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Attorneys for Debtors, Appellees
Verity Health System of California, Inc., et al.

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

In re:

Verity Health System Of California,
Inc., et al.,¹

Debtors and Debtors In Possession.

District Court Case No.:

2:19-cv-00133-RGK

Bankruptcy Court Lead Case No.:

2:18-bk-20151-ER

Xavier Becerra
Attorney General of California,

Appellant.

v.

Verity Health System of California,
Inc., et al.,

Appellees.

Hon. R. Gary Klausner

**STIPULATION FOR ENTRY OF
AN ORDER TO DISMISS APPEAL;
DECLARATION OF JOHN MOE
IN SUPPORT THEREOF**

¹ The other Debtors in the chapter 11 cases, being jointly administered under Lead Case No. 2:18-bk-20151-ER, are O'Connor Hospital 2:18-bk-20168-ER, Saint Louise Regional Hospital 2:18-bk-20162-ER, St. Francis Medical Center 2:18-cv-20165-ER, St. Vincent Medical Center 2:18-bk-20164-ER, Seton Medical Center 2:18-cv-20167-ER, O'Connor Hospital Foundation 2:18-bk-20179-ER, Saint Louise Regional Hospital Foundation 2:18-cv-20172-ER, St. Francis Medical Center of Lynwood Foundation 2:18-cv-20178-ER, St. Vincent Foundation 2:18-cv-20180-ER, St. Vincent Dialysis Center, Inc. 2:18-cv-20171-ER, Seton Medical Center Foundation 12:8-cv-20175-ER, Verity Business Services 2:18-cv-20173-ER, Verity Medical Foundation 2:18-cv-20169-ER, Verity Holdings, LLC 2:18-cv-20163-ER, DePaul Ventures, LLC 2:18-cv-20176-ER, and DePaul Ventures - San Jose Dialysis, LLC 2:18-cv-20181-ER.



This *Stipulation for Entry of an Order to Dismiss Appeal* (the “Stipulation”) is entered between Appellee, Verity Health System Of California, Inc. and the above-referenced affiliated debtors, the debtors and debtors in possession in the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), and Appellant, the Attorney General of California (the “AG”, and collectively with the Debtors, the “Parties”) with respect to the following:

RECITALS

1. On December 27, 2018, the Bankruptcy Court issued its order approving the sale (the “Sale”) of two of the Debtors’ hospitals, Saint Louise Regional Hospital (“Saint Louise”) and O’Connor Hospital (“O’Connor”) to the County of Santa Clara. AG Appx. No. 15, at 984-1008 [Docket No. 8] [Bankr. Docket No. 1153] (the “Sale Order”).

2. On January 7, 2019, the AG filed the above-captioned appeal challenging the Sale (the “Appeal”) [Docket No. 1].

3. On February 22, 2019, the AG filed his opening appellate brief in this Appeal (the “Opening Brief”) [Docket Nos. 33, 34].

4. On February 28, 2019, the Sale to the County of Santa Clara closed.

5. On March 13, 2019, the Debtors filed their *Appellee Verity Health System Of California, Inc., Et Al.’s Motion To Dismiss The Appeal Of The California Attorney General As Moot* [Docket No. 36] seeking to dismiss this Appeal on the grounds of statutory and equitable mootness.

6. Counsel for the Parties conferred on March 18, 2019 and reached an agreement to seek an entry of an Order to dismiss this Appeal in the form of the document attached hereto as **Exhibit 1 [Docket No. 40-1]**.

7. The Parties agree to bear their own costs, fees and expenses in connection with this Appeal filed by the AG.

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AGREEMENT

NOW, THEREFORE, the Parties to this Stipulation hereby stipulate as follows:

A. The Appeal is DISMISSED.

B. The Parties shall each bear their own costs, fees and expenses in relation to this Appeal.

Verity Health System of California, Inc., et al.

Dated: March 20, 2019

By: /s/ Tania M. Moyron

Samuel R. Maizel

Tania M. Moyron

John A. Moe, II

Dentons US LLP

Counsel to the Debtors

Office of the California Attorney General

Dated: March 20, 2019

By: _____

Alicia Berry

Deputy Attorney General of California

Counsel to the California Attorney General

DENTONS US LLP
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EXHIBIT 1

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14 **UNITED STATES DISTRICT COURT**
 15 **CENTRAL DISTRICT OF CALIFORNIA**
 16 **WESTERN DIVISION - LOS ANGELES**

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 20 Debtors and Debtors In Possession.

