

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address GREGORY A. BRAY (Bar No. 115367) gbray@milbank.com MARK SHINDERMAN (Bar No. 136644) mshinderman@milbank.com JAMES C. BEHRENS (Bar No. 280365) jbehrens@milbank.com MILBANK LLP 2029 Century Park East, 33rd Floor Los Angeles, CA 90067 Telephone: (424) 386-4000/Facsimile: (213) 629-5063 <input checked="" type="checkbox"/> <i>Attorney for:</i> Official Committee of Unsecured Creditors	FOR COURT USE ONLY
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**UNITED STATES BANKRUPTCY COURT
 CENTRAL DISTRICT OF CALIFORNIA - LOS ANGELES DIVISION**

In re: VERITY HEALTH SYSTEM OF CALIFORNIA, INC., et al., Debtor(s).	CASE NO.: 2:18-bk-20151-ER CHAPTER: 11 <div style="text-align: center;">NOTICE OF OBJECTION TO CLAIM</div> DATE: 01/07/2020 TIME: 10:00 am COURTROOM: 1568 PLACE: 255 East Temple Street Los Angeles, CA 90012-3300
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1. TO (specify claimant and claimant's counsel, if any): U.S. Bank National Association, UMB Bank, N.A. and Wells Fargo Bank, National Association, as Trustees
2. NOTICE IS HEREBY GIVEN that the undersigned has filed an objection to your Proof of Claim (Claim # attached) filed in the above referenced case. The Objection to Claim seeks to alter your rights by disallowing, reducing or modifying the claim based upon the grounds set forth in the objection, a copy of which is attached hereto and served herewith.
3. **Deadline for Opposition Papers:** You must file and serve a response to the Objection to Claim not later than 14 days prior to the hearing date set forth above.

IF YOU FAIL TO TIMELY RESPOND IN ACCORDANCE WITH THIS NOTICE, THE COURT MAY GRANT THE RELIEF REQUESTED IN THE OBJECTION WITHOUT FURTHER NOTICE OR HEARING.

Date: 11/18/2019

Milbank LLP
 Printed name of law firm

/s/ Mark Shinderman
 Signature

Date Notice Mailed: 11/18/2019

Mark Shinderman
 Printed name of attorney for objector



1 GREGORY A. BRAY (Bar No. 115367)
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7 *Counsel for the Official Committee of
Unsecured Creditors of Verity Health System of
California, Inc., et al.*
8

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

10 In re:
11 VERITY HEALTH SYSTEM OF CALIFORNIA,
12 INC., *et al.*,
13 Debtors and Debtors In Possession.

14 Affects:

- 15 All Debtors
16 Verity Health System of California, Inc.
17 O’Connor Hospital
18 Saint Louise Regional Hospital
19 St. Francis Medical Center
20 St. Vincent Medical Center
21 Seton Medical Center
22 O’Connor Hospital Foundation
23 Saint Louise Regional Hospital
24 Foundation
25 St. Francis Medical Center of
26 Lynwood Foundation
27 St. Vincent Foundation
28 St. Vincent Dialysis Center, Inc.
 Seton Medical Center Foundation
 Verity Business Services
 Verity Medical Foundation
 Verity Holdings, LLC
 De Paul Ventures, LLC
 De Paul Ventures - San Jose Dialysis, LLC

Debtors and Debtors In Possession.

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

Chapter 11 Cases

Hon. Ernest M. Robles

**OFFICIAL COMMITTEE OF
UNSECURED CREDITORS’ OMNIBUS
OBJECTION TO CLAIMS FILED BY
U.S. BANK NATIONAL ASSOCIATION,
UMB BANK, N.A., AND WELLS FARGO
BANK, NATIONAL ASSOCIATION, AS
TRUSTEES; DECLARATION OF MARK
SHINDERMAN IN SUPPORT THEREOF**

Hearing:

Date: January 7, 2020

Time: 10:00 a.m.

Location: Courtroom 1568

255 East Temple Street
Los Angeles, CA 90012-3300

1 The Official Committee of Unsecured Creditors of Verity Health System of California, Inc.,
2 *et al.* (the “Committee”), appointed in connection with the chapter 11 cases of the above-captioned
3 debtors and debtors-in-possession (the “Debtors”), hereby submits this omnibus claim objection (the
4 “Omnibus Claim Objection”).

5 The Committee has filed adversary actions (the “Adversary Actions”), and the Adversary
6 Actions are hereby incorporated by reference as if fully set forth herein. (See the *First Amended*
7 *Complaint for Determination of Validity, Priority, and Extent of Liens and Security Interests*, Docket
8 No. 30 in Adversary Proceeding 2:19-ap-01165-ER, a true and correct copy of which is attached as
9 Exhibit 1 to the annexed Declaration of Mark Shinderman, and the *First Amended Complaint for*
10 *Determination of Validity, Priority, and Extent of Liens and Security Interests*, Docket No. 28 in
11 Adversary Proceeding 2:19-ap-01166-ER, a true and correct copy of which is attached as Exhibit 2 to
12 the annexed Declaration of Mark Shinderman).

13 The Committee objects to the claims identified in the chart below on the bases set forth in the
14 Adversary Actions. True and correct copies of these claims are attached as Exhibit 3 to the annexed
15 Declaration of Mark Shinderman.¹

KCC Claim No.	ECF Claim No.	Case No.	Amount	Debtor	Creditor
3391	132	18-20162	\$160,000,000.00	St. Louise Regional Hospital	U.S. Bank National Association, as Series 2015 Notes Trustee ²

21 _____
22 ¹ The reason for filing this Omnibus Claim Objection is that the Committee seeks to avoid any doubt that (1) the
23 Committee objects to the claims referenced herein as not fully secured and (2) the Committee maintains that the
24 claimants should only be paid the *allowed* amounts of their claims once the Court has resolved all disputes regarding
25 such claims. Pursuant to 11 U.S.C. § 502(a), “A claim . . . is deemed allowed, unless a party in interest . . . objects.” A
26 fundamental tenet of chapter 11 is that only allowed claims are entitled to a distribution. *In re Motors Liquidation Co.*,
27 591 B.R. 501, 515 (Bankr. S.D.N.Y. 2018) (“Only filed ‘allowed claims’ are entitled to distribution”) (citing Fed. R.
28 Bankr. P. 3021 (“distribution shall be made to creditors whose claims have been allowed . . .”). Contrary to the terms
of the *Debtors’ Chapter 11 Plan of Liquidation (Dated September 3, 2019)* [Docket. No. 2993], which would pay
secured creditors the amount of their *asserted* claims rather than the amount of their *allowed* claims, the secured
creditors whose claims are the subject of this Omnibus Claim Objection should be entitled to a distribution of only the
allowed amount of their claims and only after all disputes regarding their claims have been resolved by this Court.

² U.S. Bank National Association, Wells Fargo Bank, National Association (“Wells Fargo”), and UMB Bank, N.A.,
 (“UMB”) are listed in this Omnibus Claim Objection not in their individual capacities but rather as trustees for the bonds
identified in their respective proofs of claim.

1	3392	616	18-20165	\$160,000,000.00	St. Francis Medical Center	U.S. Bank National Association, as Series 2015 Notes Trustee
2	3393	1621	18-20151	\$160,000,000.00	Verity Health System of California, Inc.	U.S. Bank National Association, as Series 2015 Notes Trustee
3	3394	212	18-20167	\$160,000,000.00	Seton Medical Center	U.S. Bank National Association, as Series 2015 Notes Trustee
4	3396	242	18-20168	\$160,000,000.00	O'Connor Hospital	U.S. Bank National Association, as Series 2015 Notes Trustee
5	3411	315	18-20164	\$160,000,000.00	St. Vincent Medical Center	U.S. Bank National Association, as Series 2015 Notes Trustee
6	4121	423	18-20167	\$42,000,000.00	Seton Medical Center	U.S. Bank National Association, As Notes Trustee
7	4122	166	18-20162	\$42,000,000.00	St. Louise Regional Hospital	U.S. Bank National Association, As Notes Trustee
8	4123	677	18-20165	\$42,000,000.00	St. Francis Medical Center	U.S. Bank National Association, As Notes Trustee
9	4124	1862	18-20151	\$42,000,000.00	Verity Health System of California, Inc.	U.S. Bank National Association, As Notes Trustee
10	4126	371	18-20164	\$42,000,000.00	St. Vincent Medical Center	U.S. Bank National Association, As Notes Trustee
11	4127	283	18-20168	\$42,000,000.00	O'Connor Hospital	U.S. Bank National Association, As Notes Trustee
12	4128	16	18-20163	\$42,000,000.00	Verity Holdings, LLC	U.S. Bank National Association, As Notes Trustee
13	5941	358	18-20168	\$261,897,375.00	O'Connor Hospital	Wells Fargo Bank, National Association, as Trustee ³
14	5942	735	18-20167	\$261,897,375.00	Seton Medical Center	Wells Fargo Bank, National Association, as Trustee
15	5944	865	18-20165	\$261,897,375.00	St. Francis Medical Center	Wells Fargo Bank, National Association, as Trustee
16	5945	519	18-20164	\$261,897,375.00	St. Vincent Medical Center	Wells Fargo Bank, National Association, as Trustee
17	5947	221	18-20162	\$261,897,375.00	St. Louise Regional Hospital	Wells Fargo Bank, National Association, as Trustee

³ Wells Fargo was not named as a defendant in the Committee's Adversary Actions, but Wells Fargo appears to be asserting the same claims as UMB. For the avoidance of doubt, the Committee objects to Wells Fargo's claims on the bases set forth in the Adversary Actions and because they are duplicative.

1	5948	2611	18-20151	\$261,897,375.00	Verity Health System of California, Inc.	Wells Fargo Bank, National Association, as Trustee
2	6346	440	18-20151	\$465,192,301.67	Verity Health System of California, Inc.	UMB Bank, N.A., as Trustee
3	6348	46	18-20162	\$465,192,301.67	St. Louise Regional Hospital	UMB Bank, N.A., as Trustee
4	6351	67	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
5	6355	68	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
6	6358	139	18-20165	\$465,192,301.67	St. Francis Medical Center	UMB Bank, N.A., as Trustee
7	6361	73	18-20167	\$465,192,301.67	Seton Medical Center	UMB Bank, N.A., as Trustee
8	6362	98	18-20168	\$465,192,301.67	O'Connor Hospital	UMB Bank, N.A., as Trustee
9	6363	441	18-20151	\$261,897,375.00	Verity Health System of California, Inc.	Wells Fargo Bank, National Association, as Trustee
10	6364	47	18-20162	\$261,897,375.00	St. Louise Regional Hospital	Wells Fargo Bank, National Association, as Trustee
11	6367	69	18-20164	\$261,897,375.00	St. Vincent Medical Center	Wells Fargo Bank, National Association, as Trustee
12	6368	140	18-20165	\$261,897,375.00	St. Francis Medical Center	Wells Fargo Bank, National Association, as Trustee
13	6369	74	18-20167	\$261,897,375.00	Seton Medical Center	Wells Fargo Bank, National Association, as Trustee
14	6370	99	18-20168	\$261,897,375.00	O'Connor Hospital	Wells Fargo Bank, National Association, as Trustee
15	6460	371	18-20168	\$465,192,301.67	O'Connor Hospital	UMB Bank, N.A., as Trustee
16	6462	2839	18-20151	\$465,192,301.67	Verity Health System of California, Inc.	UMB Bank, N.A., as Trustee
17	6485	839	18-20167	\$465,192,301.67	Seton Medical Center	UMB Bank, N.A., as Trustee
18	6487	913	18-20165	\$465,192,301.67	St. Francis Medical Center	UMB Bank, N.A., as Trustee
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1	6488	552	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
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3	6516	232	18-20162	\$465,192,301.67	St. Louise Regional Hospital	UMB Bank, N.A., as Trustee
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5 DATED: November 18, 2019

MILBANK LLP

6
7 /s/ Mark Shinderman
8 GREGORY A. BRAY
MARK SHINDERMAN
JAMES C. BEHRENS

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

DECLARATION OF MARK SHINDERMAN

I, Mark Shinderman, declare:

1. I am a Partner at Milbank LLP, and I am an individual over eighteen years of age.

2. Milbank LLP is counsel to the Official Committee of Unsecured Creditors appointed in connection with the chapter 11 cases of Verity Health System of California, Inc., *et al.* (the “Debtors”).

3. I make this declaration in support of the *Official Committee of Unsecured Creditors’ Omnibus Objection to Claims filed by U.S. Bank National Association, UMB Bank, N.A., and Wells Fargo Bank, National Association, as Trustees.*

4. Except as otherwise indicated herein, this Declaration is based upon my personal knowledge, my review of relevant documents, information provided to me by employees of Milbank LLP, or my opinion based upon my experience, knowledge, and information concerning the Debtors’ bankruptcy cases. If called upon to testify, I would testify competently to the facts set forth in this Declaration.

5. A true and correct copy of the *First Amended Complaint for Determination of Validity, Priority, and Extent of Liens and Security Interests* (Docket No. 30 in Adversary Proceeding 2:19-ap-01165-ER) is attached hereto as Exhibit 1.

6. A true and correct copy of the *First Amended Complaint for Determination of Validity, Priority, and Extent of Liens and Security Interests* (Docket No. 28 in Adversary Proceeding 2:19-ap-01166-ER) is attached hereto as Exhibit 2.

