

JAMES L. DAY (WSBA #20474)
 THOMAS A. BUFORD (WSBA #52969)
 BUSH KORNFELD LLP
 601 Union Street, Suite 5000
 Seattle, WA 98101
 Tel: (206) 292-2110
 Email: jday@bskd.com
 tbuford@bskd.com

HONORABLE WHITMAN L. HOLT

SAMUEL R. MAIZEL (Admitted *Pro Hac Vice*)
 DENTONS US LLP
 601 South Figueroa Street, Suite 2500
 Los Angeles, California 90017-5704
 Tel: (213) 623-9300 / Fax: (213) 623-9924
 Email: samuel.maizel@dentons.com

SAM J. ALBERTS (WSBA #22255)
 DENTONS US LLP
 1900 K. Street, NW
 Washington, DC 20006
 Tel: (202) 496-7500 / Fax: (202) 496-7756
 Email: sam.alberts@dentons.com

*Attorneys for the Chapter 11 Debtors
 and Debtors In Possession*

**UNITED STATES BANKRUPTCY COURT
 EASTERN DISTRICT OF WASHINGTON**

IN RE:

ASTRIA HEALTH, et al.,
 Debtors and Debtors in
 Possession.¹

Chapter 11

Lead Case No. 19-01189-11
 Jointly Administered

**NOTICE OF CANCELLATION OF BID
 PROCEDURES DEADLINES**

[RELATED DOCKET NOS. 807, 1010]

¹ The Debtors, along with their case numbers, are as follows: Astria Health (19-01189-11), Glacier Canyon, LLC (19-01193-11), Kitchen and Bath Furnishings, LLC (19-01194-11), Oxbow Summit, LLC (19-01195-11), SHC Holdco, LLC (19-01196-11), SHC Medical Center-Toppenish (19-01190-11), SHC Medical Center-Yakima (19-01192-11), Sunnyside Community Hospital Association (19-01191-11), Sunnyside Community Hospital Home Medical Supply, LLC (19-01197-11), Sunnyside Home Health (19-01198-11), Sunnyside Professional Services, LLC (19-01199-11), Yakima Home Care Holdings, LLC (19-01201-11), and Yakima HMA Home Health, LLC (19-01200-11).

NOTICE RE CANCELLATION OF BID
 PROCEDURES DEADLINES

- 1 -

1

US_Active\114143877\V-4

US_Active\114143877\V-5

1901189200424000000000020
 Los Angeles, California 90017-5704 Tel: (213) 623-9300 Fax: (213) 623-9924

1 **PLEASE TAKE NOTICE** that Astria Health and the above-referenced
2 affiliated debtors (collectively, the “Debtors”), the debtors and debtors in possession
3 in the above-captioned chapter 11 bankruptcy cases, by and through the undersigned
4 counsel, filed a motion seeking approval of sale and refinancing procedures [Docket
5 No. 765] (the “Bid Motion”). A hearing on the Bid Motion occurred on December
6 5, 2019, which the Court granted, along with entry of an order on December 6, 2019
7 [Docket No. 807] (the “Bid Order”). Among other things, the Bid Order approved
8 certain Bidding Procedures and dates.

9 **PLEASE TAKE FURTHER NOTICE** that, on January 31, 2020, the
10 Debtors filed the *Notice of Modification to Bid Procedures and Related Deadlines*
11 [Docket No. 1010], modifying the dates and deadlines in the Bid Order and Bidding
12 Procedures as follows (the “Modified Bid Procedures Deadlines”):

- 13 • Assumption Objection Deadline and Cure Objection Deadline shall be
14 April 1, 2020, at 4:00 p.m. (previously January 24, 2020, at 4:00 p.m.);
- 15 • The Stalking Horse Bid Deadline shall be April 10, 2020 (previously no
16 later than January 23, 2020);
- 17 • Deadline for objections to proposed Stalking Horse Bid is April 15,
18 2020, at 10:00 a.m. (previously January 29, 2020, at 10:00 a.m.);
- 19 • Deadline to file a Supplemental Motion to approve bid protections to
20 any Stalking Horse Purchaser shall be April 15, 2020 (previously
21 January 23, 2020);
- Deadline to file Stalking Horse Notice (if not seeking to approve
 Stalking Horse bid protections) shall be April 15, 2020 at 4:00 p.m.
 (previously, on or before January 30, 2020 at 4:00 p.m.);

