

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

ALICIA MARSHALL, DANIEL
PRONSKY, PARIS TOWNSEND,
NANCILEE HOLLAND, LEONA
OWSLEY, KOLAWOLE AHMADOU,
KIANA DERVIN, KRISTINA
HENDERSON, DUSTIN INNIS, KELLY
STALNAKER and JAMIE JONES,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

PRESTAMOS CDFI, LLC and
CHICANOS POR LA CAUSA, INC.,

Defendants.

Case No. 5:21-cv-04337-JMG

**DEFENDANT CHICANOS POR LA CAUSA, INC.’S RESPONSE TO PLAINTIFFS’
NOTICE OF SUPPLEMENTAL AUTHORITY CONCERNING DEFENDANT
CHICANOS POR LA CAUSA, INC.’S RENEWED MOTION TO DISMISS
PLAINTIFFS’ SECOND AMENDED COMPLAINT**

Defendant Chicanos Por La Causa, Inc. (“CPLC”) submits the following Response to Plaintiffs’ Notice of Supplemental Authority Concerning Defendant CPLC’s Renewed Motion to Dismiss Plaintiffs’ Second Amended Complaint (the “Notice”).

The “supplemental authority” to which Plaintiffs cite says nothing about the alter ego theory of personal jurisdiction on which Plaintiffs rely. *See* DE 42 (Second Amended Complaint) ¶ 35 (“*CPLC was Prestamos’s alter ego* at all times relevant in connection with PPP lending; and defendant *Prestamos’s contacts in this District* in connection with PPP lending and the claims at issue *are imputed to its corporate parent CPLC.*”) (emphasis added).

Rather, as Plaintiffs themselves concede, *Hangey v. Husqvarna Professional Products, Inc.*, No. 14 EAP 2022, --- A.3d ---, 2023 WL 8102730 (Pa. Nov. 22, 2023) concerned

Pennsylvania's venue rule, not a federal court's power to exercise personal jurisdiction over a defendant. *Hangey* itself makes clear that the two concepts are distinct. 2023 WL 8102730, at *17 n.18 (“We decline to import wholesale the evolving federal general personal jurisdiction principles to our [Pennsylvania's] venue caselaw under Rule 2179(a)(2). . . . Questions of venue . . . are distinct from questions of personal jurisdiction.”).

Second, even if *Hangey* were relevant to personal jurisdiction, Plaintiffs have not pled that *any* CPLC employee had *any* contacts in Pennsylvania. Even if they had, Plaintiffs have identified no facts indicating that such employees were acting on behalf of CPLC rather than for Prestamos. To the contrary, Plaintiffs' own Notice concedes that CPLC employees who worked on the PPP program did so on behalf of Prestamos pursuant to formal Intercompany Service Agreements. DE 91 (Notice) at 2. The evidence demonstrates that Prestamos directed any PPP lending activities, not CPLC. *See* DE 84-1 (CPLC Renewed Motion to Dismiss), Ex. 1 (Deposition of A. Nunez) at 38:17-20, 38:21-25; *id.*, Ex. 2 (Deposition of J. Martinez) at 46:12-22; *see also id.*, Ex. 13 (CPLC Objs. and Resps. to Plfs' First RFAs) ¶¶ 6-9.

Third, the portions of *Hangey* on which Plaintiffs rely either expressly decline to conflate venue and personal jurisdiction principles, 2023 WL 81072730, at *17 n.18, or merely quote decades-old caselaw for the unremarkable proposition that “doing business” in a state has some bearing on personal jurisdiction in addition to venue. *See id.* at *7, n.11 (quoting *Botwinick v. Credit Exchange, Inc.*, 213 A.2d 349, 352 (Pa. 1965)). That principle is irrelevant here because CPLC does no business in Pennsylvania.

Dated: November 29, 2023

By: /s/ Marcel S. Pratt
Marcel S. Pratt (Pa. ID 307483)
Timothy D. Katsiff (Pa. ID 75490)
Thomas J. Gallagher IV (Pa. ID 316269)
Alexa L. Levy (Pa. ID 327973)
BALLARD SPAHR LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103
T: 215-665-8500
F: 215-864-8999
PrattM@ballardspahr.com
KatsiffT@ballardspahr.com
GallagherT@ballardspahr.com
LevyA@ballardspahr.com

HERRERA ARELLANO LLP
Roy Herrera (*admitted pro hac vice*)
Daniel A. Arellano (*admitted pro hac vice*)
Jillian Andrews (*admitted pro hac vice*)
Austin T. Marshall (*admitted pro hac vice*)
1001 North Central Avenue, Suite 404
Phoenix, AZ 85004
T: 602-567-4820
Roy@ha-firm.com
Daniel@ha-firm.com
Jillian@ha-firm.com
Austin@ha-firm.com

Attorneys for Defendants

CERTIFICATE OF SERVICE

I, Marcel S. Pratt, hereby certify that on this 29th day of November 2023, I caused a copy of the foregoing Response to Plaintiffs' Notice of Supplemental Authority Concerning Defendant CPLC's Renewed Motion to Dismiss Plaintiffs' Second Amended Complaint to be served on all counsel of record via the Court's ECF system.

s/ Marcel S. Pratt

Marcel S. Pratt