7. True and correct copies of the claims listed in the chart below are attached hereto as Exhibit 3.

KCC Claim No.	ECF Claim No.	Case No.	Amount	Debtor	Creditor
3391	132	18-20162	\$160,000,000.00	St. Louise Regional Hospital	U.S. Bank National Association, as Series 2015 Notes Trustee
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4	3411	315	18-20164	\$160,000,000.00	St. Vincent Medical Center	U.S. Bank National Association, as Series 2015 Notes Trustee
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7	4123	677	18-20165	\$42,000,000.00	St. Francis Medical Center	U.S. Bank National Association, As Notes Trustee
8	4124	1862	18-20151	\$42,000,000.00	Verity Health System of California, Inc.	U.S. Bank National Association, As Notes Trustee
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11	4128	16	18-20163	\$42,000,000.00	Verity Holdings, LLC	U.S. Bank National Association, As Notes Trustee
12	5941	358	18-20168	\$261,897,375.00	O'Connor Hospital	Wells Fargo Bank, National Association, as Trustee
13	5942	735	18-20167	\$261,897,375.00	Seton Medical Center	Wells Fargo Bank, National Association, as Trustee
14	5944	865	18-20165	\$261,897,375.00	St. Francis Medical Center	Wells Fargo Bank, National Association, as Trustee
15	5945	519	18-20164	\$261,897,375.00	St. Vincent Medical Center	Wells Fargo Bank, National Association, as Trustee
16	5947	221	18-20162	\$261,897,375.00	St. Louise Regional Hospital	Wells Fargo Bank, National Association, as Trustee
17	5948	2611	18-20151	\$261,897,375.00	Verity Health System of California, Inc.	Wells Fargo Bank, National Association, as Trustee
18	6346	440	18-20151	\$465,192,301.67	Verity Health System of California, Inc.	UMB Bank, N.A., as Trustee
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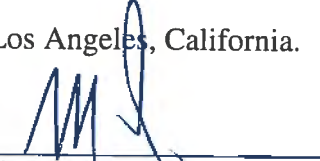
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6348	46	18-20162	\$465,192,301.67	St. Louise Regional Hospital	UMB Bank, N.A., as Trustee
6351	67	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
6355	68	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
6358	139	18-20165	\$465,192,301.67	St. Francis Medical Center	UMB Bank, N.A., as Trustee
6361	73	18-20167	\$465,192,301.67	Seton Medical Center	UMB Bank, N.A., as Trustee
6362	98	18-20168	\$465,192,301.67	O'Connor Hospital	UMB Bank, N.A., as Trustee
6363	441	18-20151	\$261,897,375.00	Verity Health System of California, Inc.	Wells Fargo Bank, National Association, as Trustee
6364	47	18-20162	\$261,897,375.00	St. Louise Regional Hospital	Wells Fargo Bank, National Association, as Trustee
6367	69	18-20164	\$261,897,375.00	St. Vincent Medical Center	Wells Fargo Bank, National Association, as Trustee
6368	140	18-20165	\$261,897,375.00	St. Francis Medical Center	Wells Fargo Bank, National Association, as Trustee
6369	74	18-20167	\$261,897,375.00	Seton Medical Center	Wells Fargo Bank, National Association, as Trustee
6370	99	18-20168	\$261,897,375.00	O'Connor Hospital	Wells Fargo Bank, National Association, as Trustee
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6487	913	18-20165	\$465,192,301.67	St. Francis Medical Center	UMB Bank, N.A., as Trustee
6488	552	18-20164	\$465,192,301.67	St. Vincent Medical Center	UMB Bank, N.A., as Trustee
6516	232	18-20162	\$465,192,301.67	St. Louise Regional Hospital	UMB Bank, N.A., as Trustee

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

Executed this 18~~14~~ day of November, 2019, at Los Angeles, California.



Mark Shinderman

EXHIBIT 1

1 MARK SHINDERMAN (Bar No. 136644)
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2 ROBERT J. LIUBICIC (Bar No. 271465)
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10 New York, NY 10019
Telephone: (212) 457-5430/Facsimile: (516) 426-8232

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

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

15 In re:
16 VERITY HEALTH SYSTEM OF CALIFORNIA,
17 INC., *et al.*,
18 Debtors and Debtors In Possession.

Chapter 11
Lead Case No. 2:18-bk-20151-ER
Hon. Ernest M. Robles
Adv. Proc. No. 2:19-ap-01165-ER

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

**FIRST AMENDED COMPLAINT FOR
DETERMINATION OF VALIDITY,
PRIORITY, AND EXTENT OF LIENS
AND SECURITY INTERESTS**

22 Plaintiff,
23 v.
24 U.S. BANK NATIONAL ASSOCIATION, as
25 trustee,
26 Defendant.

27
28

1 The Official Committee of Unsecured Creditors (“Plaintiff” or the “Committee”) of
2 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11
3 cases, for and on behalf of the Debtors’ estates, as and for its first amended adversary complaint (the
4 “First Amended Complaint”), against Defendant U.S. Bank National Association in its capacity as
5 trustee (“Defendant” and together with Plaintiff, the “Parties”), pursuant to Federal Rule of
6 Bankruptcy Procedure 7001 and title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the
7 “Bankruptcy Code”), hereby respectfully alleges as follows:

8 **NATURE OF THE ACTION**

9 1. This is an adversary proceeding brought pursuant to, *inter alia*, Federal Rule of
10 Bankruptcy Procedure 7001, sections 105 and 502 of the Bankruptcy Code, and other applicable law,
11 seeking a declaratory judgment determining the validity, priority, and extent of the liens against
12 property of the Debtors’ estates held by Defendant.

13 2. The Committee seeks a determination that other than the property identified in Exhibit
14 A (the “Collateral”), as of the Petition Date, Defendant does not have a perfected security interest in
15 any of the Debtors’ assets—and, in particular, Defendant does not have a perfected security interest in
16 the deposit accounts of the Debtors set forth in Section I of Exhibit B hereto (the “Deposit Accounts”)
17 or the funds therein, or in the entities or the assets of the entities set forth in Section II of Exhibit B
18 hereto, nor does Defendant have any rights and/or interests in any so-called quality assurance fee
19 (“QAF”) revenue funds arising under California Welfare & Institutions Code sections 14169.54 and
20 14169.55, or the right to any future disbursements on account thereof, relating to QAF fee-for-service
21 periods 7–10 and QAF managed care period 3 (“Future QAF Disbursements”).

22 3. Plaintiff has standing to prosecute this action by virtue of, *inter alia*, paragraph 5(e) of
23 the *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III)*
24 *Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate*
25 *Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* (the “Final DIP Order”)
26 [Docket No. 409] entered by the Court on October 4, 2018.

27 4. Paragraph 5(e) of the Final DIP Order provides, in pertinent part:
28

(e) **Validity, Perfection and Amount of Prepetition Liens.** The Debtors further acknowledge and agree that, as of the Petition Date, (a) the Prepetition Liens securing the Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the VMF Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were granted to, or for the benefit of, the Prepetition Secured Creditors and McKesson, (b) the Prepetition Liens were senior in priority over any and all other Liens on the Prepetition Collateral except the prepetition tax lien arising in connection with the CSCDA Special Assessments, and (c) the VMF Liens were senior in priority over any and all other Liens on VMF Collateral. The findings and stipulations set forth in this Final Order with respect to the validity, enforceability and amount of the Prepetition Secured Obligation and the Prepetition Liens shall be binding on any subsequent trustee, responsible person, examiner with expanded powers, any other estate representative, and all creditors and parties in interest and all of their successors in interest and assigns, including the Committee, unless, and solely to the extent that, a party in interest with requisite standing and authority (other than the Debtors, as to which any Challenge (as defined below) is irrevocably waived and relinquished) has timely filed the appropriate pleadings, and timely commenced the appropriate proceeding required under the Bankruptcy Code and Bankruptcy Rules, including as required pursuant to Part VII of the Bankruptcy Rules (in each case subject to the limitations set forth in this paragraph 4(d)) challenging the Prepetition Liens (each such proceeding or appropriate pleading commencing a proceeding or other contested matter, a “*Challenge*”) within ninety (90) days from the formation of the Committee (the “*Challenge Deadline*”); provided that for purposes of filing a Challenge, the Committee shall be deemed to have standing to file the requisite pleading without further order of the Court; and provided further, that the “Challenge Deadline” for matters solely relating to the value of the Prepetition Collateral may be further extended to such time as may be agreed by stipulation among the Debtors, the Committee and the Prepetition Secured Creditors or as further ordered by the Court.

Final DIP Order, ¶ 5(e) (emphasis added).

5. This action was filed on June 13, 2019, which was within the Challenge Deadline as extended by agreement of the Parties.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this adversary proceeding by virtue of 28 U.S.C. § 1334(b) and pursuant to 28 U.S.C. § 157(a).

7. This adversary proceeding is a “core” proceeding as defined in 28 U.S.C. §§ 157(b)(2)(A) and (K).

1 8. In the event that any part of this adversary proceeding is found to be “non-core,”
2 Plaintiff consents to the entry of final orders and judgments by this Court, pursuant to Rule 7008 of
3 the Federal Rules of Bankruptcy Procedure.

4 9. Venue in this District is properly laid pursuant to 28 U.S.C. § 1409.

5 **PARTIES**

6 10. The Committee was formed on September 14, 2018 and was duly appointed on
7 September 17, 2018 by the Office of the United States Trustee pursuant to Section 1102(a)(1) of the
8 Bankruptcy Code [Docket No. 197].

9 11. The Committee brings this proceeding on behalf of and for the benefit of the Debtors’
10 chapter 11 estates.

11 12. Upon information and belief, Defendant is a party to the Indentures described in
12 paragraph 21 below. Upon information and belief, Defendant conducts operations in the United States.

13 **RELEVANT FACTS**

14 13. On August 31, 2018 (the “Petition Date”), the above-referenced Debtors filed voluntary
15 cases (the “Bankruptcy Cases”) under chapter 11 of the Bankruptcy Code in the United States
16 Bankruptcy Court for the Central District of California.

17 14. The Debtors are in the business of operating hospitals and other healthcare facilities in
18 California.

19 15. The Debtors continue in the management and operation of their businesses and
20 properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No
21 trustee or examiner has been appointed in the Bankruptcy Cases.

22 16. On the Petition Date, the Debtors filed their *Emergency Motion of Debtors for Interim*
23 *and Final Orders (A) Authorizing the Debtors to Obtain Post Petition Financing (B) Authorizing the*
24 *Debtors to Use Cash Collateral and (C) Granting Adequate Protection to Prepetition Secured*
25 *Creditors Pursuant to 11 U.S.C. §§ 105, 363, 364, 1107 and 1108; Memorandum of Points and*
26 *Authorities in Support Thereof* [Docket No. 31] (the “DIP Motion”).

27
28

1 17. Pursuant to the Loan Agreements (defined in paragraph 21 below), the Debtors were
2 loaned bond proceeds from the Indentures (referred to in paragraph 21 below) pursuant to which
3 Defendant served as note trustee and collateral agent prior to the Petition Date.

4 18. This action is to determine the validity, priority, and extent of Defendant’s liens and
5 security interests. This action is not brought against Defendant in its individual capacity, but rather
6 solely as a note trustee and collateral agent. Plaintiff does not contend that Defendant has done
7 anything improper.

8 19. Subject to the limitations set forth, *inter alia*, in paragraph 5(e) of the Final DIP Order,
9 the Debtors stipulated to, *inter alia*, the validity, perfection, and enforceability of Defendant’s liens
10 and scope of Defendant’s collateral, and waived all rights to challenge such liens. *See* Final DIP
11 Order, ¶ 5(e).

12 20. Pursuant to paragraph 5(e) of the Final DIP Order, the stipulations and admissions
13 contained in the Final DIP Order are deemed binding upon the Debtors and all non-debtor parties-in-
14 interest, including without limitation the Committee, for all purposes, including, without limitation the
15 validity, perfection, and enforceability of the Prepetition Liens and the Prepetition Secured Obligations
16 (as defined in the Final DIP Order), unless and except to the extent the Committee has initiated a
17 timely Challenge Proceeding (as defined in the Final DIP Order). *See* Final DIP Order, ¶ 5(e).

18 21. The applicable Debtors’ obligations owing to the Defendant are secured by a lien on
19 and security interest in the Collateral pursuant to:

20 (i) the loan agreements identified in items (1) – (6) below (collectively, the “Loan
21 Agreements”):

22 (1) Loan Agreement dated as of December 1, 2015 between the California Public
23 Finance Authority and Verity Health System of California, Inc. executed in
24 connection with the \$60,000,000 California Public Finance Authority Revenue
25 Notes (Verity Health System) Series 2015A, as amended by the Amendment to the
26 Loan Agreement dated as of March 2, 2016.

27 (2) Loan Agreement dated as of December 1, 2015 between the California Public
28 Finance Authority and Verity Health System of California, Inc. executed in

1 connection with the \$45,000,000 California Public Finance Authority Revenue
2 Notes (Verity Health System) Series 2015B, as amended by the Amendment to the
3 Loan Agreement dated as of March 2, 2016.

