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*Counsel for Liquidating Trustee Howard Grobstein,
as successor-in-interest to 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.

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

Chapter 11

Hon. Ernest M. Robles

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

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

Plaintiff,

v.

U.S. BANK, NATIONAL ASSOCIATION, as
trustee,

Defendant.

**STIPULATION FOR ENTRY OF AN
ORDER TO DISMISS ADVERSARY
PROCEEDING**



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15 *Attorneys for U.S. Bank, National Association,*
16 *not individually, but as Notes Trustee*
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Liquidating Trustee Howard Grobstein, as successor-in-interest to the Official Committee of Unsecured Creditors of Verity Health System of California, Inc., *et al.* (the “Committee”), appointed in connection with the chapter 11 cases of the above-captioned debtors and debtors-in-possession (the “Debtors”), on the one hand, and U.S. Bank, National Association, not individually but in its respective capacities as Series 2015 Note Trustee and as Series 2017 Note Trustee (collectively, the “Notes Trustee”),¹ on the other, by and through their undersigned counsel, hereby state and stipulate as follows:

WHEREAS, the Committee filed its *Complaint for Determination of Validity, Priority, and Extent of Liens and Security Interests* [Docket No. 1] in the above-captioned adversary proceeding (the “Adversary Proceeding”) on June 13, 2019, and filed its *First Amended Complaint for Determination of Validity, Priority, and Extent of Liens and Security Interests* [Docket No. 30] on September 11, 2019;

WHEREAS, the *Modified Second Amended Joint Chapter 11 Plan of Liquidation (Dated July 2, 2020) of the Debtors, the Prepetition Secured Creditors, and the Committee* [Bankr. Docket No. 5466] was filed in the lead bankruptcy case, 2:18-bk-20151-ER, on August 12, 2020;

WHEREAS, the *Order Confirming Modified Second Amended Joint Chapter 11 Plan of Liquidation (Dated July 2, 2020) of the Debtors, the Prepetition Secured Creditors, and the Committee* [Bankr. Docket No. 5504] (the “Confirmation Order”) was entered in the lead bankruptcy case on August 14, 2020;

WHEREAS, the *Notice of Certain Plan Supplemental Documents Regarding the Modified Second Amended Joint Chapter 11 Plan of Liquidation (Dated July 2, 2020) of the Debtors, the Prepetition Secured Creditors, and the Committee* containing an executed version of the plan settlement [Bankr. Docket No. 6043] (the “Plan Settlement”) was filed in the lead bankruptcy case on September 4, 2020;

WHEREAS, the Plan Settlement, approved by the Confirmation Order as of September 4, 2020 (the “Effective Date”), resolved the issues being litigated in this Adversary Proceeding;

¹ The Notes Trustee and the Committee are referred to herein collectively as the “Parties.”

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED, and the Parties
request that the Court enter an order in the form of Exhibit A, as follows:

1. This Adversary Proceeding is dismissed with prejudice.

2. The Parties shall each bear their own costs, fees, and expenses in relation to this
Adversary Proceeding.

Respectfully submitted,

DATED: September 29, 2020

MILBANK LLP

/s/ Mark Shinderman

Mark Shinderman

Robert J. Liubicic

James C. Behrens

Alexandra Achamallah

*Counsel for Liquidating Trustee Howard
Grobstein, as successor-in-interest to the
Official Committee of Unsecured Creditors of
Verity Health System of California, Inc., et al.*

DATED: September 29, 2020

MCDERMOTT WILL & EMERY LLP

/s/ Megan Preusker

Jason D. Strabo

Nathan F. Coco

Megan Preusker

DATED: September 29, 2020

MASLON LLP

/s/ Jason M. Reed

Clark T. Whitmore

Jason M. Reed

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

EXHIBIT A

Proposed Order

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

In re:

VERITY HEALTH SYSTEM OF CALIFORNIA,
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OFFICIAL COMMITTEE OF UNSECURED
CREDITORS of VERITY HEALTH SYSTEM OF
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Plaintiff,

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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

**ORDER APPROVING STIPULATION
FOR ENTRY OF AN ORDER TO
DISMISS ADVERSARY PROCEEDING**

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16 *not individually, but as Notes Trustee*
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1 The Court, having reviewed the *Stipulation for Entry of an Order to Dismiss Adversary*
2 *Proceeding* (the “Stipulation”), filed as Docket No. ____ in the above-captioned adversary proceeding
3 (the “Adversary Proceeding”), entered between Liquidating Trustee Howard Grobstein, as successor-
4 in-interest to the Official Committee of Unsecured Creditors of Verity Health System of California,
5 Inc., *et al.* (the “Committee”), on the one hand, and U.S. Bank, National Association, not individually
6 but in its respective capacities as Series 2015 Note Trustee and as Series 2017 Note Trustee
7 (collectively, the “Notes Trustee”), on the other, and good cause appearing,

8 HEREBY ORDERS AS FOLLOWS:

- 9 1. The Stipulation is approved.
- 10 2. This Adversary Proceeding is dismissed with prejudice.
- 11 3. The Parties shall each bear their own costs, fees, and expenses in relation to this
- 12 Adversary Proceeding.

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14 **IT IS SO ORDERED.**

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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, 33rd Floor, Los Angeles, CA 90067.

A true and correct copy of the foregoing document entitled (*specify*): **ORDER APPROVING STIPULATION FOR ENTRY OF AN ORDER TO DISMISS ADVERSARY PROCEEDING** 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*) September 29, 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*) _____, 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*) September 29, 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.

September 29, 2020
Date

Alexandra Achamallah
Printed Name

/s/ Alexandra Achamallah
Signature

SERVICE LIST

(Via NEF)

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- **United States Trustee (LA)** ustpreion16.la.ecf@usdoj.gov

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