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UNITED STATES DISTRIC COURT
CENTRAL DISTRICT OF CALIFORNIA

In Re VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et. al.*, Debtors and Debtors in Possession.	Dist. Case No.: 2:20-cv-02623 BK. Lead Case No.: 2:18-bk-20151-ER Chapter 11 Cases Judge Ernest M. Robles Adversary No.: 2:20-ap-01051-ER **[RELATED TO DOCKET 16 & 17]**
CALIFORNIA NURSES ASSOCIATION (CNA) Plaintiff, v. VERITY HEALTH SYSTEMS OF CALIFORNIA, INC., *et al.*, Defendants.	**PLAINTIFF CALIFORNIA NURSES ASSOCIATION'S REPLY TO OPPOSITION OF VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et al.* TO MOTION TO WITHDRAW REFERENCE** **Hearing Date and Time:** Date: June 1, 2020 Time: 1:30 p.m. Place: Court Room 10A 350 W. 1st Street, 10th Floor Los Angeles, CA 90012 Judge: Hon. Steven V. Wilson

TABLE OF CONTENTS

TABLE OF AUTHORITIES

FEDERAL STATUTES

OTHER AUTHORITIES

The California Nurses Association ("CNA") hereby replies to Defendants' Opposition to CNA's Motion to Withdraw the Reference.

I. ARGUMENT

A. The So-Called "Liquidating Fiduciary" Exception Institutional Defendants Assert Raises Several Questions of First Impression in the Ninth Circuit Necessitating Mandatory Withdrawal.

Institutional Defendants argue mandatory withdrawal is inappropriate because CNA's federal WARN Act (the "Act") claim may be summarily dismissed based on the "well-established" liquidating fiduciary concept derived from a commentary to Department of Labor regulations promulgated under the Act. (Inst. Def. Opp. at pp. 3, 12).[1,2] This argument is misplaced. Resolution of whether Institutional Defendants are liquidating fiduciaries will require material and substantial interpretation of an important federal employment law thus triggering mandatory withdrawal.

First, the liquidating fiduciary exception is not well-established; it is extremely underdeveloped and controversial. 7 *Collier Bankruptcy Practice Guide*

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[1] Throughout this brief CNA refers to Institutional Defendants' "Opposition to Plaintiff's Motion to Withdraw the Reference" (Docket No. 16) as "Inst. Def. Opp."

[2] By arguing that the liquidating fiduciary exception applies, Defendants identified additional complex and novel legal issues that trigger mandatory withdrawal, as discussed in detail herein. Choosing to base their mandatory withdrawal opposition almost entirely on the exception, Defendants did not engage with the other mandatory withdrawal arguments upon which CNA based its Motion, so CNA does not rehash them here. Furthermore, their argument that bankruptcy courts have handled WARN Act claims in the past is unavailing. *See In re Dana Corp.*, 379 B.R. 449, 458 (S.D.N.Y. 2002) (granting motion to withdraw reference because while the "bankruptcy court is certainly competent to address CERCLA issues, and although bankruptcy courts have done so in the past, I am not convinced that resolution of the disputed issues [would require straightforward application of established law]").

P. 133.05 [9][g] (2020) ("The state of the law concerning the [liquidating] fiduciary is unsettled at best, and its viability has been questioned. Few cases address the defense.") (internal citations omitted). Therefore, resolution of this defense is not a matter of routine application of well-settled law. Second, this exception goes to the very heart of what entities are "employers" and thus liable for violations of the Act's protections. Third, the liquidating fiduciary caselaw is especially scant, where, as here the putative employers are: 1) Debtors-in-Possession ("DIPs"), 2) Chapter 11 DIPs, 3) Chapter 11 DIPs who operated the hospital in question, St. Vincent Medical Center ("SVMC"), in bankruptcy for a significant amount of time, and 4) DIPs who operate as an integrated enterprise and continue to operate the other hospitals as going concerns.