4 (3) Loan Agreement dated as of December 1, 2015 between the California Public
5 Finance Authority and Verity Health System of California, Inc. executed in
6 connection with the \$10,000,000 California Public Finance Authority Revenue
7 Notes (Verity Health System) Series 2015C (FEDERALLY TAXABLE), as
8 amended by the Amendment to the Loan Agreement dated as of March 2, 2016.

9 (4) Loan Agreement dated as of December 1, 2015 between the California Public
10 Finance Authority and Verity Health System of California, Inc. executed in
11 connection with the \$45,000,000 California Public Finance Authority Revenue
12 Notes (Verity Health System) Series 2015D, as amended by the Amendment to the
13 Loan Agreement dated as of March 2, 2016.

14 (5) Loan Agreement dated as of September 1, 2017 between the California Public
15 Finance Authority and Verity Health System of California, Inc. executed in
16 connection with the \$21,000,000 California Public Finance Authority Revenue
17 Notes (Verity Health System) Series 2017.

18 (6) Loan Agreement dated as of December 1, 2017 between the California Public
19 Finance Authority and Verity Health System of California, Inc. executed in
20 connection with the \$21,000,000 California Public Finance Authority Revenue
21 Notes (Verity Health System) Series 2017B.

22 (ii) the Notes, Indentures (as defined in the Loan Agreements), and Master Indenture (in each
23 case referred to in the applicable Loan Agreement), and

24 (iii) each Deed of Trust With Fixture Filing and Security Agreement and Assignment of Leases
25 and Rents entered into in connection with the Loan Agreements (individually or collectively,
26 “Deed of Trust”).

27 22. On December 27, 2018, the Bankruptcy Court entered an order granting Debtors’
28 motion seeking approval of the sale (the “SCC Sale”) of O’Connor Hospital and Saint Louise

1 Regional Hospital to the County of Santa Clara, a political subdivision of California (“SCC”). The
2 SCC sale has closed. On May 2, 2019, the Bankruptcy Court entered an order granting Debtors’
3 motion seeking approval of the sale (the “SGM Sale,” and together with the SCC Sale, the “Sales”)
4 to Strategic Global Management, Inc. (“SGM”) of St. Francis Medical Center, St. Vincent Medical
5 Center, and Seton Medical Center. The SGM sale has not yet closed.

6 23. The proceeds of the Sales include substantial going concern premiums. Defendant is
7 not entitled to those premiums because they are generated by labor—the hard work of the doctors,
8 nurses, and other employees of the medical facilities.

9 24. Stated differently, the going concern premiums are not the proceeds of the Collateral.
10 The bankruptcy process created significant value above what the Defendant would have realized
11 upon foreclosure on its interest in the Collateral. In a foreclosure, Defendant would have found itself
12 the owner of a collection of buildings, not an ongoing business, and would have been subject to
13 significant wind-down costs. These chapter 11 cases, on the other hand, have unlocked the going
14 concern value of the Debtors’ enterprise, resulting in a substantial benefit to Defendant as well as
15 allowing Defendant to avoid the costs of a wind-down.

16 25. Other than the Collateral, as of the Petition Date, the Defendant does not have a
17 perfected security interest in any of the Debtors’ assets, including (i) the Deposit Accounts set forth
18 in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of
19 Exhibit B hereto, (iii) any going concern premium that has been or will be generated, (iv) assets
20 related to medical office buildings (the “MOB Assets”), (v) any Future QAF Disbursements, and (vi)
21 any commercial tort claims.

22 26. A determination by the Court pursuant to Federal Rules of Bankruptcy Procedure
23 7001(2) and 7001(9), sections 105 and 502 of the Bankruptcy Code, and other applicable law regarding
24 the validity, priority, and extent of Defendant’s liens against the Debtors’ estates is necessary to the
25 proper administration of the Debtors’ estates.

26 27. All rights to bring avoidance or similar actions under Chapter 5 of the Bankruptcy Code
27 or similar state law (collectively, “Avoidance Actions”) are reserved. Nothing in this First Amended
28

1 Complaint shall be considered to be a waiver of any rights of the Committee, the Debtors, a liquidating
2 trust, or any other entity with standing, to bring Avoidance Actions against any party.

3 **FIRST CLAIM FOR RELIEF**

4 **(Declaratory Relief – Clarification of Final DIP Order)**

5 28. The Committee restates and re-alleges each of the foregoing allegations as if fully set
6 forth herein.

7 29. Paragraph 5(e) of the Final DIP Order provides that “the Prepetition Liens securing the
8 Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the VMF
9 Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were granted
10 to, or for the benefit of, the Prepetition Secured Creditors and McKesson.”

11 30. Read literally, paragraph 5(e) of the Final DIP Order mistakenly suggests that
12 Defendant has a perfected security interest in all of the assets of all of the Debtors.

13 31. As of the Petition Date, Defendant does not have a perfected security interest in *all* of
14 the assets of all of the Debtors, but rather only in the Collateral set forth on Exhibit A. Defendant
15 does not have a perfected security interest in any of the Debtors’ other assets, including (i) the
16 Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the
17 entities set forth in Section II of Exhibit B hereto, (iii) any going concern premium that has been or
18 will be generated, (iv) the MOB Assets, (v) any Future QAF Disbursements, and (vi) any
19 commercial tort claims.

20 **SECOND CLAIM FOR RELIEF**

21 **(Declaratory Relief – Deposit Accounts And Entities)**

22 32. The Committee restates and re-alleges each of the foregoing allegations as if fully set
23 forth herein.

24 33. Defendant does not have a perfected security interest in the Deposit Accounts set forth
25 in Section I of Exhibit B hereto because (a) there are no deposit account control agreements for the
26 Deposit Accounts, (b) there is no possession of the funds in the Deposit Accounts by Defendant, and
27 (c) the funds in the Deposit Accounts do not constitute identifiable cash proceeds of an otherwise
28 perfected, unavoidable lien in other collateral of the Defendant.

1 34. Defendant does not have a perfected security interest in the entities or the assets of the
2 entities set forth in Section II of Exhibit B hereto.

3 **THIRD CLAIM FOR RELIEF**

4 **(Declaratory Relief – Future QAF Disbursements)**

5 35. The Committee restates and re-alleges each of the foregoing allegations as if fully set
6 forth herein.

7 36. Defendant does not have a perfected security interest in Future QAF Disbursements
8 because, among other things, (a) Future QAF Disbursements do not constitute proceeds of pre-petition
9 collateral, (b) the value of a lien in Future QAF Disbursements to Defendant is \$0.00 given that, as of
10 the Petition Date, Defendant could not foreclose on its purported security interest and demand
11 collection from the State of California, (c) the value of Future QAF Disbursements to Debtors on the
12 Petition Date was \$0.00 because Debtors had not undertaken the commitments or satisfied the
13 conditions precedent to have any rights to Future QAF Disbursements, (d) Future QAF Disbursements
14 depended completely upon post-petition services of the Debtors, and (e) to the extent Defendant
15 contends one or more Loan Agreements were modified to include a lien in Future QAF Disbursements,
16 the purported granting of any such lien was a constructive fraudulent conveyance under 11 U.S.C. §§
17 544 and 550 and California Civil Code §§ 3439.04 and 3439.05, because Debtors received less than
18 reasonably equivalent value in exchange for the granting of the lien, and (i) Debtors’ remaining assets
19 were unreasonably small in relation to the transaction, or (ii) Debtors intended to incur, or believed or
20 reasonably should have believed they would incur, debts beyond Debtors’ ability to repay, or (iii)
21 Debtors were insolvent at the time, or as a result, of the granting of the lien.

22 37. Accordingly, any purported lien in any Future QAF Disbursements in favor of
23 Defendant must be avoided.

24 **FOURTH CLAIM FOR RELIEF**

25 **(Declaratory Relief – Defendant is Undersecured)**

26 38. The Committee restates and re-alleges each of the foregoing allegations as if fully set
27 forth herein.

28

1 39. If the Court were to grant the relief sought in some or all of the first three claims for
2 relief herein, the Defendant would be undersecured.

3
4 **PRAYER FOR RELIEF**

5 WHEREFORE, the Committee respectfully requests that the Court:

6 (a) issue a declaratory judgment that, notwithstanding the language of Paragraph 5(e) of the
7 Final DIP Order, as of the Petition Date Defendant does not have a perfected security interest in any
8 of the Debtors’ assets other than the Collateral set forth on Exhibit A hereto;

9 (b) issue a declaratory judgment that Defendant does not have a perfected security interest in
10 (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the
11 entities set forth in Section II of Exhibit B hereto; (iii) any going concern premium that has been or
12 will be generated; (iv) the MOB Assets; and (v) any commercial tort claims;

13 (c) issue a declaratory judgment that Defendant does not have a perfected security interest in
14 Future QAF Disbursements;

15 (d) issue a declaratory judgment that, as a result of the Committee’s claims for relief, Defendant
16 is undersecured; and

17 (e) grant any further relief as the Court deems just and proper.

18
19 DATED: September 11, 2019

MILBANK LLP

20 /s/ Mark Shinderman
21 Mark Shinderman
22 Robert J. Liubicic
23 Alexandra Achamallah

24 ARENT FOX LLP
25 Thomas E. Jeffry Jr.
26 Robert M. Hirsh (admitted *pro hac vice*)

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

Exhibit A

Defendant is secured by a lien on and security interest in the following property:

(1) Real Property:

Property Address	APN
3630 E. Imperial Highway Lynwood, CA 90262	6173-021-008, 007, 006
2700 E. Slauson Ave., Huntington Park, CA 90255	6320-006-069
5957/5931 Atlantic Blvd., Maywood, CA 90270	6313-013-026, 028
9340/9400 No Name Uno, Gilroy, CA 95020	835-05-031, 032
600 Marine Blvd., Moss Beach, CA 94038	037-160-090-9

(2) a perfected security interest in the following personal property of Seton Medical Center, Saint Louise Regional Hospital, St. Francis Medical Center, O’Connor Hospital, St. Vincent Medical Center and Seton Coastside (collectively, the “Relevant Debtors”) to the extent such property under California law may be perfected by the filing of a financing statement:

- (a) all Accounts (as defined in the Security Agreements referred to in the Loan Agreements);
- (b) the accounts listed below; and
- (c) to the extent not covered by the foregoing, all products, Proceeds (as defined in the Security Agreements referred to in the Loan Agreements) and replacements of the foregoing;

Company	Financial Institution	Account Number
O’Connor Hospital	Bank of America	XXXXXX3900
St. Louise Regional Hospital	Bank of America	XXXXXX3905
St. Francis Medical Center	Bank of America	XXXXXX3924
St. Vincent Medical Center	Bank of America	XXXXXX3929
Seton Coastside	Bank of America	XXXXXX3887
Seton Medical Center	Bank of America	XXXXXX3882

(3) to the extent not covered by subparagraph (1) or (2) above, with respect to the Relevant Debtors, a perfected security interest in the Property (as defined in the Deed of Trust) of such Relevant Debtors, which under California law may be perfected by the recording of the Deed of Trust in the applicable recording office; and

(4) to the extent not covered by subparagraph (1), (2), or (3) above, with respect to St. Francis Medical Center, St. Louise Regional Hospital, and Verity Holdings LLC, a perfected security interest in the Property (as defined in the Deed of Trust) and/or Personal Property (as defined in the Deed of Trust) of such entities described in the financing statements filed with the California Secretary of State in respect thereof, in each case to the extent such Property and/or Personal Property may be perfected under California law by the filing of a financing statement.

