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Attorneys for the Chapter 11 Debtors and
Debtors In Possession

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION**

In re:

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

Debtors and Debtors In
Possession.

- ☒ Affects All Debtors
☐ Affects Verity Health System of
California, Inc.
☐ Affects O'Connor Hospital
☐ 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

Debtors and Debtors In Possession.

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

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

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**STIPULATION CONTINUING HEARING RE OBJECTIONS
OF UNITED HEALTHCARE INSURANCE COMPANY AND
APPLECARE MEDICAL GROUP, INC. AND APPLECARE
MEDICAL GROUP ST. FRANCIS, INC. TO DEBTORS'
MOTION FOR ORDER APPROVING FORM OF ASSET
PURCHASE AGREEMENT FOR STALKING HORSE
BIDDER, ETC. [RELATED TO DKT. NOS. 1572, 1704, 2144,
2145]**

Continued Hearing:

Date: June 5, 2019

Time: 10:00 a.m.

Place: United States Bankruptcy Court

Courtroom 1568

255 East Temple Street

Los A



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DENTONS US LLP
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1 This stipulation is entered between Verity Health System of California, Inc. and the above-
2 referenced affiliated debtors, the debtors and debtors in possession in the above-captioned chapter
3 11 bankruptcy case (collectively, the “Debtors”), on the one hand, and AppleCare Medical Group,
4 Inc. and AppleCare Medical Group St. Francis, Inc. (collectively, “Applecare”) and United
5 Healthcare Insurance Company (collectively with its affiliates, subsidiaries, and parents,
6 “United”), on the other, in the above-captioned jointly administered cases with respect to the
7 following:
8

9 1. On February 19, 2019, the Court entered its *Order (1) Approving Form Of Asset*
10 *Purchase Agreement For Stalking Horse Bidder And For Prospective Overbidders, (2) Approving*
11 *Auction Sale Format, Bidding Procedures And Stalking Horse Bid Protections, (3) Approving*
12 *Form Of Notice To Be Provided To Interested Parties, (4) Scheduling A Court Hearing To*
13 *Consider Approval Of The Sale To The Highest Bidder, And (5) Approving Procedures Related To*
14 *The Assumption Of Certain Executory Contracts And Unexpired Leases; And (II) An Order (A)*
15 *Authorizing The Sale Of Property Free And Clear Of All Claims, Liens And Encumbrances*
16 [Docket No. 1572] the (“Bidding Procedures Order”).

17 2. On March 5, 2019, the Debtors filed a *Notice of Counterparties to Executory*
18 *Contracts and Unexpired Leases of the Debtors That May Be Assumed and Assigned* [Docket No.
19 1704].

20 3. On April 12, 2019, Applecare filed the *Objection of Applecare Medical Group, Inc.*
21 *and AppleCare Medical Group St. Francis, Inc. to Debtors’ Motion for Order Approving Form of*
22 *Asset Purchase Agreement For Stalking Horse Bidder, Etc.* [Docket No. 2144] (the “Applecare
23 Objection”).

24 4. On April 12, 2019, United filed the *Objection of United Healthcare Insurance*
25 *Company to Debtors’ Motion for Order Approving Form of Asset Purchase Agreement For*
26 *Stalking Horse Bidder, Etc.* [Docket No. 2145] (the “United Objection”).
27
28

1 5. The Bidding Procedures Order provides that the Court will hold a hearing to
2 consider the sale on April 17, 2019, at 10:00 a.m. (Pacific Time) (the “Hearing Date”).

3 6. United, Applecare and the Debtors have discussed issues concerning the
4 assumption and assignment of certain United and Applecare agreements, and the Debtors have
5 agreed to continue the Hearing Date to allow additional time to negotiate a resolution of the
6 Applecare Objection and United Objection.

7 NOW, THEREFORE, all of the parties to this Stipulation hereby stipulate as follows:

8 A. The Hearing Date to consider the Applecare Objection and United Objection shall
9 be continued from April 17, 2019, at 10:00 a.m., to June 5, 2019, at 10:00 a.m. (Pacific Time).
10 For the avoidance of doubt, this Stipulation does not affect the other matters on calendar at the
11 Sale Hearing. Any order entered approving the sale will not approve the assumption and
12 assignment of the Applecare or United agreements. All arguments asserted in the Applecare
13 Objection and United Objection are preserved.

14 B. The deadline for the Debtors to reply to the Applecare Objection and United
15 Objection is extended to May 29, 2019, at 4:00 p.m. (PST).

16
17 **Verity Health System of California, Inc. *et al.***

18 DATED: April 15, 2019

DENTONS US LLP

19
20 By: /s/ Tania M. Moyron

Samuel Maizel

Tania M. Moyron

Counsel to Debtors and Debtors in Possession

1 **AppleCare Medical Group, Inc. and**
2 **AppleCare Medical Group St. Francis, Inc.**

3 DATED: April 15, 2019

SHIPMAN & GOODWIN LLP

4 By: 

Eric S. Goldstein
5 Counsel to AppleCare Medical Group, Inc. and
6 AppleCare Medical Group St. Francis, Inc.

7 **United Healthcare Insurance Company**

8 DATED: April 15, 2019

SHIPMAN & GOODWIN LLP

9 By: 

Eric S. Goldstein
10 Counsel to United Healthcare Insurance Company

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