Indeed, no Ninth Circuit court has ever issued a decision regarding whether the liquidating fiduciary exception may even be applied to a debtor-in-possession ("DIP") as opposed to a receiver or a trustee.[3] Likewise, no court in this circuit has addressed whether it may be properly applied to Chapter 11 DIPs like Institutional Defendants as opposed to a Chapter 7 liquidating debtor. Moreover, no court in the country has ever been confronted with the liquidating fiduciary defense as applied to a DIP that closed a facility which was operated as a going concern in bankruptcy for such an extended amount of time as SVMC which Defendants

[3] Courts in this circuit have only considered the liquidating fiduciary exception in three cases. Of these cases, only one arose in bankruptcy. *Chauffeurs, Sales Drivers, Warehousemen & Helpers Union Local 572 v. Weslock Corp.,* 66 F.3d 241 (9th Cir. 1995) (involved a secured creditor who took over a non-bankrupt business and shut it down within six days of assuming control to preserve its security interest); *In re Century City Doctors Hosp., LLC*, 417 B.R. 801 (Bankr. C.D.Cal. 2009), aff'd, 2010 Bankr. Lexis 5048 (B.A.P. 9th Cir. Oct. 29, 2010) (B.A.P. decision unpublished) (involved a Chapter 7 trustee appointed to liquidate a hospital within ten days); *Estrada v. Salyer Am.*, No. C 09-05618 JW, 2010 U.S. Dist. Lexis 160524 (March 31, 2010) (involved a court-appointed receiver to close a non-bankrupt business for the benefit of a group of secured creditors and did so within two weeks of appointment).

operated for over a year as a functioning hospital prior to its closure. Compl. ¶¶ 23, 57. Nor has any court in the country been asked to apply the liquidating fiduciary concept to a single-integrated enterprise, as CNA has pled Institutional Defendants are, that continues to operate other hospitals in bankruptcy as going concerns. Compl. ¶¶ 60-84.

Based on the text from which the liquidating fiduciary concept originates, resolving these unanswered questions will require substantial interpretation of the federal WARN Act and its regulations. Specifically, this exception is based on the premise that an entity is not an "employer" for purpose of the Act if it is in bankruptcy for the sole purpose of liquidating:

> [A] fiduciary **whose sole function in the bankruptcy process is to liquidate a failed business** for the benefit of creditors does not succeed to the notice obligations of the former employer because the fiduciary is not operating a "business enterprise" in the normal commercial sense. **In other situations, where the fiduciary may continue to operate the business for the benefit of creditors, the fiduciary would succeed to the WARN obligations of the employer** precisely because the fiduciary continues the business in operation.

54 Fed. Reg. 16042, 16045 (Apr. 20, 1989) (emphasis added). As even a cursory reading of this text shows, this commentary is a successorship provision. Thus, the first question is whether a DIP that operated a business for years prepetition and then operated it as a going concern in bankruptcy ever changed identities such that it must "succeed" to its prior self's obligations in order to be subject to the WARN Act. Ninth Circuit caselaw does not recognize a difference between the DIP and the pre-bankrupt company. *Biltmore Associations, LLC v. Twin City Fire Insurance Co.*, 572 F.3d 663, 672 (9th Cir. 2009) ("the debtor-in-possession [is] the same entity which existed before the filing of the bankruptcy petition"). Hence, there is a serious question of first impression regarding whether the exception can ever apply to DIPs at all.

Moreover, the distinction between trustees and receivers, on one hand, and DIPs, on the other, implicates the fundamental intent of the WARN Act that employers who are able to provide sufficient notice of plant closures should not conceal this information from employees. *Hotel Employees, Int'l Union Local 54 v. Elsinore Shore Assocs*., 173 F.3d 175, 182 (3d Cir. 1999). The appointed liquidating trustees and receivers did not plan or conceal the closure, but were required to do so by court order. In stark contrast, as CNA pleads, Institutional Defendants planned SVMC's closure while operating as a going concern and deliberately withheld that information from nurses to avoid a speculative staffing shortage, in direct contravention of the Act. Compl. ¶¶ 48-52.

Likewise, this circuit has also not yet considered whether Chapter 11 DIPs may ever be "liquidating fiduciaries." Moreover, courts in other circuits have questioned its applicability in this context since Chapter 11 is normally reserved for reorganization as opposed to liquidation. *Law v. American Capital Strategies,* No. 3:05-cv-0836, 2007 U.S. Dist. Lexis 5936, *49 (M.D. Tenn. January 26, 2007); *In re World Mktg. Chi., LLC,* 564 B.R. 587, 600 (Bankr. N.D. Ill. 2017). This open question presents yet another issue of first impression.