Exhibit B

Exhibit B—Section I

Company	Financial Institution	Account Number
Verity Health System of CA Inc.	Bank of America	XXXXXX6440
Verity Health System of CA Inc.	Bank of America	XXXXXX9250
Verity Health System of CA Inc.	Bank of America	XXXXXX1785
Verity Health System of CA Inc.	Bank of America	XXXXXX2889
O’Connor Hospital	Bank of America	XXXXXX2945
O’Connor Hospital	Bank of America	XXXXXX6389
O’Connor Hospital	Bank of America	XXXXXX3007
O’Connor Hospital	Bank of America	XXXXXX2284
O’Connor Hospital	Bank of America	XXXXXX2662
St. Louise Regional Hospital	Bank of America	XXXXXX2926
St. Louise Regional Hospital	Bank of America	XXXXXX6421
St. Louise Regional Hospital	Bank of America	XXXXXX7575
St. Louise Regional Hospital	Bank of America	XXXXXX2307
St. Francis Medical Center	Bank of America	XXXXXX2940
St. Francis Medical Center	Bank of America	XXXXXX6407
St. Francis Medical Center	Bank of America	XXXXXX3012
St. Francis Medical Center	Bank of America	XXXXXX2487
St. Francis Medical Center	Bank of America	XXXXXX1057
St. Francis Medical Center	Bank of America	XXXXXX1371
St. Francis Medical Center	Bank of America	XXXXXX1357
St. Francis Medical Center	Bank of America	XXXXXX1845
St. Francis Medical Center	Bank of America	XXXXXX1840
St. Francis Medical Center	U.S. Bank	XXXXXX2162
St. Vincent Medical Center	Bank of America	XXXXXX2964
St. Vincent Medical Center	Bank of America	XXXXXX6426
St. Vincent Medical Center	Bank of America	XXXXXX3017
St. Vincent Medical Center	Bank of America	XXXXXX2062
St. Vincent Medical Center	Bank of America	XXXXXX0553
St. Vincent Medical Center	Bank of America	XXXXXX3695
St. Vincent Medical Center	Bank of America	XXXXXX0989
Seton Medical Center	Bank of America	XXXXXX2902
Seton Medical Center	Bank of America	XXXXXX6365
Seton Medical Center	Bank of America	XXXXXX3001
Seton Medical Center	Bank of America	XXXXXX2289
Seton Medical Center	Bank of America	XXXXXX02907
Seton Medical Center	Bank of America	XXXXXX6384

Company	Financial Institution	Account Number
Seton Medical Center	Bank of America	XXXXXX2302
Seton Medical Center	Bank of America	XXXXXX12907
O'Connor Hospital Foundation	Bank of America	XXXXXX3433
O'Connor Hospital Foundation	Morgan Stanley	XXXXXX2-037
St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521
St. Francis Medical Center Foundation	Bank of America	XXXXXX2809
St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025
St. Vincent Medical Center Foundation	East West Bank	XXXXXX1162
St. Vincent Dialysis Center	Bank of America	XXXXXX8921
Seton Medical Center Foundation	Bank of America	XXXXXX2260
Healy, James T/U/A	Wells Fargo	XXXXXX0089
Verity Business Services	Bank of America	XXXXXX6402
Verity Business Services	Bank of America	XXXXXX2982
Verity Business Services	Bank of America	XXXXXX3192
Verity Medical Foundation	Wells Fargo	XXXXXX9996
Verity Medical Foundation	Wells Fargo	XXXXXX0010
Verity Holdings LLC	Bank of America	XXXXXX1597
Verity Holdings LLC	Bank of America	XXXXXX1248
Verity Holdings LLC	Bank of America	XXXXXX1970
Verity Holdings LLC	Bank of America	XXXXXX1975
Seton Medical Center	Tri Counties Bank	XXXXXX3611
Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521

Exhibit B—Section II

- Verity Health System of California, Inc.
- O’Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center of Lynwood Foundation
- St. Vincent Foundation
- St. Vincent Dialysis Center, Inc.
- Seton Medical Center Foundation
- Verity Business Services
- Verity Medical Foundation
- De Paul Ventures, LLC
- De Paul Ventures - San Jose Dialysis, LLC

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*): **FIRST AMENDED COMPLAINT FOR DETERMINATION OF VALIDITY, PRIORITY, AND EXTENT OF LIENS AND SECURITY INTERESTS** 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 11, 2019, 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*) September 11, 2019, 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 11, 2019, 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.

<u>September 11, 2019</u>	<u>Beth Aalberts</u>	<u>/s/ Beth Aalberts</u>
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

SERVICE LIST

(Via NEF)

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The Honorable Ernest M. Robles
United States Bankruptcy Court
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Edward R. Roybal Federal Building and Courthouse
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Los Angeles, CA 90012-3300

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

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

15 In re:
16 VERITY HEALTH SYSTEM OF CALIFORNIA,
17 INC., *et al.*,
18 Debtors and Debtors In Possession.

Chapter 11
Lead Case No. 2:18-bk-20151-ER
Hon. Ernest M. Robles
Adv. Proc. No. ~~2:19-~~ [ap-01165-ER](#)

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

FIRST AMENDED COMPLAINT FOR
DETERMINATION OF VALIDITY,
PRIORITY, AND EXTENT OF LIENS
AND SECURITY INTERESTS

22 Plaintiff,

~~Hearing to be scheduled.~~

23 v.

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

26 Defendant.
27
28

1 The Official Committee of Unsecured Creditors (“Plaintiff” or the “Committee”) of
2 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11
3 cases, for and on behalf of the Debtors’ estates, as and for its first amended adversary complaint
4 (the “First Amended Complaint”), against Defendant U.S. Bank National Association in its
5 capacity as trustee (“Defendant” and together with Plaintiff, the “Parties”), pursuant to Federal Rule
6 of Bankruptcy Procedure 7001 and title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the
7 “Bankruptcy Code”), hereby respectfully alleges as follows:

8 **NATURE OF THE ACTION**

9 1. This is an adversary proceeding brought pursuant to, *inter alia*, Federal Rule of
10 Bankruptcy Procedure 7001, sections 105 and 502 of the Bankruptcy Code, and other applicable
11 law, seeking a declaratory judgment determining the validity, priority, and extent of the liens against
12 property of the Debtors’ estates held by Defendant.

13 2. The Committee seeks a determination that other than the property identified in
14 Exhibit A (the “Collateral”), as of the Petition Date, Defendant does not have a perfected security
15 interest in any of the Debtors’ assets—and, in particular, Defendant does not have a perfected
16 security interest in the deposit accounts of the Debtors set forth in Section I of Exhibit B hereto (the
17 “Deposit Accounts”) or the funds therein, or in the entities or the assets of the entities set forth in
18 Section II of Exhibit B hereto, nor does Defendant have any rights and/or interests in any so-called
19 quality assurance fee (“QAF”) revenue funds arising under California Welfare & Institutions Code
20 sections 14169.54 and 14169.55, or the right to any future disbursements on account thereof, relating
21 to QAF fee-for-service periods 7–10 and QAF managed care period 3 (“Future QAF
22 ReimbursementsDisbursements”).

23 3. Plaintiff has standing to prosecute this ~~Complaint~~action by virtue of, *inter alia*,
24 paragraph 5(e) of the *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of*
25 *Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status,*
26 *(IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief*
27 (the “Final DIP Order”) [Docket No. 409] entered by the Court on October 4, 2018.

28 4. Paragraph 5(e) of the Final DIP Order provides, in pertinent part:

1
2 (e) **Validity, Perfection and Amount of Prepetition Liens.** The
3 Debtors further acknowledge and agree that, as of the Petition Date, (a) the
4 Prepetition Liens securing the Prepetition Secured Obligations on the
5 Prepetition Collateral and the VMF Liens on the VMF Collateral were
6 valid, binding, enforceable, non-avoidable, and properly perfected and
7 were granted to, or for the benefit of, the Prepetition Secured Creditors
8 and McKesson, (b) the Prepetition Liens were senior in priority over any
9 and all other Liens on the Prepetition Collateral except the prepetition tax
10 lien arising in connection with the CSCDA Special Assessments, and (c)
11 the VMF Liens were senior in priority over any and all other Liens on
12 VMF Collateral. The findings and stipulations set forth in this Final Order
13 with respect to the validity, enforceability and amount of the Prepetition
14 Secured Obligation and the Prepetition Liens shall be binding on any
15 subsequent trustee, responsible person, examiner with expanded powers,
16 any other estate representative, and all creditors and parties in interest and
17 all of their successors in interest and assigns, including the Committee,
18 unless, and solely to the extent that, a party in interest with requisite
19 standing and authority (other than the Debtors, as to which any Challenge
20 (as defined below) is irrevocably waived and relinquished) has timely filed
21 the appropriate pleadings, and timely commenced the appropriate
22 proceeding required under the Bankruptcy Code and Bankruptcy Rules,
23 including as required pursuant to Part VII of the Bankruptcy Rules (in
24 each case subject to the limitations set forth in this paragraph 4(d))
25 challenging the Prepetition Liens (each such proceeding or appropriate
26 pleading commencing a proceeding or other contested matter, a
27 “**Challenge**”) within ninety (90) days from the formation of the
28 Committee (the “**Challenge Deadline**”); provided that for purposes of
filing a Challenge, the Committee shall be deemed to have standing to file
the requisite pleading without further order of the Court; and provided
further, that the “Challenge Deadline” for matters solely relating to the
value of the Prepetition Collateral may be further extended to such time as
may be agreed by stipulation among the Debtors, the Committee and the
Prepetition Secured Creditors or as further ordered by the Court.

Final DIP Order, ¶ 5(e) (emphasis added).

~~5. The Parties have extended the Challenge Deadline on several occasions. As of the date of
this filing, the Challenge Deadline is June 13, 2019.~~

5. This action was filed on June 13, 2019, which was within the Challenge Deadline
as extended by agreement of the Parties.

1 **JURISDICTION AND VENUE**

2 6. This Court has jurisdiction over this adversary proceeding by virtue of 28 U.S.C. §
3 1334(b) and pursuant to 28 U.S.C. § 157(a).

4 7. This adversary proceeding is a “core” proceeding as defined in 28 U.S.C. §§
5 157(b)(2)(A) and (K).

6 8. In the event that any part of this adversary proceeding is found to be “non-core,”
7 Plaintiff consents to the entry of final orders and judgments by this Court, pursuant to Rule 7008 of
8 the Federal Rules of Bankruptcy Procedure.

9 9. Venue in this District is properly laid pursuant to 28 U.S.C. § 1409.

10 **PARTIES**

11 10. The Committee was formed on September 14, 2018 and was duly appointed on
12 September 17, 2018 by the Office of the United States Trustee pursuant to Section 1102(a)(1) of the
13 Bankruptcy Code [Docket No. 197].

14 11. The Committee brings this proceeding on behalf of and for the benefit of the Debtors’
15 chapter 11 estates.

16 12. Upon information and belief, Defendant is a party to the Indentures described in
17 paragraph 21 below. Upon information and belief, Defendant conducts operations in the United
18 States.

19 **RELEVANT FACTS**

20 13. On August 31, 2018 (the “Petition Date”), the above-referenced Debtors filed
21 voluntary cases (the “Bankruptcy Cases”) under chapter 11 of the Bankruptcy Code in the United
22 States Bankruptcy Court for the Central District of California.

23 14. The Debtors are in the business of operating hospitals and other healthcare facilities
24 in California.

25 15. The Debtors continue in the management and operation of their businesses and
26 properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No
27 trustee or examiner has been appointed in the Bankruptcy Cases.
28

1 16. On the Petition Date, the Debtors filed their *Emergency Motion of Debtors for Interim*
2 *and Final Orders (A) Authorizing the Debtors to Obtain Post Petition Financing (B) Authorizing the*
3 *Debtors to Use Cash Collateral and (C) Granting Adequate Protection to Prepetition Secured*
4 *Creditors Pursuant to 11 U.S.C. §§ 105, 363, 364, 1107 and 1108; Memorandum of Points and*
5 *Authorities in Support Thereof* [Docket No. 31] (the “DIP Motion”).

6 17. Pursuant to the Loan Agreements (defined in paragraph 21 below), the Debtors were
7 loaned bond proceeds from the Indentures (referred to in paragraph 21 below) pursuant to which
8 Defendant served as note trustee and collateral agent prior to the Petition Date.

9 18. This action is to determine the validity, priority, and extent of Defendant’s liens and
10 security interests. This action is not brought against Defendant in its individual capacity, but rather
11 solely as a note trustee and collateral agent. Plaintiff does not contend that Defendant has done
12 anything improper.

13 19. Subject to the limitations set forth, *inter alia*, in paragraph 5(e) of the Final DIP
14 Order, the Debtors stipulated to, *inter alia*, the validity, perfection, and enforceability of Defendant’s
15 liens and scope of Defendant’s collateral, and waived all rights to challenge such liens. *See* Final
16 DIP Order, ¶ 5(e).

17 20. Pursuant to paragraph 5(e) of the Final DIP Order, the stipulations and admissions
18 contained in the Final DIP Order are deemed binding upon the Debtors and all non-debtor parties-in-
19 interest, including without limitation the Committee, for all purposes, including, without limitation
20 the validity, perfection, and enforceability of the Prepetition Liens and the Prepetition Secured
21 Obligations (as defined in the Final DIP Order), unless and except to the extent the Committee has
22 initiated a timely Challenge Proceeding (as defined in the Final DIP Order). *See* Final DIP Order,
23 ¶ 5(e).

24 21. The applicable Debtors’ obligations owing to the Defendant are secured by a lien on
25 and security interest in the Collateral pursuant to:

- 26 (i) the loan agreements identified in items (1) – (6) below (collectively, the “Loan
27 Agreements”):
28

- 1 (1) Loan Agreement dated as of December 1, 2015 between the California Public
2 Finance Authority and Verity Health System of California, Inc. executed in
3 connection with the \$60,000,000 California Public Finance Authority Revenue
4 Notes (Verity Health System) Series 2015A, as amended by the Amendment to
5 the Loan Agreement dated as of March 2, 2016.
- 6 (2) Loan Agreement dated as of December 1, 2015 between the California Public
7 Finance Authority and Verity Health System of California, Inc. executed in
8 connection with the \$45,000,000 California Public Finance Authority Revenue
9 Notes (Verity Health System) Series 2015B, as amended by the Amendment to
10 the Loan Agreement dated as of March 2, 2016.
- 11 (3) Loan Agreement dated as of December 1, 2015 between the California Public
12 Finance Authority and Verity Health System of California, Inc. executed in
13 connection with the \$10,000,000 California Public Finance Authority Revenue
14 Notes (Verity Health System) Series 2015C (FEDERALLY TAXABLE), as
15 amended by the Amendment to the Loan Agreement dated as of March 2, 2016.
- 16 (4) Loan Agreement dated as of December 1, 2015 between the California Public
17 Finance Authority and Verity Health System of California, Inc. executed in
18 connection with the \$45,000,000 California Public Finance Authority Revenue
19 Notes (Verity Health System) Series 2015D, as amended by the Amendment to the
20 Loan Agreement dated as of March 2, 2016.
- 21 (5) Loan Agreement dated as of September 1, 2017 between the California Public
22 Finance Authority and Verity Health System of California, Inc. executed in
23 connection with the \$21,000,000 California Public Finance Authority Revenue
24 Notes (Verity Health System) Series 2017.
- 25 (6) Loan Agreement dated as of December 1, 2017 between the California Public
26 Finance Authority and Verity Health System of California, Inc. executed in
27 connection with the \$21,000,000 California Public Finance Authority Revenue
28 Notes (Verity Health System) Series 2017B.

