

MARK SHINDERMAN (Bar No. 136644)  
mshinderman@milbank.com  
ROBERT J. LIUBICIC (Bar No. 271465)  
rliubicic@milbank.com  
DANIEL B. DENNY (Bar No. 238175)  
ddenny@milbank.com  
ALEXANDRA ACHAMALLAH (Bar No. 317978)  
aachamallah@milbank.com  
MILBANK LLP  
2029 Century Park East, 33rd Floor  
Los Angeles, CA 90067  
Telephone: (424) 386-4000  
Facsimile: (213) 629-5063

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

[additional counsel on next page]

**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

Chapter 11

Hon. Ernest M. Robles

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

**JOINT STATUS REPORT**

Status Conference:

Date: February 19, 2020

Time: 10:00 AM

Location: Telephonic



182015120021200000000001

1 Jason D. Strabo (SBN 246426)  
McDermott Will & Emery LLP  
2 2049 Century Park East, Suite 3200  
Los Angeles, CA 90067-3206  
3 Telephone: 310.788.4125  
Facsimile: 310.277.4730  
4 Email: jstrabo@mwe.com

5 Nathan F. Coco (admitted *pro hac vice*)  
Megan Preusker (admitted *pro hac vice*)  
6 McDermott Will & Emery LLP  
444 West Lake Street, Suite 4000  
7 Chicago, IL 60606-0029  
Telephone: 312.372.2000  
8 Facsimile: 312.984.7700  
Email: ncoco@mwe.com  
9 Email: mpreusker@mwe.com

10 Clark T. Whitmore (admitted *pro hac vice*)  
Jason M. Reed (admitted *pro hac vice*)  
11 Maslon LLP  
90 S. 7th Street, Suite 3300  
12 Minneapolis, MN 55402  
Telephone: 612.672.8200  
13 Facsimile: 612.642.8301  
Email: clark.whitmore@maslon.com  
14 Email: jason.reed@maslon.com

15 *Attorneys for U.S. Bank National Association,*  
16 *not individually, but as Notes Trustee*  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

1 Pursuant to the Court's Order of January 7, 2020 [Docket No. 53], the Official Committee of  
2 Unsecured Creditors (the "Committee") and U.S. Bank, National Association (the "Trustee," and  
3 together with the Committee, the "Parties") hereby submit this Joint Status Report.

4 The Committee filed its initial Complaint for Determination of Validity, Priority, and Extent  
5 of Liens and Security Interests in this action on June 13, 2019 [Docket No. 1]. The Committee filed  
6 its First Amended Complaint on September 11, 2019 [Docket No. 30], and the Trustee filed a Motion  
7 to Dismiss the First Amended Complaint on September 30, 2019 [Docket No. 39] (the "Motion to  
8 Dismiss"). The Committee filed an opposition to the Motion to Dismiss on October 17, 2019 [Docket  
9 No. 42]. The Trustee filed a reply to the Committee's opposition on October 24, 2019 [Docket No.  
10 44].


11 The Committee filed the *Official Committee of Unsecured Creditors' Omnibus Objection to*  
12 *Claims Filed by U.S. Bank National Association, UMB Bank, N.A., and Wells Fargo Bank, National*  
13 *Association, as Trustees; Declaration of Mark Shinderman in Support Thereof* [Bankr. Docket No.  
14 3634] in the Debtors' bankruptcy cases on November 18, 2019 (the "Claims Objection"). The Claims  
15 Objection incorporates by reference the Committee's adversary actions asserted in this adversary  
16 proceeding.

17 The Court continued the hearing on the Motion to Dismiss, originally scheduled for  
18 November 19, 2019, to December 19, 2019 [Docket No. 45], and then to January 8, 2020 [Docket No.  
19 50]. On January 6, 2020, the Parties filed the *Stipulation Regarding Hearing on Motion of U.S. Bank*  
20 *National Association, as Notes Trustee, to Dismiss Amended Complaint* [Docket No. 52] (the  
21 "Stipulation"). Under the Stipulation, the Parties agreed that "[t]he hearing on the Motion to Dismiss  
22 shall be held in abeyance pending request of any party to the Adversary Proceeding and/or further  
23 order of the Court." [Docket No. 52 at 2.] On January 7, 2020, the Court issued an Order approving  
24 the Stipulation and setting a telephonic status conference for February 19, 2020 at 10:00 a.m. Pacific  
25 Time [Docket No. 53]. Given that the Debtors are still working to implement sales of their remaining  
26 assets, the Parties do not request a hearing at this time.