Additionally, no caselaw exists regarding if and how the liquidating fiduciary concept applies to Chapter 11 DIPs who operate as going concerns for a significant amount of time (i.e., over a year) in bankruptcy with the intent of (and attempts at) selling their businesses as going concerns, as was the case with SVMC. There is one out-of-circuit decision holding that a DIP who operates for a month as a going concern in bankruptcy prior to closure cannot be a liquidating fiduciary. *See, Oil, Chem. & Atomic Workers v. Hanlin Group (In re Hanlin Group)*, 176 B.R. 329, 332 (Bankr. N.J. 1995). The other decisions about Chapter 11 DIPs involved DIPs who shut down operations immediately or very shortly after filing for bankruptcy. *See, e.g., In re United Healthcare Sys., Inc.*, 200 F.3d 170 (3d Cir 1999) (Chapter 11 DIP surrendered its certificate of need to operate a

hospital and arranged to sell its goodwill on the day it filed for bankruptcy and only retained employees for 16 days afterwards to prepare equipment for liquidation and take inventory.).

Moreover, given that the DOL commentary requires that the liquidating fiduciary's "sole function" in bankruptcy must be to liquidate and Institutional Defendants are instead advocating that the only determinative factor is if the DIP was liquidating at the time of the employee terminations, this case presents an enormous question of federal law. (Opp. to Mot., Exh. 1, pg. 24). Defendants' reading would serve to exclude a whole category of businesses from liability since many companies shut down and lay off employees while in bankruptcy. Thus, this question poses a nearly existential question for the Act especially since the Act itself makes no exception for bankrupt employers.

In fact, even Institutional Defendants' senior attorney has expressed doubt about the application of the liquidating fiduciary concept to debtors who operate as going concerns in bankruptcy and later terminate their employees due to closure. In summarizing the *In re Century City Doctors Hospital* decision, described in footnote 2 above, Defense Counsel opined:

> The court noted that the trustee did not operate the business "in the normal commercial sense." Had the trustee operated the hospital "for business purposes" for even a short period of time, the decision might well have been different. In fact, the court stated, "it appears possible that a WARN Act claim could be properly asserted if a chapter 7 trustee were to continue to operate a business for a period of time."
>
> Thus, it is critical for the debtor and counsel to closely analyze any prospective layoffs or hospital closures in light of the WARN Act. When hospital closures and "mass layoffs" are necessary, it is critical to consider the timing of not merely the layoffs themselves, but the planning as well. **Substantial risk exists for an estate that plans significant employment terminations while still operating as a business enterprise**, not purely as a liquidating fiduciary.

Sam Maizel, et. al., "Intensive Care II: Repercussions of the Collision of Labor and Healthcare Industry Bankruptcies," *American Bankruptcy Institute Journal*, 29-7 ABIJ 18, p. 85 (September 2010) (emphasis added). In this case, Institutional Defendants state that they were not liquidating fiduciaries until January 9, 2020;[4] however, they necessarily planned the closure and terminations before then when operating as a going concern since they needed to seek authorization to close from the bankruptcy court, as evidenced by their January 6, 2020 Closure Motion. (Inst. Defs. Opp. to Mot., Exh.1, pp. 20, 24.) Thus, Institutional Defendants have done exactly what their counsel believed to be an open question of law under the Act further demonstrating the appropriateness of mandatory withdrawal in this instance.

Fourth, this case presents another issue of first impression: whether the liquidating fiduciary concept can apply to Institutional Defendants as a single employer and integrated enterprise, since they continue to operate other hospitals. Compl. ¶¶ 11-12. Under the WARN Act, a group of entities under common control and management who transfer money between each other are treated as a single entity. *Childress v. Darby Lumber Co.*, 357 F.3d 1000, 1006 (9th Cir. 2004). No court in the country has ever determined if the liquidating fiduciary concept can apply to an integrated enterprise that closes one, but not all, of its operations in bankruptcy. The only opinion approaching this issue found that the liquidating fiduciary concept could not apply to a company that was part of an integrated enterprise unless it was shown that that entity was also liquidating, but appeared to refer to the same site of employment. *In re Thielmann v. MF Global Holdings Ltd.*, 481 B.R. 268 (Bankr. S.D.N.Y. 2012).

