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5 Attorneys for the Chapter 11 Debtors and
6 Debtors In Possession

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8 **UNITED STATES BANKRUPTCY COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

10 In re

Lead Case No. 2:18-bk-20151-ER

11 VERITY HEALTH SYSTEM OF
12 CALIFORNIA, INC., *et al.*,

Jointly Administered With:
Case No. 2:18-bk-20162-ER
Case No. 2:18-bk-20163-ER
Case No. 2:18-bk-20164-ER
Case No. 2:18-bk-20165-ER
Case No. 2:18-bk-20167-ER
Case No. 2:18-bk-20168-ER
Case No. 2:18-bk-20169-ER
Case No. 2:18-bk-20171-ER
Case No. 2:18-bk-20172-ER
Case No. 2:18-bk-20173-ER
Case No. 2:18-bk-20175-ER
Case No. 2:18-bk-20176-ER
Case No. 2:18-bk-20178-ER
Case No. 2:18-bk-20179-ER
Case No. 2:18-bk-20180-ER
Case No. 2:18-bk-20181-ER

13 Debtors and Debtors In
14 Possession.

- Affects All Debtors
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- Affects Verity Health System of California, Inc.
 Affects O'Connor
 Affects Saint Louise Regional Hospital
 Affects St. Francis Medical Center
 Affects St. Vincent Medical Center
 Affects Seton Medical Center
 Affects O'Connor Hospital Foundation
 Affects Saint Louise Regional Hospital Foundation
 Affects St. Francis Medical Center of Lynwood Foundation
 Affects St. Vincent Foundation
 Affects St. Vincent Dialysis Center, Inc.
 Affects Seton Medical Center Foundation
 Affects Verity Business Services
 Affects Verity Medical Foundation
 Affects Verity Holdings, LLC
 Affects De Paul Ventures, LLC
 Affects De Paul Ventures - San Jose Dialysis, LLC

Hon. Ernest M. Robles

Chapter 11 Cases

NOTICE OF SALE PROCEDURES, AUCTION DATE, AND SALE HEARING [RELATED DOCKET NO. 1279].

25 Debtors and Debtors In
26 Possession.

DENTONS US LLP
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1 **PLEASE TAKE NOTICE** that on January 17, 2019, the above-captioned debtors and
2 debtors in possession (the “Debtors”), filed the *Debtors’ Notice of Motion and Motion for the*
3 *Entry of (I) an Order (1) Approving Form of Asset Purchase Agreement for Stalking Horse*
4 *Bidder and for Prospective Overbidders, (2) Approving Auction Sale Format, Bidding*
5 *Procedures and Stalking Horse Bid Protections, (3) Approving Form of Notice to be Provided to*
6 *Interested Parties, (4) Scheduling a Court Hearing to Consider Approval of the Sale to the*
7 *Highest Bidder, and (5) Approving Procedures Related to the Assumption of Certain Executory*
8 *Contracts and Unexpired Leases; and (II) an Order (A) Authorizing the Sale of Property Free*
9 *and Clear of All Claims, Liens and Encumbrances* (the “Motion”) [Docket No. 1279].¹ The
10 Debtors seek, among other things, to sell all assets of St. Francis Medical Center, St. Vincent
11 Medical Center, St. Vincent Dialysis Center, Inc., Seton Medical Center and Seton Medical
12 Center Coastside (the “Assets”) to the successful bidder(s) (the “Successful Bidder”), at an
13 auction free and clear of all liens, claims, encumbrances and other interests pursuant to Sections
14 363 and 365 of the Bankruptcy Code.

15 **PLEASE TAKE FURTHER NOTICE** that, on February 15, 2019, the Bankruptcy
16 Court entered an order (the “Bidding Procedures Order”) approving the Motion and the bidding
17 procedures (the “Bidding Procedures”), which set the key dates and times related to the Sale of
18 the Assets. All interested bidders should carefully read the Bidding Procedures Order and the
19 Bidding Procedures. To the extent that there are any inconsistencies between the Bidding
20 Procedures Order (including the Bidding Procedures) and the summary description of its terms
21 and conditions contained in this Notice, the terms of the Bidding Procedures Order shall control.

22 **PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Bidding
23 Procedures, a partial bid auction (the “Partial Bid Auction”) to sell the Assets will be conducted
24 on **April 8, 2019, at 10:00 a.m. (prevailing Pacific Time)**, at the offices of Dentons US LLP,
25 601 South Figueroa Street, Suite 2500, Los Angeles, California 90017, or at such other location
26 as shall be identified in a notice filed with the Bankruptcy Court at least 24 hours before the

27 _____
28 ¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in
the Motion.

1 Partial Bid Auction. Within forty-eight (48) hours of the conclusion of the Partial Bid Auction,
2 the Debtors shall file a notice with the Bankruptcy Court identifying the Successful Bidder.

3 **PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Bidding
4 Procedures, a fill bid auction (the "Full Bid Auction") to sell the Assets will be conducted on
5 **April 9, 2019, at 10:00 a.m. (prevailing Pacific Time)**, at the offices of Dentons US LLP, 601
6 South Figueroa Street, Suite 2500, Los Angeles, California 90017, or at such other location as
7 shall be identified in a notice filed with the Bankruptcy Court at least 24 hours before the Full Bid
8 Auction. Within twenty-four (24) hours of the conclusion of the Full Bid Auction, the Debtors
9 shall file a notice with the Bankruptcy Court identifying the Successful Bidder.

10 **PLEASE TAKE FURTHER NOTICE** that a hearing will be held to approve the sale of
11 the Assets to the Successful Bidder (the "Sale Hearing") before the Honorable Ernest Robles,
12 United States Bankruptcy Judge, United States Bankruptcy Court for the Central District of
13 California, 255 E. Temple St., Los Angeles, California 90012, Courtroom 1568, on **April 17,**
14 **2019 at 10:00 a.m. (prevailing Pacific Time)**, or at such time thereafter as counsel may be heard
15 or at such other time as the Bankruptcy Court may determine. The Sale Hearing may be
16 adjourned from time to time without further notice to creditors or parties in interest other than by
17 announcement of the adjournment in open court on the date scheduled for the Sale Hearing.

18 Objections to the Sale shall be filed with the Bankruptcy Court and served **so as to be received**
19 **no later than 4:00 p.m. (prevailing Pacific Time) on April 12, 2019** by: (i) counsel to the
20 Debtors: Dentons US LLP, 601 S. Figueroa Street, Suite 2500, Los Angeles, CA 90017 (Attn:
21 Tania M. Moyron (tania.moyron@dentons.com)); (ii) the Debtors' Investment Banker: Cain
22 Brothers, a division of KeyBanc Capital Markets, 1 California Street, Suite 2400, San Francisco,
23 CA 94111 (Attn: James Moloney (jmoloney@cainbrothers.com)); (iii) counsel to the Official
24 Committee: Milbank, Tweed, Hadley & McCloy LLP, 2029 Century Park East, 33rd Floor, Los
25 Angeles, CA 90067 (Attn: Gregory A. Bray (gbray@milbank.com)); (iv) counsel to the Master
26 Trustee and Series 2005 Bond Trustee: Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.,
27 One Financial Center, Boston, MA 02111 (Attn: Daniel S. Bleck and Paul Ricotta
28 (dsbleck@mintz.com, pricotta@mintz.com)); (v) counsel to the Series 2015 and Series 2017

