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and Special Counsel to the Liquidating Trustee

Attorneys for the Liquidating Trustee

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

In re

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

VERITY HEALTH SYSTEM OF  
CALIFORNIA, INC., *et al.*,

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

Debtors and Debtors In Possession.

- ☒ 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 ASC, LLC

Chapter 11 Cases  
Hon. Judge Ernest M. Robles

**LIMITED RESPONSE TO MOTION OF SMITH & NEPHEW, INC. FOR ALLOWANCE AND PAYMENT OF POST-PETITION ADMINISTRATIVE EXPENSE CLAIM, AND RESERVATION OF RIGHTS [RELATES TO DOCKET NOS. 6278, 6279, 6355, 6356, 6389]**

Hearing Date and Time:

Date: February 3, 2021  
Time: 10:00 a.m. (Pacific Time)  
Place: Courtroom 1568  
255 E. Temple St.  
Los Angeles, CA 90012

Debtors and Debtors In Possession.



Verity Health System of California, Inc. (“VHS”) and the above-referenced affiliated post-effective date debtors in the above-captioned chapter 11 bankruptcy cases (collectively, the “Post-Effective Date Debtors”), together with the Liquidating Trustee (the “Liquidating Trustee,” and together with the Post-Effective Date Debtors, “Movants”) of the VHS Liquidating Trust established pursuant to the *Modified Second Amended Joint Chapter 11 Plan of Liquidation (Dated July 2, 2020) of the Debtors, the Prepetition Secured Creditors, and the Committee* [Docket No. 5466] (the “Plan”), confirmed by the order entered August 14, 2020 [Docket No. 5504] (the “Confirmation Order”), and that certain Liquidating Trust Agreement, dated as of September 5, 2020 [Docket No. 6043] (the “Trust Agreement”), file this limited response to and reservation of rights regarding (the “Response”) the *Motion of Smith & Nephew, Inc. for Allowance and Payment of Post-Petition Administrative Expense Claim* [Docket No. 6278] (the “S&N Motion”).

I.

**LIMITED RESPONSE**

Although the Liquidating Trustee has analyzed the request for an administrative expense claim (the “S&N Claim”) set forth in the S&N Motion, the Liquidating Trustee requires additional time to consider the S&N Claim alongside all the other filed and ordinary course administrative claims (the “Administrative Claims”). As set forth in more detail in the Movants’ post-confirmation status report, filed December 21, 2020 [Docket No. 6348] (the “Status Report”), and their motion for a continuance of the hearing on and other deadlines related to the S&N Motion filed contemporaneously herewith [Docket No. 6389] (the “Continuance Motion”), the Liquidating Trustee must analyze all the Administrative Claims together with a view toward his duties under the Plan, Confirmation Order, and the Trust Agreement, and specifically within the context of the Administrative Claims Reserve established by (and defined in) the Plan. *See* Status Report, at 4-5; *see also* Plan, § 15.3; Confirmation Order, ¶ 24.

II.

**REQUEST FOR STIPULATION AND CONTINUANCE MOTION**

The deadline to file an opposition to the S&N Motion was set for January 20, 2021. On

January 20, 2021, counsel for Smith & Nephew declined to stipulate to an extension of that date. Accordingly, and in light of the relief sought in the Continuance Motion, Movants respectfully request a limited waiver of LBR 9013-1(f) and (h) to deem this Response timely and extend the time to file any further response as requested in the Continuance Motion.

**III.**

**CONCLUSION**

In light of the foregoing, Movants respectfully request that this Court continue the hearing on the Motion for the reasons set forth in the Continuance Motion.

Dated: January 21, 2021

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TANIA M. MOYRON

By /s/ Tania M. Moyron  
Tania M. Moyron

Attorneys for the Post-Effective Date Debtors  
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Dated: January 21, 2021

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