Accordingly, because of the complexity and number of issues of first impression regarding the application of the liquidating fiduciary exception to the

[4] CNA disputes that Defendants have ever been solely liquidating during the course of the bankruptcy proceedings.

facts at bar, this case triggers mandatory withdrawal. *Mishkin v. Ageloff*, 220 B.R. 784, 796 (S.D.N.Y.1998) ("[W]here matters of first impression are concerned, the burden of establishing a right to mandatory withdrawal is more easily met.) (citing *In re Keene Corp*., 182 B.R. 379, 382 (S.D.N.Y.1995) and *In re Ionosphere Clubs, Inc.*, 103 B.R. 416, 419-20 (S.D.N.Y.1989)); *see also IRS v. CM Holdings, Inc.*, 221 B.R. 715, 722 (D. Del. 1998) (granting mandatory withdrawal "because it is undeniable that this case presents an issue of first impression in this circuit").

B. Extension of the Supreme Court's Associational Standing Analysis in *UFCW* to State Law Claims Further Necessitates Mandatory Withdrawal.

CNA brought state fraud claims against the Institutional Defendants and against two Individual Defendants on behalf of CNA's nurse members. Compl. ¶¶ 19, 20, 100-17. In their Motions to Dismiss CNA's complaint, Defendants argue that CNA lacks the associational standing to advance these claims because doing so will necessarily involve individual damages determinations. Inst. Def. Opp., Ex. 1 at pp. 26-27.[5] But that argument misunderstands associational standing. In *Hunt*, the Supreme Court created a three-part test that, when satisfied, affords an organization the associational standing to pursue claims on behalf of its members. *Hunt v. Wash. State Apple Adver. Comm'n*, 432 U.S. 333, 343 (1977). The three parts are: (1) the association's members would otherwise have standing to sue, (2) the interests the association seeks to protect are germane to the association's purpose, and (3) no significant individual participation is required to resolve the claims. *Hunt*, 432 U.S. at 343. In *United Food & Commercial Workers v. Brown Group*, the Court clarified that only the first two parts of the *Hunt* test are Article III standing requirements. 517 U.S. 544 (1996) (hereinafter

[5] CNA will file its Opposition to the Motion to Dismiss in the bankruptcy court on May 12, 2020, and will provide a copy to this Court as well. The hearing on Defendants' Motion to Dismiss in the Bankruptcy Proceeding has been stayed by mutual agreement of the parties pending resolution of CNA's Motion in this Court.

"*UFCW*"). The third part, the Court explained, is a judicially created prudential consideration that while not without value, must give way where Congress affirmatively grants the organizational plaintiff the right to sue in a representative capacity. *UCFW*, 517 U.S. at 555-57 ("Because Congress authorized the union to sue for its members' damages, and because the only impediment to that suit is a general limitation, judicially fashioned and prudentially imposed, there is no question that Congress may abrogate the impediment.").

In other words, in *UFCW* the Court held that where the two Article III standing requirements are met, *Hunt's* third prudential factor must give way to an affirmative grant by Congress of the right to sue in the representative capacity. In its Opposition to Defendants' Motions to Dismiss, CNA argues that the Court's reasoning in *UFCW* extends even more forcefully to cases in which a state, rather than Congress, has granted the organizational plaintiff the right to sue in a representative capacity. Reason being, federal courts owe states special deference when applying state law. *E.g.*, *Sarausad v. Porter*, 503 F.3d 822, 825 (9th Cir. 2007) (explaining that federal courts owe special deference to state law); *DiGuglielmo v. Smith*, 366 F.3d 130, 137 (2d Cir. 2004) ("[F]ederal courts must of course defer to state-court interpretations of the state's laws, so long as those interpretations are themselves constitutional.").

While CNA's position on this issue is plainly correct, this is nonetheless a question of first impression in this circuit. Moreover, withdrawal is especially important with respect to this justiciability question because Article III constitutes "an inseparable element of the constitutional system of checks and balances"—a structural safeguard that must "be jealously guarded." *Northern Pipeline Constr. Co. v. Marathon Pipe Line Co.*, 458 U.S. 50, 58, 60 (1982).[6]

[6] Defendants might object that CNA is referencing this standing issue for the first time on reply. But Defendants incorporated their Motion to Dismiss into their Opposition by including it as an exhibit. Therefore, CNA is properly referencing

C. On Balance, the Permissive Factors also Favor Withdrawal

Defendants treat the permissive withdrawal factors that they analyze in their Opposition as though they are controlling. Yet, permissive withdrawal is a totality of the circumstances test. It determines whether it makes sense for the bankruptcy court to hear claims that would otherwise be heard by the district court. The bottom-line is that here there is no good reason for the bankruptcy court to hear CNA's claims and it would be inefficient to allow it.