Respectfully submitted,

DATED: February 12, 2020

MILBANK LLP

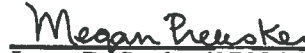


Mark Shinderman  
Robert J. Liubicic  
Daniel B. Denny  
Alexandra Achamallah

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

DATED: February 12, 2020

MCDERMOTT WILL & EMERY LLP



Jason D. Strabo (SBN 246426)  
2049 Century Park East, Suite 3200  
Los Angeles, CA 90067-3206  
Telephone: 310.788.4125  
Facsimile: 310.277.4730  
Email: jstrabo@mwe.com

Nathan F. Coco (admitted *pro hac vice*)  
Megan Preusker (admitted *pro hac vice*)  
444 West Lake Street, Suite 4000  
Chicago, IL 60606-0029  
Telephone: 312.372.2000  
Facsimile: 312.984.7700  
Email: ncoco@mwe.com  
Email: mpreusker@mwe.com

DATED: February 12, 2020

MASLON LLP



Clark T. Whitmore (admitted *pro hac vice*)  
Jason M. Reed (admitted *pro hac vice*)  
90 S. 7th Street, Suite 3300  
Minneapolis, MN 55402  
Telephone: 612.672.8200  
Facsimile: 612.642.8301  
Email: clark.whitmore@maslon.com  
Email: jason.reed@maslon.com

*Attorneys for U.S. Bank National Association,  
not individually, but as Notes Trustee*

## PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

**2029 Century Park E, 33<sup>rd</sup> Floor, Los Angeles, CA 90067.**

A true and correct copy of the foregoing document entitled (*specify*): **JOINT STATUS REPORT** 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 (*date*) February 12, 2020, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

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

On (*date*) February 12, 2020, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding 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 (*date*) February 12, 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.

☒ 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.

February 12, 2020  
*Date*

Beth Aalberts  
*Printed Name*

/s/ Beth Aalberts  
*Signature*

**SERVICE LIST**

(Via NEF)

- **Alexandra Achamallah** aachamallah@milbank.com, rliubicic@milbank.com
- **James Cornell Behrens** jbehrens@milbank.com,  
gbray@milbank.com;mshinderman@milbank.com;dodonnell@milbank.com;jbrewster@milbank.com;JWeber@  
milbank.com
- **Nicholas A Koffroth** nick.koffroth@dentons.com, chris.omeara@dentons.com
- **Samuel R Maizel** samuel.maizel@dentons.com,  
alicia.aguilar@dentons.com;docket.general.lit.LOS@dentons.com;tania.moyron@dentons.com;kathryn.howard@  
dentons.com;joan.mack@dentons.com;derry.kalve@dentons.com
- **Tania M Moyron** tania.moyron@dentons.com,  
chris.omeara@dentons.com;nick.koffroth@dentons.com;Sonia.martin@dentons.com;Isabella.hsu@dentons.com;l  
ee.whidden@dentons.com;Jacqueline.whipple@dentons.com
- **Jason M Reed** Jason.Reed@Maslon.com
- **Mark Shinderman** mshinderman@milbank.com, dmuhrez@milbank.com;dlbatie@milbank.com
- **Jason D Strabo** jstrabo@mwe.com, cfuraha@mwe.com
- **United States Trustee (LA)** ustpreion16.la.ecf@usdoj.gov

**SERVICE LIST**  
(Via First Class Mail)

**Nathan F Coco**

McDermott Will & Emery  
444 W Lake St Ste 4000  
Chicago, IL 60606-0029

**Megan Preusker**

McDermott Will & Emery  
444 West Lake Street, Ste 4000  
Chicago, IL 60606-0029

**Clark Whitmore**

Maslon LLP  
3300 Wells Fargo Center  
90 S 7th St  
Minneapolis, MN 55402

**SERVICE LIST**

(Via Overnight Federal Express)

**The Honorable Ernest M. Robles**

United States Bankruptcy Court

Central District of California

Edward R. Roybal Federal Building and Courthouse

255 E. Temple Street, Suite 1560/Courtroom 1568

Los Angeles, CA 90012-3300