1 (ii) the Notes, Indentures (as defined in the Loan Agreements), and Master Indenture (in each
2 case referred to in the applicable Loan Agreement), and

3 (iii) each Deed of Trust With Fixture Filing and Security Agreement and Assignment of
4 Leases and Rents entered into in connection with the Loan Agreements (individually or
5 collectively, "Deed of Trust").

6 22. On December 27, 2018, the Bankruptcy Court entered an order granting
7 Debtors' motion seeking approval of the sale (the "SCC Sale") of O'Connor Hospital and Saint
8 Louise Regional Hospital to the County of Santa Clara, a political subdivision of California
9 ("SCC"). The SCC sale has closed. On May 2, 2019, the Bankruptcy Court entered an order
10 granting Debtors' motion seeking approval of the sale (the "SGM Sale," and together with the
11 SCC Sale, the "Sales") to Strategic Global Management, Inc. ("SGM") of St. Francis Medical
12 Center, St. Vincent Medical Center, and Seton Medical Center. The SGM sale has not yet
13 closed.

14 23. The proceeds of the Sales include substantial going concern premiums.
15 Defendant is not entitled to those premiums because they are generated by labor—the hard
16 work of the doctors, nurses, and other employees of the medical facilities.

17 24. Stated differently, the going concern premiums are not the proceeds of the
18 Collateral. The bankruptcy process created significant value above what the Defendant would
19 have realized upon foreclosure on its interest in the Collateral. In a foreclosure, Defendant
20 would have found itself the owner of a collection of buildings, not an ongoing business, and
21 would have been subject to significant wind-down costs. These chapter 11 cases, on the other
22 hand, have unlocked the going concern value of the Debtors' enterprise, resulting in a
23 substantial benefit to Defendant as well as allowing Defendant to avoid the costs of a wind-
24 down.

25 25. ~~22.~~ Other than the Collateral, as of the Petition Date, the Defendant does not have a
26 perfected security interest in any of the Debtors' assets, including (i) the Deposit Accounts set forth
27 in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of
28 Exhibit B hereto, (iii) any going concern premium that has been or will be generated, (iv) assets

1 related to medical office buildings (the “MOB Assets”), (v) any Future QAF Disbursements, and
2 (~~iv~~vi) any commercial ~~causes of action~~ tort claims.

3 26. ~~23.~~ A determination by the Court pursuant to Federal Rules of Bankruptcy Procedure
4 7001(2) and 7001(9), sections 105 and 502 of the Bankruptcy Code, and other applicable law
5 regarding the validity, priority, and extent of Defendant’s liens against the Debtors’ estates is
6 necessary to the proper administration of the Debtors’ estates.

7 27. ~~24.~~ All rights to bring avoidance or similar actions under Chapter 5 of the Bankruptcy
8 Code or similar state law (collectively, “Avoidance Actions”) are reserved. Nothing in this First
9 Amended Complaint shall be considered to be a waiver of any rights of the Committee, the Debtors,
10 a liquidating trust, or any other entity with standing, to bring Avoidance Actions against any party.

11 **FIRST CLAIM FOR RELIEF**

12 **(Declaratory Relief – Clarification of Final DIP Order)**

13 28. ~~25.~~ The Committee restates and re-alleges each of the foregoing allegations as if fully
14 set forth herein.

15 29. ~~26.~~ Paragraph 5(e) of the Final DIP Order provides that “the Prepetition Liens
16 securing the Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the
17 VMF Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were
18 granted to, or for the benefit of, the Prepetition Secured Creditors and McKesson.”

19 30. ~~27.~~ Read literally, paragraph 5(e) of the Final DIP Order mistakenly suggests that
20 Defendant has a perfected security interest in all of the assets of all of the Debtors.

21 31. ~~28.~~ As of the Petition Date, Defendant does not have a perfected security interest in
22 *all* of the assets of all of the Debtors, but rather only in the Collateral set forth on Exhibit A.
23 Defendant does not have a perfected security interest in any of the Debtors’ other assets, including
24 (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the
25 entities set forth in Section II of Exhibit B hereto, (iii) any going concern premium that has been
26 or will be generated, (iv) the MOB Assets, (v) any Future QAF Disbursements, and (~~iv~~vi) any
27 commercial ~~causes of action~~ tort claims.
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SECOND CLAIM FOR RELIEF

(Declaratory Relief – Deposit Accounts And Entities)

32. ~~29.~~ The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

33. ~~30.~~ Defendant does not have a perfected security interest in the Deposit Accounts set forth in Section I of Exhibit B hereto because (a) there are no deposit account control agreements for the Deposit Accounts, (b) there is no possession of the funds in the Deposit Accounts by Defendant, and (c) the funds in the Deposit Accounts do not constitute identifiable cash proceeds of an otherwise perfected, unavoidable lien in other collateral of the Defendant.

34. ~~31.~~ Defendant does not have a perfected security interest in the entities or the assets of the entities set forth in Section II of Exhibit B hereto.

THIRD CLAIM FOR RELIEF

(Declaratory Relief – Future QAF Disbursements)

35. ~~32.~~ The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

36. ~~33.~~ Defendant does not have a perfected security interest in Future QAF Disbursements because, among other things, (a) Future QAF Disbursements do not constitute proceeds of pre-petition collateral, (b) the value of a lien in Future QAF Disbursements to Defendant is \$0.00 given that, as of the Petition Date, Defendant could not foreclose on its purported security interest and demand collection from the State of California, (c) the value of Future QAF ~~Disbursement~~Disbursements to Debtors on the Petition Date was \$0.00 because Debtors had not undertaken the commitments or satisfied the conditions precedent to have any rights to Future QAF Disbursements, ~~and/or~~ (d) Future QAF Disbursements depended completely upon post-petition services of the Debtors, and (e) to the extent Defendant contends one or more Loan Agreements were modified to include a lien in Future QAF Disbursements, the purported granting of any such lien was a constructive fraudulent conveyance under 11 U.S.C. §§ 544 and 550 and California Civil Code §§ 3439.04 and 3439.05, because Debtors received less than reasonably equivalent value in exchange for the granting of the lien, and (i) Debtors' remaining assets

1 were unreasonably small in relation to the transaction, or (ii) Debtors intended to incur, or
2 believed or reasonably should have believed they would incur, debts beyond Debtors’ ability to
3 repay, or (iii) Debtors were insolvent at the time, or as a result, of the granting of the lien.

4 37. ~~34.~~ Accordingly, any purported lien in any Future QAF Disbursements in favor of
5 Defendant must be avoided.

6 **FOURTH CLAIM FOR RELIEF**

7 **(Declaratory Relief – Defendant is Undersecured)**

8 38. The Committee restates and re-alleges each of the foregoing allegations as if fully
9 set forth herein.

10 39. If the Court were to grant the relief sought in some or all of the first three claims
11 for relief herein, the Defendant would be undersecured.

12
13 **PRAYER FOR RELIEF**

14 WHEREFORE, the Committee respectfully requests that the Court:

15 (a) issue a declaratory judgment that, notwithstanding the language of Paragraph 5(e) of the
16 Final DIP Order, as of the Petition Date Defendant does not have a perfected security interest in any
17 of the Debtors’ assets other than the Collateral set forth on Exhibit A hereto;

18 (b) issue a declaratory judgment that Defendant does not have a perfected security interest in
19 (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, ~~or~~ (ii) the entities or the assets of
20 the entities set forth in Section II of Exhibit B hereto; (iii) any going concern premium that has
21 been or will be generated; (iv) the MOB Assets; and (v) any commercial tort claims;

22 (c) issue a declaratory judgment that Defendant does not have a perfected security interest in
23 Future QAF Disbursements; ~~and~~

24 (d) issue a declaratory judgment that, as a result of the Committee’s claims for relief,
25 Defendant is undersecured; and

26 ~~(d)~~ grant any further relief as the Court deems just and proper.
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DATED: ~~June 13~~ September 11, 2019

MILBANK LLP

/s/ Mark Shinderman

Mark Shinderman

Robert J. Liubicic

Alexandra Achamallah

ARENT FOX LLP

Thomas E. Jeffry Jr.

Robert M. Hirsh (admitted *pro hac vice*)

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

Exhibit A

Defendant is secured by a lien on and security interest in the following property:

(1) Real Property:

Property Address	APN
3630 E. Imperial Highway Lynwood, CA 90262	6173-021-008, 007, 006
2700 E. Slauson Ave., Huntington Park, CA 90255	6320-006-069
5957/5931 Atlantic Blvd., Maywood, CA 90270	6313-013-026, 028
9340/9400 No Name Uno, Gilroy, CA 95020	835-05-031, 032
600 Marine Blvd., Moss Beach, CA 94038	037-160-090-9

(2) a perfected security interest in the following personal property of Seton Medical Center, Saint Louise Regional Hospital, St. Francis Medical Center, O’Connor Hospital, St. Vincent Medical Center and Seton Coastside (collectively, the “Relevant Debtors”) to the extent such property under California law may be perfected by the filing of a financing statement:

- (a) all Accounts (as defined in the Security Agreements referred to in the Loan Agreements);
- (b) the accounts listed below; and
- (c) to the extent not covered by the foregoing, all products, Proceeds (as defined in the Security Agreements referred to in the Loan Agreements) and replacements of the foregoing;

Company	Financial Institution	Account Number
O’Connor Hospital	Bank of America	XXXXXX3900
St. Louise Regional Hospital	Bank of America	XXXXXX3905
St. Francis Medical Center	Bank of America	XXXXXX3924
St. Vincent Medical Center	Bank of America	XXXXXX3929
Seton Coastside	Bank of America	XXXXXX3887
Seton Medical Center	Bank of America	XXXXXX3882

(3) to the extent not covered by subparagraph (1) or (2) above, with respect to the Relevant Debtors, a perfected security interest in the Property (as defined in the Deed of Trust) of such Relevant Debtors, which under California law may be perfected by the recording of the Deed of Trust in the applicable recording office; and

(4) to the extent not covered by subparagraph (1), (2), or (3) above, with respect to St. Francis Medical Center, St. Louise Regional Hospital, and Verity Holdings LLC, a perfected security interest in the Property (as defined in the Deed of Trust) and/or Personal Property (as defined in the Deed of Trust) of such entities described in the financing statements filed with the California Secretary of State in respect thereof, in each case to the extent such Property and/or Personal Property may be perfected under California law by the filing of a financing statement.

Exhibit B

Exhibit B—Section I

Company	Financial Institution	Account Number
Verity Health System of CA Inc.	Bank of America	XXXXXX6440
Verity Health System of CA Inc.	Bank of America	XXXXXX9250
Verity Health System of CA Inc.	Bank of America	XXXXXX1785
Verity Health System of CA Inc.	Bank of America	XXXXXX2889
O’Connor Hospital	Bank of America	XXXXXX2945
O’Connor Hospital	Bank of America	XXXXXX6389
O’Connor Hospital	Bank of America	XXXXXX3007
O’Connor Hospital	Bank of America	XXXXXX2284
O’Connor Hospital	Bank of America	XXXXXX2662
St. Louise Regional Hospital	Bank of America	XXXXXX2926
St. Louise Regional Hospital	Bank of America	XXXXXX6421
St. Louise Regional Hospital	Bank of America	XXXXXX7575
St. Louise Regional Hospital	Bank of America	XXXXXX2307
St. Francis Medical Center	Bank of America	XXXXXX2940
St. Francis Medical Center	Bank of America	XXXXXX6407
St. Francis Medical Center	Bank of America	XXXXXX3012
St. Francis Medical Center	Bank of America	XXXXXX2487
St. Francis Medical Center	Bank of America	XXXXXX1057
St. Francis Medical Center	Bank of America	XXXXXX1371
St. Francis Medical Center	Bank of America	XXXXXX1357
St. Francis Medical Center	Bank of America	XXXXXX1845
St. Francis Medical Center	Bank of America	XXXXXX1840
St. Francis Medical Center	U.S. Bank	XXXXXX2162
St. Vincent Medical Center	Bank of America	XXXXXX2964
St. Vincent Medical Center	Bank of America	XXXXXX6426
St. Vincent Medical Center	Bank of America	XXXXXX3017
St. Vincent Medical Center	Bank of America	XXXXXX2062
St. Vincent Medical Center	Bank of America	XXXXXX0553
St. Vincent Medical Center	Bank of America	XXXXXX3695
St. Vincent Medical Center	Bank of America	XXXXXX0989
Seton Medical Center	Bank of America	XXXXXX2902
Seton Medical Center	Bank of America	XXXXXX6365
Seton Medical Center	Bank of America	XXXXXX3001
Seton Medical Center	Bank of America	XXXXXX2289
Seton Medical Center	Bank of America	XXXXXX02907
Seton Medical Center	Bank of America	XXXXXX6384