1. Plaintiff's Complaint Arises Entirely Outside of the Bankruptcy Code.

Defendants argue that for technical reasons, CNA's Complaint presents core claims, and therefore should be heard by the bankruptcy court. Yet, CNA's state fraud claims against Richard Adcock and Steven Sharrer as non-debtors obviously cannot be core claims. Messrs. Adcock and Sharrer are not even parties to the bankruptcy. Moreover, the core/noncore distinction is just one factor. *Ford v. Quantum3 Group, LLC (In Re Ford)*, No.14-ap-010154, 2015 Bankr. Lexis 1512 *8, fn. 4 (Bankr. S.D. Ga. Feb. 23, 2015) (noting that core v. non-core is not determinative and that not all courts even consider it in their permissive withdrawal analysis). And regardless of that distinction, here, the nature of the claims weighs heavily in favor of withdrawal because the state fraud claims would

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the standing arguments Defendants made in their Motions to Dismiss, and then incorporated into their Opposition. Moreover, a party may raise new issues of law or fact in a reply brief, if the issue was unforeseen at the time the original motion was filed. *E.g. Townsend v. Monster Beverage Corp.*, 303 F. Supp. 3d 1010, 1027 (C.D. Cal. 2018). In this case, CNA's Motion to Withdraw the Reference was based on the arguments that CNA reasonably foresaw arising in litigation based on its Complaint. At the time, Defendants had not yet filed their Motions to Dismiss. Therefore, even if the Court finds that Defendants did not incorporate their entire Motions to Dismiss into their Opposition, it may still consider CNA's argument that resolution of this novel standing issue is an important additional basis for mandatory withdrawal, so long as the Court gives Defendants the chance to respond.

all exist regardless of the bankruptcy, as would the WARN Act claims. CNA's lawsuit is not about whether the bankruptcy court properly allowed Defendants to shut down SVMC, but whether Defendants were obligated to give the employees advance notice before they did so which hardly concerns the bankruptcy case.

2. Judicial Efficiency Favors Withdrawal.

Defendants argue that because over 4,600 documents have been filed in the bankruptcy court, this matter would more efficiently proceed before the bankruptcy judge. However, Defendants fail to note that only a handful of those documents relate to the actual closure of St. Vincent (most of which merely provide basic background), and even fewer relate to the facts giving rise to CNA's claims. In fact, as CNA's complaint demonstrates, the bulk of evidence that will establish its case are emails and notifications that were sent to the SVMC nurses and CNA, as well as other evidence about Defendants' motives and who knew what when. Such facts will be developed in discovery.

Defendants further try to complicate the issue by stating that they will rely heavily on facts developed in the bankruptcy proceedings to prove the "good faith defense" to the WARN Act. However, this defense boils down to whether they reasonably relied on the advice of counsel in failing to give notice. Thus, it is established less on the bankruptcy court proceedings and more on the memorandums that were passed between attorney and client.[7] *See, e.g, Acevdo v. Heinemann's Bakeries, Inc.*, 619 F. Supp. 2d 529, 537 (N.D. Ill. 2008). Defendants have not filed such memos in the bankruptcy court to date.

Moreover, because of the complexity of the WARN Act issues raised as noted above, appeal by the non-prevailing party is nearly inevitable. Hence,

[7] Additionally, the fact that Institutional Defendants' counsel Sam Maizel published an article (described above) stating that debtors who plan terminations while operating as going concerns in bankruptcy are at "substantial risk" of being subject to the WARN Act seriously calls into question the applicability of this defense to them in any event.

"[g]ranting the motion to withdraw will also serve the interests of judicial economy because it will obviate any need to appeal the bankruptcy court's rulings to this Court and will bring the matter to a more expeditious resolution." *See, e.g., Guilbeau Marine, Inc. v. T&C Marine*, No. 20-4, Section "G"(1), 2020 U.S. Dist. 26809 (E.D. La. February 18, 2020). Indeed, the case Defendants rely so heavily on, *In re Comm. Fin. Serv., Inc.*, 252 B.R. 516 (Bankr. N.D. Okla. 2000) (Opp. at p. 20), in which the bankruptcy court recommended denying withdrawing the reference on discretionary grounds for a WARN Act claim, eventually was appealed on the merits after the bankruptcy court found that the employer was not liable under the unforeseeable business exception. And the district court reversed and remanded for a calculation of damages. *In Re Comm. Fin. Servs.*, 288 B.R. 890 (N.D. Okla. 2002).