NOTICE RE CANCELLATION OF BID
PROCEDURES DEADLINES

- 2 -

DENTONS US LLP

BUSH KORNFIELD LLP

Suite 2500

LAW OFFICES

601 South Figueroa Street

601 Union Street, Suite 5000

Los Angeles, California 90017-5704 Seattle, Washington 98101-2373

US_Active\114143877\V-4

US_Active\114143877\V-5

- Deadline for objections to the Supplemental Motion or Stalking Horse Notice shall be April 21, 2020, at 10:00 a.m. (previously January 29, 2020, at 10:00 a.m.);
- Expedited hearing on any objection to the Supplemental Motion or Stalking Horse Notice shall be held no later than April 27, 2020, at 10:00 a.m. (previously January 30, 2020, at 10:00 a.m.);
- Bid Deadline shall be April 27, 2020 at 4:00 p.m. (previously January 30, 2020, at 4:00 p.m.);
- Auction shall be held on May 1, 2020, at 10:00 a.m. (previously February 5, 2020, at 10:00 a.m.);
- Sale Objection Deadline shall be May 6, 2020, at 4:00 p.m. (previously February 6, 2020, at 4:00 p.m.);
- Objection replies, if any, are due on May 11, 2020 (no deadline previously set); and
- Sale hearing shall be held on May 13, 2020, at 10:00 a.m. (previously February 13, 2020, at 10:00 a.m.).

PLEASE TAKE FURTHER NOTICE that, based on the impact of the COVID-19 pandemic on the capital markets, (a) the Debtors, in consultation with representatives of Lapis Advisers, L.P. ("Lapis") have concluded that a sale process is not a viable exit strategy for the Debtors at this time, and (b) representatives of the Debtors and Lapis met in San Francisco on March 9, 2020, to discuss alternative paths to allowing the Debtors to exit bankruptcy. The parties agreed to terms by which Lapis would agree to a restructuring support agreement, allowing the Debtors to propose a plan which provides for Lapis' support for a consensual plan of

NOTICE RE CANCELLATION OF BID
PROCEDURES DEADLINES

- 3 -

DENTONS US LLP

BUSH KORNFIELD LLP

Suite 2500

LAW OFFICES

601 South Figueroa Street

601 Union Street, Suite 5000

Los Angeles, California 90017-5704 Seattle, Washington 98101-2373

US_Active\114143877\V-4

US_Active\114143877\V-5

1 reorganization. The Debtors and Lapis are currently working on a joint plan of
2 reorganization. The current deadline for the Debtors to file a plan of reorganization
3 is June 1, 2020. Accordingly, the Debtors have determined that that the best chance
4 to maximize value for the system is to cancel all dates and deadlines associated with
5 a sale of the Debtors' assets and, instead, proceed toward filing a joint plan of
6 reorganization with Lapis' support.

7 **PLEASE TAKE FURTHER NOTICE** that, in accordance with the
8 Reservation contained in the approved Bid Procedures (*see* Bid Order, Exhibit 1,
9 Section III), the Debtors hereby cancel all dates and deadlines related to the Bidding
10 Procedures and Bid Order, including the Modified Bid Procedures Deadlines.

11
12 Dated: April 24, 2020

/s/ Samuel R. Maizel
JAMES L. DAY (WSBA #20474)
BUSH KORNFELD LLP

SAMUEL R. MAIZEL (*Admitted Pro Hac Vice*)
SAM J. ALBERTS (WSBA #22255)
GEOFFREY M. MILLER (*Admitted Pro Hac*
Vice)
DENTONS US LLP

Attorneys for the Chapter 11 Debtors and
Debtors In Possession

13
14
15
16
17
18
19
20
21

NOTICE RE CANCELLATION OF BID
PROCEDURES DEADLINES

- 4 -

DENTONS US LLP

BUSH KORNFELD LLP

Suite 2500

LAW OFFICES

601 South Figueroa Street

601 Union Street, Suite 5000

Los Angeles, California 90017-5704 Seattle, Washington 98101-2373

US_Active\114143877\V-4

US_Active\114143877\V-5