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*Counsel for the Official Committee of Unsecured  
Creditors of Verity Health System of California,  
Inc., et al.*

**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.

OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF VERITY HEALTH SYSTEM  
OF CALIFORNIA, INC., *et al.*,

Plaintiff,

v.

U.S. BANK NATIONAL ASSOCIATION, as  
trustee,

Defendant.

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

Jointly Administered

Chapter 11 Cases

Adv. Proc. No. 2:19-ap-01165-ER

**STIPULATION REGARDING HEARING  
ON MOTION OF U.S. BANK NATIONAL  
ASSOCIATION, AS NOTES TRUSTEE, TO  
DISMISS AMENDED COMPLAINT**



1820151200106000000000001

1 The Official Committee of Unsecured Creditors of Verity Health System of California, Inc.,  
2 *et al.* (the “Committee”), appointed in connection with the chapter 11 cases of the above-captioned  
3 debtors and debtors-in-possession (the “Debtors”), on the one hand, and U.S. Bank, National  
4 Association, not individually but in its respective capacities as Series 2015 Note Trustee and as  
5 Series 2017 Note Trustee (collectively, the “Notes Trustee”),<sup>1</sup> on the other hand, by and through  
6 their undersigned counsel, hereby state and stipulate as follows (this “Stipulation”):

7 **WHEREAS**, the Committee filed its Complaint for Determination of the Validity, Priority,  
8 and Extent of Liens and Security Interests against the Notes Trustee in Adversary Proceeding No.  
9 2:19-ap-19-01165-ER [Adv. Docket No. 1] on June 13, 2019 (the “Adversary Proceeding”), and its  
10 First Amended Complaint on September 11, 2019 [Adv. Docket No. 30];

11 **WHEREAS**, the Notes Trustee filed a Motion to Dismiss the First Amended Complaint on  
12 September 30, 2019 [Adv. Docket No. 39] (the “Motion to Dismiss”), the Committee filed an  
13 opposition to the Motion to Dismiss on October 17, 2019 [Adv. Docket No. 42], and the Notes  
14 Trustee filed a reply to the Committee’s opposition on October 24, 2019 [Adv. Docket No. 44];

15 **WHEREAS**, this Court previously entered orders continuing the hearing on the Motion to  
16 Dismiss, which was originally scheduled for November 21, 2019, to December 19, 2019 [Adv.  
17 Docket No. 45] and then to January 8, 2020 [Adv. Docket No. 50];

18 **WHEREAS**, the Parties have met and conferred, and have agreed to request an adjournment  
19 of the hearing on the Motion to Dismiss, pending the request of any Party and/or further order of the  
20 Court, to enable the Debtors to pursue a disposition of their assets and for the Parties to assess the  
21 impact thereof on the Adversary Proceeding and the Motion to Dismiss;

22 **NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED**, and the Parties  
23 request that the Court enter an order in the form of Exhibit A (the “Order”), as follows:

24 1. The hearing on the Motion to Dismiss shall be held in abeyance pending request of  
25 any party to the Adversary Proceeding and/or further order of the Court;

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<sup>1</sup> The Notes Trustee and the Committee are referred to herein individually as a “Party” and collectively as the “Parties.”

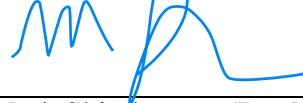
1           2.       A telephonic status conference in the Adversary Proceeding shall be scheduled for  
2 February 19, 2020 at 10:00 a.m. Pacific Time, or such other date and time as is convenient for the  
3 Court;

4           3.       The adjournment of the hearing on the Motion to Dismiss as provided herein is  
5 without prejudice to any Party;

6           4.       All Parties' rights with respect to the Motion to Dismiss and the Adversary  
7 Proceeding are expressly reserved.

1 DATED: January 6, 2020

MILBANK LLP

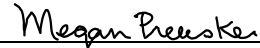


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*Counsel for the Official Committee of  
Unsecured Creditors of Verity Health System  
of California, Inc., et al.*

11 DATED: January 6, 2020

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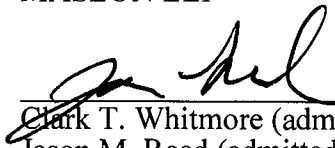
-and-

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Trustee*

1 DATED: January 6, 2020

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2  
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8 *Attorneys for U.S. Bank National Association,*  
9 *not individually but as Series 2017 Note*  
10 *Trustee*

**Exhibit A**

Proposed Order

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Defendant.

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

Jointly Administered

Chapter 11 Cases

Adv. Proc. No. 2:19-ap-01165-ER

**ORDER ADJOURNING HEARING ON  
MOTION OF U.S. BANK NATIONAL  
ASSOCIATION, AS NOTES TRUSTEE, TO  
DISMISS AMENDED COMPLAINT**

**[No Hearing Required]**

1 The Court, having read and considered the *Stipulation Regarding Hearing on Motion of U.S.*  
2 *Bank National Association, as Notes Trustee, to Dismiss Amended Complaint* [Docket No. \_\_] (the  
3 “Stipulation”),<sup>2</sup> and for good cause appearing, it is ORDERED:

4 1. The Stipulation is APPROVED.

5 2. The hearing on the Motion to Dismiss shall be held in abeyance pending request of  
6 any party to the Adversary Proceeding and/or further order of the Court.

7 3. A telephonic status conference in the Adversary Proceeding is scheduled for February  
8 19, 2020 at 10:00 a.m. Pacific Time.

9 4. The adjournment of the hearing on the Motion to Dismiss as provided herein is  
10 without prejudice to any Party.

11 5. All Parties’ rights with respect to the Motion to Dismiss and the Adversary  
12 Proceeding are expressly reserved.

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<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings given to them in the Stipulation.



## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this adversary proceeding. My business address is: McDermott Will & Emery LLP, 2049 Century Park East, Suite 3200, Los Angeles, CA 90067-3206.

A true and correct copy of the foregoing document, entitled STIPULATION REGARDING HEARING ON MOTION OF U.S. BANK NATIONAL ASSOCIATION, AS NOTES TRUSTEE, TO DISMISS AMENDED COMPLAINT, will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

**1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On January 6, 2020, I checked the CM/ECF docket for this bankruptcy case and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Mark Shinderman, Robert J. Liubicic, Alexandra Achamallah, James Cornell Behrens, Thomas E. Jeffry Jr., and Robert M. Hirsh on behalf of the Official Committee of Unsecured Creditors of Verity Health System of California, Inc., et al.  
mshinderman@milbank.com, rliubicics@milbank.com, aachamallah@milbank.com, jbehrens@milbank.com, thomas.jeffry@arentfox.com, robert.hirsch@arentfox.com

Samuel R. Maizel, Tania M. Moyron and Nicholas A. Koffroth on behalf of Debtors Verity Health System of California, Inc., et al.  
samuel.maizel@dentons.com, tania.moyron@dentons.com, nick.koffroth@dentons.com

United States Trustee (LA)  
ustpregion16.la.ecf@usdoj.gov

☐ Service information continued on attached page

**2. SERVED BY UNITED STATES MAIL:**

On \_\_\_\_\_, 2020, I served the following persons and/or entities at the last known addresses in this bankruptcy case by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

**3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on January 6, 2020, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

**Via Personal Delivery:**

Honorable Ernest Robles  
United States Bankruptcy Court for the Central District of California  
Roybal Federal Building  
255 E. Temple Street, Suite 1560  
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

January 6, 2020

*Date*

Jason D. Strabo

*Printed Name*

/s/ Jason D. Strabo

*Signature*