Defendants' arguments about CNA's right to a jury are likewise unavailing. Even accepting Defendants' arguments as true with respect to CNA's claims against the Institutional Defendants, they clearly do not apply to CNA's right to a jury trial for its state fraud claims against the Individual Defendants who are not even parties to the bankruptcy. It would be the height of inefficiency if a district court jury were to resolve the fraud claims against the Individual Defendants, while the bankruptcy court resolved fraud claims involving the same facts against the Institutional Defendants.

3. CNA Is Not Engaged in Forum Shopping.

CNA seeks to have the reference withdrawn for efficient and proper adjudication of complex federal and state claims and is not engaged in forum shopping. *Dynegy v. Dankskammer, LLC v. Peabody Coal Trade*, 905 F.Supp. 2d 526, 533 (S.D.N.Y. 2012) ("There is no indication that forum shopping was [movant's] motivation, as opposed to a genuine desire for more efficient adjudication"). Defendants cite to two instances in which CNA, during the course of bankruptcy spanning two years with countless motions, did not prevail as

evidence that it is forum shopping. Opp. to Mot. at 25. First, in neither of these cases did CNA seek to appeal or be heard in another forum, but, rather, accepted the bankruptcy court's ruling. Moreover, neither of these situations had any relation to the adversary proceeding. *Messer v. Magee (In re FKF3, LLC)*, No.13-cv-3601, 2016 U.S. Dist. LEXIS 117258, *70 (S.D.N.Y. August 30, 2016) (finding that movant was not engaged in forum shopping even though he had filed a "litany" of motions and objections in the bankruptcy court because none of the bankruptcy judge's rulings showed that the court had "tipped its hand" against movant's claims in the instant adversary proceeding). Granted one of CNA's filings was related to the St. Vincent closure, but CNA's objection was that Defendants had not alerted the proper state authorities that they intended to shut down an emergency room on short notice and no part of the objection concerned employee rights at all let alone under the WARN Act. [Docket No. 18, Exhibit 3].

Ultimately, on balance, the permissive withdrawal factors all point strongly in favor of the Court exercising its discretion to withdraw the reference in this case.

II. CONCLUSION

CNA's complaint presents numerous, complex and novel issues of non-bankruptcy federal law based on Defendants' deliberate decision to forego federal WARN Act notice. The complaint barely touches on any bankruptcy law and the majority of the facts in dispute have not been developed in the bankruptcy court. It also presents state law fraud claims over which bankruptcy courts have no specialized knowledge, and which with respect to the Individual Defendants, at least, CNA has a right to a jury trial in the District Court. For all these reasons, CNA respectfully requests this Court withdraw the reference, on either mandatory or permissive grounds, allowing this matter to proceed in the first instance in the District Court.

Dated: May 11, 2020

Respectfully submitted,

CALIFORNIA NURSES ASSOCIATION
LEGAL DEPARTMENT

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PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF ALAMEDA

At the time of service, I was over 18 years of age and not a party to this action. I am employed in the County of Alameda, State of California. My business address is 155 Grand Ave., Oakland, CA 94612.

On May 11, 2020, I served true copies of the following document(s) described as **CALIFORNINA NURSES ASSOCIATION'S RESPONSE TO OPPOSITION TO IT'S MOTION TO WITHDRAW** on the interested parties in this action as follows:

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 May 11, 2020, I checked the CMIECF 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:

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BY OVERNIGHT MAIL: I enclosed the document(s) in a sealed envelope or package addressed to the persons at the addresses listed below and placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with the California Nurses Association's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the UPS, in a sealed envelope with postage fully prepaid. I am a resident or employed in the county where the mailing occurred. The envelope was placed in the mail at Oakland, California.

Office of the United States Trustee
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BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address kskogstad@calnurses.org to the persons at the e-mail addresses listed in below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful:

Attorney for Defendants: Verity Health Systems of California, Inc. *et al.* Richard Adcock Steven Sharrer	Samuel Maizel samuel.maizel@dentons.com,
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I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Executed on May 11, 2020, at Oakland, California.

/s/Tym Tschneaux_____
Tym Tschneaux