Company	Financial Institution	Account Number
Seton Medical Center	Bank of America	XXXXXX2302
Seton Medical Center	Bank of America	XXXXX12907
O'Connor Hospital Foundation	Bank of America	XXXXXX3433
O'Connor Hospital Foundation	Morgan Stanley	XXXXX2-037
St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521
St. Francis Medical Center Foundation	Bank of America	XXXXXX2809
St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025
St. Vincent Medical Center Foundation	East West Bank	XXXXXX1162
St. Vincent Dialysis Center	Bank of America	XXXXXX8921
Seton Medical Center Foundation	Bank of America	XXXXXX2260
Healy, James T/U/A	Wells Fargo	XXXXXX0089
Verity Business Services	Bank of America	XXXXXX6402
Verity Business Services	Bank of America	XXXXXX2982
Verity Business Services	Bank of America	XXXXXX3192
Verity Medical Foundation	Wells Fargo	XXXXXX9996
Verity Medical Foundation	Wells Fargo	XXXXXX0010
Verity Holdings LLC	Bank of America	XXXXXX1597
Verity Holdings LLC	Bank of America	XXXXXX1248
Verity Holdings LLC	Bank of America	XXXXXX1970
Verity Holdings LLC	Bank of America	XXXXXX1975
Seton Medical Center	Tri Counties Bank	XXXXXX3611
Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521

Exhibit B—Section II

- Verity Health System of California, Inc.
- O'Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center of Lynwood Foundation
- St. Vincent Foundation
- St. Vincent Dialysis Center, Inc.
- Seton Medical Center Foundation
- Verity Business Services
- Verity Medical Foundation
- De Paul Ventures, LLC
- De Paul Ventures - San Jose Dialysis, LLC

EXHIBIT 2

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

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

15 In re:
16 VERITY HEALTH SYSTEM OF CALIFORNIA,
17 INC., *et al.*,
18 Debtors and Debtors In Possession.

Chapter 11
Lead Case No. 2:18-bk-20151-ER
Hon. Ernest M. Robles
Adv. Proc. No. 2:19-ap-01166-ER

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

**FIRST AMENDED COMPLAINT FOR
DETERMINATION OF VALIDITY,
PRIORITY, AND EXTENT OF LIENS
AND SECURITY INTERESTS**

22 Plaintiff,
23 v.
24 UMB BANK, NATIONAL ASSOCIATION, as
25 trustee,
26 Defendant.

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1 The Official Committee of Unsecured Creditors (“Plaintiff” or the “Committee”) of
2 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11
3 cases, for and on behalf of the Debtors’ estates, as and for its first amended adversary complaint (the
4 “First Amended Complaint”), against Defendant UMB Bank, National Association in its capacity as
5 trustee (“Defendant” and together with Plaintiff, the “Parties”), pursuant to Federal Rule of
6 Bankruptcy Procedure 7001 and title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the
7 “Bankruptcy Code”), hereby respectfully alleges as follows:

8 **NATURE OF THE ACTION**

9 1. This is an adversary proceeding brought pursuant to, *inter alia*, Federal Rule of
10 Bankruptcy Procedure 7001, sections 105 and 502 of the Bankruptcy Code, and other applicable law,
11 seeking a declaratory judgment determining the validity, priority, and extent of the liens against
12 property of the Debtors’ estates held by Defendant.

13 2. The Committee seeks a determination that other than the property identified in Exhibit
14 A (the “Collateral”), as of the Petition Date, Defendant does not have a perfected security interest in
15 any of the Debtors’ assets—and, in particular, Defendant does not have a perfected security interest in
16 the deposit accounts of the Debtors set forth in Section I of Exhibit B hereto (the “Deposit Accounts”)
17 or the funds therein, or in the entities or the assets of the entities set forth in Section II of Exhibit B
18 hereto, nor does Defendant have any rights and/or interests in any so-called quality assurance fee
19 (“QAF”) revenue funds arising under California Welfare & Institutions Code sections 14169.54 and
20 14169.55, or the right to any future disbursements on account thereof, relating to QAF fee-for-service
21 periods 7–10 and QAF managed care period 3 (“Future QAF Disbursements”).

22 3. Plaintiff has standing to prosecute this action by virtue of, *inter alia*, paragraph 5(e) of
23 the *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III)*
24 *Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate*
25 *Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* (the “Final DIP Order”)
26 [Docket No. 409] entered by the Court on October 4, 2018.

27 4. Paragraph 5(e) of the Final DIP Order provides, in pertinent part:
28

(e) **Validity, Perfection and Amount of Prepetition Liens.** The Debtors further acknowledge and agree that, as of the Petition Date, (a) the Prepetition Liens securing the Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the VMF Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were granted to, or for the benefit of, the Prepetition Secured Creditors and McKesson, (b) the Prepetition Liens were senior in priority over any and all other Liens on the Prepetition Collateral except the prepetition tax lien arising in connection with the CSCDA Special Assessments, and (c) the VMF Liens were senior in priority over any and all other Liens on VMF Collateral. The findings and stipulations set forth in this Final Order with respect to the validity, enforceability and amount of the Prepetition Secured Obligation and the Prepetition Liens shall be binding on any subsequent trustee, responsible person, examiner with expanded powers, any other estate representative, and all creditors and parties in interest and all of their successors in interest and assigns, including the Committee, unless, and solely to the extent that, a party in interest with requisite standing and authority (other than the Debtors, as to which any Challenge (as defined below) is irrevocably waived and relinquished) has timely filed the appropriate pleadings, and timely commenced the appropriate proceeding required under the Bankruptcy Code and Bankruptcy Rules, including as required pursuant to Part VII of the Bankruptcy Rules (in each case subject to the limitations set forth in this paragraph 4(d)) challenging the Prepetition Liens (each such proceeding or appropriate pleading commencing a proceeding or other contested matter, a “**Challenge**”) within ninety (90) days from the formation of the Committee (the “**Challenge Deadline**”); provided that for purposes of filing a Challenge, the Committee shall be deemed to have standing to file the requisite pleading without further order of the Court; and provided further, that the “Challenge Deadline” for matters solely relating to the value of the Prepetition Collateral may be further extended to such time as may be agreed by stipulation among the Debtors, the Committee and the Prepetition Secured Creditors or as further ordered by the Court.

Final DIP Order, ¶ 5(e) (emphasis added).

5. This action was filed on June 13, 2019, which was within the Challenge Deadline as extended by agreement of the Parties.

JURISDICTION AND VENUE

6. This Court has jurisdiction over this adversary proceeding by virtue of 28 U.S.C. § 1334(b) and pursuant to 28 U.S.C. § 157(a).

7. This adversary proceeding is a “core” proceeding as defined in 28 U.S.C. §§ 157(b)(2)(A) and (K).

1 8. In the event that any part of this adversary proceeding is found to be “non-core,”
2 Plaintiff consents to the entry of final orders and judgments by this Court, pursuant to Rule 7008 of
3 the Federal Rules of Bankruptcy Procedure.

4 9. Venue in this District is properly laid pursuant to 28 U.S.C. § 1409.

5 **PARTIES**

6 10. The Committee was formed on September 14, 2018 and was duly appointed on
7 September 17, 2018 by the Office of the United States Trustee pursuant to Section 1102(a)(1) of the
8 Bankruptcy Code [Docket No. 197].

9 11. The Committee brings this proceeding on behalf of and for the benefit of the Debtors’
10 chapter 11 estates.

11 12. Upon information and belief, Defendant is a party to the Indentures described in
12 paragraph 21 below. Upon information and belief, Defendant conducts operations in the United States.

13 **RELEVANT FACTS**

14 13. On August 31, 2018 (the “Petition Date”), the above-referenced Debtors filed voluntary
15 cases (the “Bankruptcy Cases”) under chapter 11 of the Bankruptcy Code in the United States
16 Bankruptcy Court for the Central District of California.

17 14. The Debtors are in the business of operating hospitals and other healthcare facilities in
18 California.

19 15. The Debtors continue in the management and operation of their businesses and
20 properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No
21 trustee or examiner has been appointed in the Bankruptcy Cases.

22 16. On the Petition Date, the Debtors filed their *Emergency Motion of Debtors for Interim*
23 *and Final Orders (A) Authorizing the Debtors to Obtain Post Petition Financing (B) Authorizing the*
24 *Debtors to Use Cash Collateral and (C) Granting Adequate Protection to Prepetition Secured*
25 *Creditors Pursuant to 11 U.S.C. §§ 105, 363, 364, 1107 and 1108; Memorandum of Points and*
26 *Authorities in Support Thereof* [Docket No. 31] (the “DIP Motion”).

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1 17. Pursuant to the Loan Agreements (defined in paragraph 21 below), the Debtors were
2 loaned bond proceeds from the Indentures (referred to in paragraph 21 below) pursuant to which
3 Defendant served as master trustee prior to the Petition Date.

4 18. This action is to determine the validity, priority, and extent of Defendant’s liens and
5 security interests. This action is not brought against Defendant in its individual capacity, but rather
6 solely as a master trustee. Plaintiff does not contend that Defendant has done anything improper.

7 19. Subject to the limitations set forth, *inter alia*, in paragraph 5(e) of the Final DIP Order,
8 the Debtors stipulated to, *inter alia*, the validity, perfection, and enforceability of Defendant’s liens
9 and scope of Defendant’s collateral, and waived all rights to challenge such liens. *See* Final DIP
10 Order, ¶ 5(e).

11 20. Pursuant to paragraph 5(e) of the Final DIP Order, the stipulations and admissions
12 contained in the Final DIP Order are deemed binding upon the Debtors and all non-debtor parties-in-
13 interest, including without limitation the Committee, for all purposes, including, without limitation the
14 validity, perfection, and enforceability of the Prepetition Liens and the Prepetition Secured Obligations
15 (as defined in the Final DIP Order), unless and except to the extent the Committee has initiated a
16 timely Challenge Proceeding (as defined in the Final DIP Order). *See* Final DIP Order, ¶ 5(e).

17 21. The applicable Debtors’ obligations owing to the Defendant are secured by a lien on
18 and security interest in the Collateral pursuant to:

19 (i) the loan agreements identified in items (1) – (12) below (collectively, the “Loan
20 Agreements”):

21 (1) Loan Agreement originally dated as of December 1, 2001 between the California
22 Statewide Communities Development Authority, Robert F. Kennedy Medical Center,
23 and Daughters of Charity Health System relating to the \$19,945,000 California
24 Statewide Communities Development Authority Revenue Bonds (Robert F. Kennedy
25 Medical Center) Series 2001A.

26 (2) Loan Agreement dated as of February 1, 2005 between the California Statewide
27 Communities Development Authority and Daughters of Charity Health System
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1 relating to the \$259,125,000 California Statewide Communities Development
2 Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A.

3 (3) Loan Agreement dated as of February 1, 2005 between the California Statewide
4 Communities Development Authority and Daughters of Charity Health System
5 relating to the \$130,000,000 California Statewide Communities Development
6 Authority Revenue Bonds (Daughters of Charity Health System) Series 2005B-1,
7 2005B-2, 2005B-3, 2005B- 4, and 2005B-5.

8 (4) Loan Agreement dated as of February 1, 2005 between the California Statewide
9 Communities Development Authority and St. Francis Medical Center relating to the
10 \$39,715,000 California Statewide Communities Development Authority Revenue
11 Bonds (Daughters of Charity Health System – St. Francis Medical Center) Series
12 2005F.

13 (5) Loan Agreement dated as of February 1, 2005 between the California Statewide
14 Communities Development Authority and St. Francis Medical Center relating to the
15 \$48,245,000 California Statewide Communities Development Authority Revenue
16 Bonds (Daughters of Charity Health System – St. Francis Medical Center) Series
17 2005G.

18 (6) Loan Agreement dated as of February 1, 2005 between the California Statewide
19 Communities Development Authority and St. Francis Medical Center relating to
20 the \$17,570,000 California Statewide Communities Development Authority Revenue
21 Bonds (Daughters of Charity Health System – St. Francis Medical Center) Series
22 2005H.

23 (7) Loan Agreement dated as of December 1, 2015 between California Public Finance
24 Authority and Verity Health System of California, Inc. relating to the \$60,000,000
25 California Public Finance Authority Revenue Notes (Verity Health System) Series
26 2015A.

27 (8) Loan Agreement dated as of December 1, 2015 between California Public Finance
28 Authority and Verity Health System of California, Inc. relating to the \$45,000,000

1 California Public Finance Authority Revenue Notes (Verity Health System) Series
2 2015B.

3 (9) Loan Agreement dated as of December 1, 2015 between California Public Finance
4 Authority and Verity Health System of California, Inc. relating to the \$10,000,000
5 California Public Finance Authority Revenue Notes (Verity Health System) Series
6 2015C (Federally Taxable).

7 (10) Loan Agreement dated as of December 1, 2015 between California Public Finance
8 Authority and Verity Health System of California, Inc. relating to the \$45,000,000
9 California Public Finance Authority Revenue Notes (Verity Health System) Series
10 2015D.

11 (11) Loan Agreement dated as of September 1, 2017 between California Public Finance
12 Authority and Verity Health System of California, Inc. relating to the \$21,000,000
13 California Public Finance Authority Revenue Notes (Verity Health System) Series
14 2017.

