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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.

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;

☒ 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

Chapter 11 Cases

Hon. Judge Ernest M. Robles

**NOTICE OF APPLICATION OF DEBTORS TO
EMPLOY JEFFER MANGELS BUTLER &
MITCHELL LLP AS SPECIAL LABOR AND
EMPLOYMENT COUNSEL PURSUANT TO 11
U.S.C. § 327(e) *NUNC PRO TUNC* TO JUNE 1,
2019**

[No Hearing Required Unless Requested Pursuant to
Local Bankruptcy Rule 2014-1]

Debtors and Debtors In Possession.

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1 **PLEASE TAKE NOTICE** that 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 cases (collectively, the “Debtors”), have filed an application (the “Application”) for
4 Court approval of the employment of Jeffer Mangels Butler & Mitchell LLP (“JMBM”) as their
5 special labor and employment counsel, effective *nunc pro tunc* to June 1, 2019, upon the terms
6 and conditions described in the Application, pursuant to Section 327(e) of Title 11 of the United
7 States Code, Rule 2014(a) of the Federal Rules of Bankruptcy Procedure and Rule 2014-1(b) of
8 the Local Rules for the United States Bankruptcy Court for the Central District of California
9 (“LBR”).

10 **PLEASE TAKE FURTHER NOTICE** that the Application is based upon the facts set
11 forth therein, the Declaration of An Nguyen Ruda attached thereto (the “Ruda Declaration”), the
12 Declaration Of Richard G. Adcock In Support of First-Day Motions, filed August 31, 2018
13 [Docket No. 8], and all exhibits thereto, the entire record in this case, the statements, arguments
14 and representations of counsel to be made at the hearing on the Application, if any, and any other
15 evidence properly presented to the Court.

16 **PLEASE TAKE FURTHER NOTICE** that, as set forth more fully in the Application,
17 JMBM has agreed to be compensated on an hourly basis, which is in keeping with the standard
18 terms of representation and the market rates for similar services in this area. In addition, JMBM
19 will seek reimbursement of its reasonable out-of-pocket expenses incurred in connection with this
20 engagement, including travel, lodging, copying, computer research, and courier and telephone
21 charges; provided, however, that the primary JMBM attorney handling this matter, An Nguyen
22 Ruda, has agreed to waive reimbursement of expenses related to her travel. *See* Ruda Decl., ¶ 11
23 at 4. JMBM will seek payment of interim compensation on a monthly basis and in accordance
24 with the applicable United States Trustee Guidelines, the Bankruptcy Code and Bankruptcy Rules,
25 and any applicable order entered by this Court concerning the procedures for the compensation of
26 professionals, including the *Order on Debtors’ Motion Establish Procedures for Monthly Payment*
27 *of Fees and Expense Reimbursement* [Docket No. 661]. *See* Ruda Decl., ¶ 12 at 4.

PLEASE TAKE FURTHER NOTICE that, subject to Court approval, JMBM will represent the Debtors at its customary hourly rates, which currently range from \$375 to \$795 per hour. JMBM anticipates that the following attorneys and paraprofessionals will be the primary professionals who will render services to the Debtors or for the benefit of the Debtors' estates during the pendency of the Debtors' Cases. These principal professionals' and paraprofessionals' rates are reflected below.

Professional	Title	Hourly Rate
Louise A. Fernandez	Partner	\$795
Thomas M. Geher	Partner	\$765
An N. Ruda	Partner	\$595
Patricia D. Belton	Associate	\$535
Alex Polishuk	Associate	\$475
Taylor N. Burras	Associate	\$425
Elina Tilman	Associate	\$395
Desiree J. Ho	Associate	\$375

See Ruda Decl., ¶ 13 at 5. The hourly billing rate of Ms. Ruda represents a discount from her standard 2019 billing rate of \$625 per hour. *See id.*

PLEASE TAKE FURTHER NOTICE that, in July 2018, JMBM received a retainer of \$50,000 from VHS to be applied against postpetition fees and costs. *See Ruda Decl.*, ¶ 16 at 5. JMBM has drawn on the retainer postpetition and applied those draws to payment of fees and expenses on account of JMBM's postpetition services as an ordinary course professional. *See id.* JMBM holds \$9,826.30 of the retainer as of the date of the Application. *See id.* After the retainer is exhausted, there is no agreement between the Debtors and JMBM to further replenish the retainer.

PLEASE TAKE FURTHER NOTICE that any request for a copy of the Application must be made in writing to Dentons US, LLP, 601 South Figueroa Street, Suite 2500 Los Angeles, California 90017-5704, Attention Tania M. Moyron, Telephone No. (213) 623-9300, Facsimile No. (213) 623-9924, Email: tania.moyron@dentons.com.

PLEASE TAKE FURTHER NOTICE that, pursuant to LBR 2014-1(b)(3), any party asserting an objection to the Application and/or wishing to request a hearing thereon, must, not later than fourteen (14) days from the date of service of this Notice, file a written objection or

1 request for hearing with the Clerk of the Bankruptcy Court in the form required by LBR 9013-
2 1(f)(1), and serve such objection or request for hearing on the Office of the United States Trustee,
3 as well as proposed counsel for the Debtors whose name and address appear at the top, left-hand
4 corner of the first page of this Notice.

5 **PLEASE TAKE FURTHER NOTICE** that, pursuant to LBR 9013-1(h), the failure to
6 file and serve a timely objection to the Application may be deemed by the Court to be consent to
7 the relief requested herein.

8 Dated: July 16, 2019

DENTONS US LLP

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10
11 By /s/ Tania M. Moyron
TANIA M. MOYRON

12 Attorneys for the Chapter 11 Debtors and
13 Debtors In Possession
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