1997, but otherwise denies the allegations in
9 paragraph 9.

10 10. - 11. This defendant denies the allegations in
11 paragraphs 10 and 11.

12 12. This defendant states that in November 2001, the
13 City of Spokane moved the Spokane County Superior Court
14 under 12(b)(6) of the Civil Rules for superior court to
15 dismiss a mandamus claim asserted by certain parties to
16 that action, and admits that by memorandum opinion dated
17 December 21, 2001, the superior court denied the City of
18 Spokane's motion to dismiss. The City denies the remaining
19 allegations of paragraph 12 in deference to the memorandum
20 opinion which is a written document and speaks for itself.
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ANSWER OF CITY OF SPOKANE TO
COUNTERCLAIM OF PRUDENTIAL
SECURITIES INCORPORATED - 2

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1 13. This defendant denies that its position is
2 contrary to its earlier representations, including its
3 legally-operative representations in Ordinance C-31823.

4
5 14. This defendant incorporates by reference each
6 answer as set forth herein.

7 15. - 19. This defendant denies the allegations in
8 paragraphs 15 through 19.

9
10 20. This defendant incorporates by reference each
11 answer as set forth herein.

12 21. This defendant admits the allegations in paragraph
13 21.

14
15 22. This defendant denies the allegations in paragraph
16 22.

17 23. - 24. This defendant denies the allegations in
18 paragraphs 23 and 24.

19
20 25. The statements made in paragraph 25 require no
21 response by this defendant.

22

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24

AFFIRMATIVE DEFENSES

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The City asserts the following affirmative defenses to
the Prudential's counterclaim:

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1. Failure to state a cause of action.

WHEREFORE the City of Spokane prays as follows:

1. For dismissal of Prudential's counterclaim, with prejudice, and

2. For recovery of its fees and costs incurred in defense thereof.

DATED this 4 day of February, 2002.

RANDALL & DANSKIN, P.S.

By David J. Groesbeck
Laurel H. Siddoway, WSBA #15550
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CERTIFICATE OF SERVICE

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I hereby certify that on this 4 day of February,
2002 I caused a true and correct copy of the foregoing to
be served on the parties to this action or their counsel at
the address and in the manner set forth below:

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ANSWER OF CITY OF SPOKANE TO
COUNTERCLAIM OF PRUDENTIAL
SECURITIES INCORPORATED - 5

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ANSWER OF CITY OF SPOKANE TO
COUNTERCLAIM OF PRUDENTIAL
SECURITIES INCORPORATED - 6

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ANSWER OF CITY OF SPOKANE TO
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ANSWER OF CITY OF SPOKANE TO
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