15 (12) Loan Agreement dated as of December 1, 2017 between California Public Finance
16 Authority and Verity Health System of California, Inc. relating to the \$21,000,000
17 California Public Finance Authority Revenue Notes (Verity Health System) Series
18 2017B.

19 (ii) the Notes, Indentures (as defined in the Loan Agreements), and Master Indenture (in each
20 case referred to in the applicable Loan Agreement), and

21 (iii) each Deed of Trust With Fixture Filing and Security Agreement and Assignment of Leases
22 and Rents entered into in connection with the Loan Agreements (individually or collectively,
23 "Deed of Trust").

24 22. On December 27, 2018, the Bankruptcy Court entered an order granting Debtors'
25 motion seeking approval of the sale (the "SCC Sale") of O'Connor Hospital and Saint Louise
26 Regional Hospital to the County of Santa Clara, a political subdivision of California ("SCC"). The
27 SCC sale has closed. On May 2, 2019, the Bankruptcy Court entered an order granting Debtors'
28 motion seeking approval of the sale (the "SGM Sale," and together with the SCC Sale, the "Sales")

1 to Strategic Global Management, Inc. (“SGM”) of St. Francis Medical Center, St. Vincent Medical
2 Center, and Seton Medical Center. The SGM sale has not yet closed.

3 23. The proceeds of the Sales include substantial going concern premiums. Defendant is
4 not entitled to those premiums because they are generated by labor—the hard work of the doctors,
5 nurses, and other employees of the medical facilities.

6 24. Stated differently, the going concern premiums are not the proceeds of the Collateral.
7 The bankruptcy process created significant value above what the Defendant would have realized
8 upon foreclosure on its interest in the Collateral. In a foreclosure, Defendant would have found itself
9 the owner of a collection of buildings, not an ongoing business, and would have been subject to
10 significant wind-down costs. These chapter 11 cases, on the other hand, have unlocked the going
11 concern value of the Debtors’ enterprise, resulting in a substantial benefit to Defendant as well as
12 allowing Defendant to avoid the costs of a wind-down.

13 25. Other than the Collateral, as of the Petition Date, the Defendant does not have a
14 perfected security interest in any of the Debtors’ assets, including (i) the Deposit Accounts set forth
15 in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of
16 Exhibit B hereto, (iii) any going concern premium that has been or will be generated, (iv) assets
17 related to medical office buildings (the “MOB Assets”), (v) any Future QAF Disbursements, and (vi)
18 any commercial tort claims.

19 26. A determination by the Court pursuant to Federal Rules of Bankruptcy Procedure
20 7001(2) and 7001(9), sections 105 and 502 of the Bankruptcy Code, and other applicable law regarding
21 the validity, priority, and extent of Defendant’s liens against the Debtors’ estates is necessary to the
22 proper administration of the Debtors’ estates.

23 27. All rights to bring avoidance or similar actions under Chapter 5 of the Bankruptcy Code
24 or similar state law (collectively, “Avoidance Actions”) are reserved. Nothing in this First Amended
25 Complaint shall be considered to be a waiver of any rights of the Committee, the Debtors, a liquidating
26 trust, or any other entity with standing, to bring Avoidance Actions against any party.

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FIRST CLAIM FOR RELIEF

(Declaratory Relief – Clarification of Final DIP Order)

28. The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

29. Paragraph 5(e) of the Final DIP Order provides that “the Prepetition Liens securing the Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the VMF Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were granted to, or for the benefit of, the Prepetition Secured Creditors and McKesson.”

30. Read literally, paragraph 5(e) of the Final DIP Order mistakenly suggests that Defendant has a perfected security interest in all of the assets of all of the Debtors.

31. As of the Petition Date, Defendant does not have a perfected security interest in *all* of the assets of all of the Debtors, but rather only in the Collateral set forth on Exhibit A. Defendant does not have a perfected security interest in any of the Debtors’ other assets, including (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of Exhibit B hereto, (iii) any going concern premium that has been or will be generated, (iv) the MOB Assets, (v) any Future QAF Disbursements, and (vi) any commercial tort claims.

SECOND CLAIM FOR RELIEF

(Declaratory Relief – Deposit Accounts And Entities)

32. The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

33. Defendant does not have a perfected security interest in the Deposit Accounts set forth in Section I of Exhibit B hereto because (a) there are no deposit account control agreements for the Deposit Accounts, (b) there is no possession of the funds by Defendant in the Deposit Accounts, and (c) the funds in the Deposit Accounts do not constitute identifiable cash proceeds of an otherwise perfected, unavoidable lien in other collateral of the Defendant.

34. Defendant does not have a perfected security interest in the entities or the assets of the entities set forth in Section II of Exhibit B hereto.

THIRD CLAIM FOR RELIEF

(Declaratory Relief – Future QAF Disbursements)

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35. The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

36. Defendant does not have a perfected security interest in Future QAF Disbursements because, among other things, (a) Future QAF Disbursements do not constitute proceeds of pre-petition collateral, (b) the value of a lien in Future QAF Disbursements to Defendant is \$0.00 given that, as of the Petition Date, Defendant could not foreclose on its purported security interest and demand collection from the State of California, (c) the value of Future QAF Disbursements to Debtors on the Petition Date was \$0.00 because Debtors had not undertaken the commitments or satisfied the conditions precedent to have any rights to Future QAF Disbursements, (d) Future QAF Disbursements depended completely upon post-petition services of the Debtors, and (e) to the extent Defendant contends one or more Loan Agreements were modified to include a lien in Future QAF Disbursements, the purported granting of any such lien was a constructive fraudulent conveyance under 11 U.S.C. §§ 544 and 550 and California Civil Code §§ 3439.04 and 3439.05, because Debtors received less than reasonably equivalent value in exchange for the granting of the lien, and (i) Debtors’ remaining assets were unreasonably small in relation to the transaction, or (ii) Debtors intended to incur, or believed or reasonably should have believed they would incur, debts beyond Debtors’ ability to repay, or (iii) Debtors were insolvent at the time, or as a result, of the granting of the lien.

37. Accordingly, any purported lien in any Future QAF Disbursements in favor of Defendant must be avoided.

FOURTH CLAIM FOR RELIEF

(Declaratory Relief – Defendant is Undersecured)

38. The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

39. If the Court were to grant the relief sought in some or all of the first three claims for relief herein, the Defendant would be undersecured.

PRAYER FOR RELIEF

WHEREFORE, the Committee respectfully requests that the Court:

(a) issue a declaratory judgment that, notwithstanding the language of Paragraph 5(e) of the Final DIP Order, as of the Petition Date Defendant does not have a perfected security interest in any of the Debtors’ assets other than the Collateral set forth on Exhibit A hereto;

(b) issue a declaratory judgment that Defendant does not have a perfected security interest in (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of Exhibit B hereto; (iii) any going concern premium that has been or will be generated; (iv) the MOB Assets; and (v) any commercial tort claims;

(c) issue a declaratory judgment that Defendant does not have a perfected security interest in Future QAF Disbursements;

(d) issue a declaratory judgment that, as a result of the Committee’s claims for relief, Defendant is undersecured; and

(e) grant any further relief as the Court deems just and proper.

DATED: September 11, 2019

MILBANK LLP

/s/ Mark Shinderman
Mark Shinderman
Robert J. Liubicic
Alexandra Achamallah

ARENT FOX LLP
Thomas E. Jeffrey Jr.
Robert M. Hirsh (admitted *pro hac vice*)

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

Exhibit A

Defendant is secured by a lien on and security interest in the following property:

(1) Real Property:

Property Address	APN
3630 E. Imperial Highway, Lynwood, CA 90262	6173-021-007
2700 E. Slauson Ave., Huntington Park, CA 90255	6320-006-069
5957/5931 Atlantic Blvd., Maywood, CA 90270	6313-013-026, 028
3663 Martin Luther King Jr. Blvd., Lynwood, CA 90262	6173-019-022
3570 Brenton Ave., Lynwood, CA 90262	6191-016-008
202 Alta Loma Ave., Daly City, CA 94015	008-101-010
1800/1850 Sullivan Ave., Daly City, CA 94015	008-084-430, 440, 460, 470, 480, 500, 520, 530, 540
1500 Southgate Ave., Daly City, CA 94015	008-521-110
1900 Sullivan Ave., Daly City, CA 94015	008-104-120
1900 Sullivan Ave., Daly City, CA 94015	008-104-100
1900 Sullivan Ave., Daly City, CA 94015	008-520-190
1900 Sullivan Ave., Daly City, CA 94015	008-084-370
9340/9400 No Name Uno, Gilroy, CA 95020	835-05-031, 032
2030 Forest Ave., San Jose, CA 95128-4815	274-58-020
2039 Forest Ave., Unit B2, San Jose, CA 95128-4815	274-60-013
2039 Forest Ave., Unit 105, San Jose, CA 95128-4815	274-60-014
2039 Forest Ave., Unit 204, San Jose, CA 95128-4815	274-60-015
2105 Forest Ave., San Jose, CA 95128-0000	274-40-081, 082
2131 W. 3rd St., Los Angeles, CA 90057	5154-018-018
275 S. Grand View St., Los Angeles, CA 90057	5154-017-007
2312 Miramar St., Los Angeles, CA 90057	5154-017-008
2318 Miramar St., Los Angeles, CA 90057	5154-017-009
2322 Miramar St., Los Angeles, CA 90057	5154-017-010
2328 Miramar St., Los Angeles, CA 90057	5154-017-011
2332 Miramar St., Los Angeles, CA 90057	5154-017-012
2336 Miramar St., Los Angeles, CA 90057	5154-017-013
2340 Miramar St., Los Angeles, CA 90057	5154-017-014
2344 Miramar St., Los Angeles, CA 90057	5154-017-015
274 S. Park View St., Los Angeles, CA 90057	5154-017-016
2301 W. 3rd St., Los Angeles, CA 90057	5154-017-017
434 S. Lake St., Los Angeles, CA 90057	5154-030-017
426 S. Lake St., Los Angeles, CA 90057	5154-030-018
422 S. Lake St., Los Angeles, CA 90057	5154-030-019
412 S. Lake St., Los Angeles, CA 90057	5154-030-022
2200 W. 3rd St., Los Angeles, CA 90057	5154-034-006
438 S. Lake St., Los Angeles, CA 90057	5154-031-024
161 S. Alvarado St., Los Angeles, CA 90057	5154-008-015
143 S. Alvarado St., Los Angeles, CA 90057	5154-008-012
2222 Ocean View Ave., Los Angeles, CA 90057	5154-033-021

2100 W. 3rd St., Los Angeles, CA 90057	5154-030-034
2334 Valley St., Los Angeles, CA 90057	5154-012-007
2335 Miramar St., Los Angeles, CA 90057	5154-012-011
2220 Valley St., Los Angeles, CA 90057	5154-012-020
253 S. Lake St., Los Angeles, CA 90057	5154-012-026
199/201 S. Alvarado St., Los Angeles, CA 90057	5154-018-019
171 S. Alvarado St., Los Angeles, CA 90057	5154-018-020
262/272 S. Lake St. and 2120 Valley, Los Angeles, CA 90057	5154-018-021
4472 W. 177th St., Hawthorne, CA 90250	4044-016-026
4477 W. 188th St., Unit 10, Hawthorne, CA 90250	4044-016-039
4477 W. 188th St., Unit 11, Hawthorne, CA 90250	4044-016-040
4477 W. 188th St., Unit 12, Hawthorne, CA 90250	4044-016-041
4477 W. 188th St., Unit 13, Hawthorne, CA 90250	4044-016-042
4477 W. 188th St., Unit 14, Hawthorne, CA 90250	4044-016-043
4477 W. 188th St., Unit 15, Hawthorne, CA 90250	4044-016-044
4477 W. 188th St., Unit 16, Hawthorne, CA 90250	4044-016-045
4477 W. 188th St., Unit 17, Hawthorne, CA 90250	4044-016-046
4477 W. 188th St., Unit 18, Hawthorne, CA 90250	4044-016-047
	4044-011-029
	4044-012-004

(2) Accounts:

Company	Financial Institution	Account Number
O'Connor Hospital	Bank of America	XXXXXX3900
St. Louise Regional Hospital	Bank of America	XXXXXX3905
St. Francis Medical Center	Bank of America	XXXXXX3924
St. Vincent Medical Center	Bank of America	XXXXXX3929
Seton Coastside	Bank of America	XXXXXX3887
Seton Medical Center	Bank of America	XXXXXX3882

; and

(3) to the extent not covered by subparagraph (1) or (2) above, a perfected security interest in the Property (as defined in the Deed of Trust) and Personal Property (as defined in the Deed of Trust) of Seton Medical Center, Saint Louise Regional Hospital, St. Francis Medical Center, O'Connor Hospital, St. Vincent Medical Center, and Robert F. Kennedy Medical Center, in each case to the extent such Property and Personal Property (i) may be perfected by the recording of the Deed of Trust in the applicable recording office under California law or (ii) is described in the corresponding financing statements filed with the California Secretary of State and can be perfected by the filing of such financing statements with the California Secretary of State.