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21 Xavier Becerra
 22 Attorney General of California,

Hon. R. Gary Klausner

23 Appellant.

**ORDER GRANTING
 STIPULATION FOR ENTRY OF
 AN ORDER TO DISMISS APPEAL**

v.

24 Verity Health System of California,
 25 Inc., et al.

26 Appellee.

¹ The other Debtors in the chapter 11 cases, being jointly administered under Lead Case No. 2:18-bk-20151-ER, are O'Connor Hospital 2:18-bk-20168-ER, Saint Louise Regional Hospital 2:18-bk-20162-ER, St. Francis Medical Center 2:18-cv-20165-ER, St. Vincent Medical Center 2:18-bk-20164-ER, Seton Medical Center 2:18-cv-20167-ER, O'Connor Hospital Foundation 2:18-bk-20179-ER, Saint Louise Regional Hospital Foundation 2:18-cv-20172-ER, St. Francis Medical Center of Lynwood Foundation 2:18-cv-20178-ER, St. Vincent Foundation 2:18-cv-20180-ER, St. Vincent Dialysis Center, Inc. 2:18-cv-20171-ER, Seton Medical Center Foundation 12:8-cv-20175-ER, Verity Business Services 2:18-cv-20173-ER, Verity Medical Foundation 2:18-cv-20169-ER, Verity Holdings, LLC 2:18-cv-20163-ER, DePaul Ventures, LLC 2:18-cv-20176-ER, and DePaul Ventures - San Jose Dialysis, LLC 2:18-cv-20181-ER.

1 The *Stipulation for Entry of an Order to Dismiss Appeal* (the “Stipulation”)
2 [Docket No. 40] as entered between appellee Verity Health System Of California,
3 Inc. and the above-referenced affiliated debtors, debtors and debtors in possession in
4 the above-captioned chapter 11 bankruptcy cases (collectively, the “Debtors”), and
5 appellant the Attorney General of California (the “AG”) came for consideration
6 before the Court.

7 The Court, having reviewed the Stipulation, the attached Declaration of John A.
8 Moe, II, in support thereof, and good and sufficient cause having been shown,

9 **IT IS HEREBY ORDERED:**

- 10 1. The STIPULATION is APPROVED and GRANTED;
11 2. The Appeal is DISMISSED; and
12 3. The Parties shall each bear their own costs, fees and expenses in relation
13 to this Appeal.

14 **IT IS SO ORDERED.**

15 Dated: _____

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17 _____
18 Honorable R. Gary Klausner
19 U.S. District Judge
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16 Xavier Becerra
 Attorney General of California,

Hon. R. Gary Klausner

17 Appellant.

**DECLARATION OF JOHN A. MOE
 II, IN SUPPORT OF STIPULATION
 FOR ENTRY OF AN ORDER TO
 DISMISS APPEAL**

18 v.

19 Verity Health System of California, Inc.,
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20 Appellee.

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I, John A. Moe, II, declare that if called as a witness, I would and could competently testify thereto, of my own personal knowledge, as follows.

1. I am a partner at Dentons US LLP ("Dentons"), 601 South Figueroa Street, Suite 2500, Los Angeles, California 90017-5704.

2. I make this Declaration in support of the *Stipulation for Entry of an Order to Stay Briefing until After Consideration of Debtors' Motion to Dismiss the Appeal of the California Attorney General as Moot* (the "Stipulation") [Docket No. 40].

3. On August 31, 2018, Verity Health System of California, Inc. ("VHS") and its 16 affiliated entities, debtors and debtors in possession (the "Debtors"), filed for protection under Chapter 11 of the United States Code in the United States Bankruptcy Court for the Central District of California, Lead Case No. 2:18-bk-20151-ER. I am one of the attorneys responsible for representing the Debtors.

4. On January 7, 2019, the California Attorney General (the "AG") (together, with the Debtors, the "Parties") filed the above-captioned appeal (the "Appeal") [Docket No. 1].

5. On February 22, 2019, the AG filed his opening appellate brief in this Appeal (the "Opening Brief") [Docket Nos. 33, 34].

6. Counsel for the Parties conferred on March 18, 2019 and reached an agreement to dismiss this Appeal filed by the AG and for each Party to respectively bear their own costs, fees and expenses in this Appeal, which is memorialized by the Stipulation [Docket No. 40].

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

Executed this 20th day of March, 2019.

John A. Moe, II

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