Exhibit B

Exhibit B—Section I

Company	Financial Institution	Account Number
Verity Health System of CA Inc.	Bank of America	XXXXXX6440
Verity Health System of CA Inc.	Bank of America	XXXXXX9250
Verity Health System of CA Inc.	Bank of America	XXXXXX1785
Verity Health System of CA Inc.	Bank of America	XXXXXX2889
O’Connor Hospital	Bank of America	XXXXXX2945
O’Connor Hospital	Bank of America	XXXXXX6389
O’Connor Hospital	Bank of America	XXXXXX3007
O’Connor Hospital	Bank of America	XXXXXX2284
O’Connor Hospital	Bank of America	XXXXXX2662
St. Louise Regional Hospital	Bank of America	XXXXXX2926
St. Louise Regional Hospital	Bank of America	XXXXXX6421
St. Louise Regional Hospital	Bank of America	XXXXXX7575
St. Louise Regional Hospital	Bank of America	XXXXXX2307
St. Francis Medical Center	Bank of America	XXXXXX2940
St. Francis Medical Center	Bank of America	XXXXXX6407
St. Francis Medical Center	Bank of America	XXXXXX3012
St. Francis Medical Center	Bank of America	XXXXXX2487
St. Francis Medical Center	Bank of America	XXXXXX1057
St. Francis Medical Center	Bank of America	XXXXXX1371
St. Francis Medical Center	Bank of America	XXXXXX1357
St. Francis Medical Center	Bank of America	XXXXXX1845
St. Francis Medical Center	Bank of America	XXXXXX1840
St. Francis Medical Center	U.S. Bank	XXXXXX2162
St. Vincent Medical Center	Bank of America	XXXXXX2964
St. Vincent Medical Center	Bank of America	XXXXXX6426
St. Vincent Medical Center	Bank of America	XXXXXX3017
St. Vincent Medical Center	Bank of America	XXXXXX2062
St. Vincent Medical Center	Bank of America	XXXXXX0553
St. Vincent Medical Center	Bank of America	XXXXXX3695
St. Vincent Medical Center	Bank of America	XXXXXX0989
Seton Medical Center	Bank of America	XXXXXX2902
Seton Medical Center	Bank of America	XXXXXX6365
Seton Medical Center	Bank of America	XXXXXX3001
Seton Medical Center	Bank of America	XXXXXX2289
Seton Medical Center	Bank of America	XXXXXX02907
Seton Medical Center	Bank of America	XXXXXX6384

Company	Financial Institution	Account Number
Seton Medical Center	Bank of America	XXXXXX2302
Seton Medical Center	Bank of America	XXXXX12907
O'Connor Hospital Foundation	Bank of America	XXXXXX3433
O'Connor Hospital Foundation	Morgan Stanley	XXXXX2-037
St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521
St. Francis Medical Center Foundation	Bank of America	XXXXXX2809
St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025
St. Vincent Medical Center Foundation	East West Bank	XXXXXX1162
St. Vincent Dialysis Center	Bank of America	XXXXXX8921
Seton Medical Center Foundation	Bank of America	XXXXXX2260
Healy, James T/U/A	Wells Fargo	XXXXXX0089
Verity Business Services	Bank of America	XXXXXX6402
Verity Business Services	Bank of America	XXXXXX2982
Verity Business Services	Bank of America	XXXXXX3192
Verity Medical Foundation	Wells Fargo	XXXXXX9996
Verity Medical Foundation	Wells Fargo	XXXXXX0010
Verity Holdings LLC	Bank of America	XXXXXX1597
Verity Holdings LLC	Bank of America	XXXXXX1248
Verity Holdings LLC	Bank of America	XXXXXX1970
Verity Holdings LLC	Bank of America	XXXXXX1975
Seton Medical Center	Tri Counties Bank	XXXXXX3611
Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521

Exhibit B—Section II

- Verity Health System of California, Inc.
- O'Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center of Lynwood Foundation
- St. Vincent Foundation
- St. Vincent Dialysis Center, Inc.
- Seton Medical Center Foundation
- Verity Business Services
- Verity Medical Foundation
- Verity Holdings, LLC
- De Paul Ventures, LLC
- De Paul Ventures - San Jose Dialysis, LLC

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*): **FIRST AMENDED COMPLAINT FOR DETERMINATION OF VALIDITY, PRIORITY, AND EXTENT OF LIENS AND SECURITY INTERESTS** 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 11, 2019, 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*) September 11, 2019, 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 11, 2019, 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.

<u>September 11, 2019</u>	<u>Beth Aalberts</u>	<u>/s/ Beth Aalberts</u>
<i>Date</i>	<i>Printed Name</i>	<i>Signature</i>

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

SERVICE LIST

(Via NEF)

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

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Clark Whitmore

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The Honorable Ernest M. Robles
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Central District of California
Edward R. Roybal Federal Building and Courthouse
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11 *Counsel for the Official Committee of Unsecured Creditors*
12 *of Verity Health System of California, Inc., et al.*

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

15 In re:
16 VERITY HEALTH SYSTEM OF CALIFORNIA,
17 INC., *et al.*,
18 Debtors and Debtors In Possession.

Chapter 11
Lead Case No. 2:18-bk-20151-ER
Hon. Ernest M. Robles
Adv. Proc. No. ~~2:19-~~ [ap-01166-ER](#)

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

FIRST AMENDED COMPLAINT FOR
DETERMINATION OF VALIDITY,
PRIORITY, AND EXTENT OF LIENS
AND SECURITY INTERESTS

22 Plaintiff,

~~Hearing to be scheduled.~~

23 v.

24 UMB BANK, NATIONAL ASSOCIATION, as
25 trustee,

26 Defendant.
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1 The Official Committee of Unsecured Creditors (“Plaintiff” or the “Committee”) of
2 debtors and debtors-in-possession (collectively, the “Debtors”) in the above-captioned chapter 11
3 cases, for and on behalf of the Debtors’ estates, as and for its first amended adversary complaint
4 (the “First Amended Complaint”), against Defendant UMB Bank, National Association in its
5 capacity as trustee (“Defendant” and together with Plaintiff, the “Parties”), pursuant to Federal Rule
6 of Bankruptcy Procedure 7001 and title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the
7 “Bankruptcy Code”), hereby respectfully alleges as follows:

8 **NATURE OF THE ACTION**

9 1. This is an adversary proceeding brought pursuant to, *inter alia*, Federal Rule of
10 Bankruptcy Procedure 7001, sections 105 and 502 of the Bankruptcy Code, and other applicable
11 law, seeking a declaratory judgment determining the validity, priority, and extent of the liens against
12 property of the Debtors’ estates held by Defendant.

13 2. The Committee seeks a determination that other than the property identified in
14 Exhibit A (the “Collateral”), as of the Petition Date, Defendant does not have a perfected security
15 interest in any of the Debtors’ assets—and, in particular, Defendant does not have a perfected
16 security interest in the deposit accounts of the Debtors set forth in Section I of Exhibit B hereto (the
17 “Deposit Accounts”) or the funds therein, or in the entities or the assets of the entities set forth in
18 Section II of Exhibit B hereto, nor does Defendant have any rights and/or interests in any so-called
19 quality assurance fee (“QAF”) revenue funds arising under California Welfare & Institutions Code
20 sections 14169.54 and 14169.55, or the right to any future disbursements on account thereof, relating
21 to QAF fee-for-service periods 7–10 and QAF managed care period 3 (“Future QAF
22 Disbursements”).

23 3. Plaintiff has standing to prosecute this Complaint action by virtue of, *inter alia*,
24 paragraph 5(e) of the *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of*
25 *Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status,*
26 *(IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief*
27 (the “Final DIP Order”) [Docket No. 409] entered by the Court on October 4, 2018.

28 4. Paragraph 5(e) of the Final DIP Order provides, in pertinent part:

1 (e) **Validity, Perfection and Amount of Prepetition Liens.** The
2 Debtors further acknowledge and agree that, as of the Petition Date, (a) the
3 Prepetition Liens securing the Prepetition Secured Obligations on the
4 Prepetition Collateral and the VMF Liens on the VMF Collateral were
5 valid, binding, enforceable, non-avoidable, and properly perfected and
6 were granted to, or for the benefit of, the Prepetition Secured Creditors
7 and McKesson, (b) the Prepetition Liens were senior in priority over any
8 and all other Liens on the Prepetition Collateral except the prepetition tax
9 lien arising in connection with the CSCDA Special Assessments, and (c)
10 the VMF Liens were senior in priority over any and all other Liens on
11 VMF Collateral. The findings and stipulations set forth in this Final Order
12 with respect to the validity, enforceability and amount of the Prepetition
13 Secured Obligation and the Prepetition Liens shall be binding on any
14 subsequent trustee, responsible person, examiner with expanded powers,
15 any other estate representative, and all creditors and parties in interest and
16 all of their successors in interest and assigns, including the Committee,
17 unless, and solely to the extent that, a party in interest with requisite
18 standing and authority (other than the Debtors, as to which any Challenge
19 (as defined below) is irrevocably waived and relinquished) has timely filed
20 the appropriate pleadings, and timely commenced the appropriate
21 proceeding required under the Bankruptcy Code and Bankruptcy Rules,
22 including as required pursuant to Part VII of the Bankruptcy Rules (in
23 each case subject to the limitations set forth in this paragraph 4(d))
24 challenging the Prepetition Liens (each such proceeding or appropriate
25 pleading commencing a proceeding or other contested matter, a
26 “**Challenge**”) within ninety (90) days from the formation of the
27 Committee (the “**Challenge Deadline**”); provided that for purposes of
28 filing a Challenge, the Committee shall be deemed to have standing to file
the requisite pleading without further order of the Court; and provided
further, that the “Challenge Deadline” for matters solely relating to the
value of the Prepetition Collateral may be further extended to such time as
may be agreed by stipulation among the Debtors, the Committee and the
Prepetition Secured Creditors or as further ordered by the Court.

21 Final DIP Order, ¶ 5(e) (emphasis added).

22 ~~5. The Parties have extended the Challenge Deadline on several occasions. As of the date of~~
23 ~~this filing, the Challenge Deadline is June 13, 2019.~~

24 5. This action was filed on June 13, 2019, which was within the Challenge Deadline
25 as extended by agreement of the Parties.
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JURISDICTION AND VENUE

6. This Court has jurisdiction over this adversary proceeding by virtue of 28 U.S.C. § 1334(b) and pursuant to 28 U.S.C. § 157(a).

7. This adversary proceeding is a “core” proceeding as defined in 28 U.S.C. §§ 157(b)(2)(A) and (K).

8. In the event that any part of this adversary proceeding is found to be “non-core,” Plaintiff consents to the entry of final orders and judgments by this Court, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure.

9. Venue in this District is properly laid pursuant to 28 U.S.C. § 1409.

PARTIES

10. The Committee was formed on September 14, 2018 and was duly appointed on September 17, 2018 by the Office of the United States Trustee pursuant to Section 1102(a)(1) of the Bankruptcy Code [Docket No. 197].

11. The Committee brings this proceeding on behalf of and for the benefit of the Debtors’ chapter 11 estates.

12. Upon information and belief, Defendant is a party to the Indentures described in paragraph 21 below. Upon information and belief, Defendant conducts operations in the United States.

RELEVANT FACTS

13. On August 31, 2018 (the “Petition Date”), the above-referenced Debtors filed voluntary cases (the “Bankruptcy Cases”) under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Central District of California.

14. The Debtors are in the business of operating hospitals and other healthcare facilities in California.

15. The Debtors continue in the management and operation of their businesses and properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in the Bankruptcy Cases.

1 16. On the Petition Date, the Debtors filed their *Emergency Motion of Debtors for Interim*
2 *and Final Orders (A) Authorizing the Debtors to Obtain Post Petition Financing (B) Authorizing the*
3 *Debtors to Use Cash Collateral and (C) Granting Adequate Protection to Prepetition Secured*
4 *Creditors Pursuant to 11 U.S.C. §§ 105, 363, 364, 1107 and 1108; Memorandum of Points and*
5 *Authorities in Support Thereof* [Docket No. 31] (the “DIP Motion”).

6 17. Pursuant to the Loan Agreements (defined in paragraph 21 below), the Debtors were
7 loaned bond proceeds from the Indentures (referred to in paragraph 21 below) pursuant to which
8 Defendant served as master trustee prior to the Petition Date.

9 18. This action is to determine the validity, priority, and extent of Defendant’s liens and
10 security interests. This action is not brought against Defendant in its individual capacity, but rather
11 solely as a master trustee. Plaintiff does not contend that Defendant has done anything improper.

12 19. Subject to the limitations set forth, *inter alia*, in paragraph 5(e) of the Final DIP
13 Order, the Debtors stipulated to, *inter alia*, the validity, perfection, and enforceability of Defendant’s
14 liens and scope of Defendant’s collateral, and waived all rights to challenge such liens. *See* Final
15 DIP Order, ¶ 5(e).

16 20. Pursuant to paragraph 5(e) of the Final DIP Order, the stipulations and admissions
17 contained in the Final DIP Order are deemed binding upon the Debtors and all non-debtor parties-in-
18 interest, including without limitation the Committee, for all purposes, including, without limitation
19 the validity, perfection, and enforceability of the Prepetition Liens and the Prepetition Secured
20 Obligations (as defined in the Final DIP Order), unless and except to the extent the Committee has
21 initiated a timely Challenge Proceeding (as defined in the Final DIP Order). *See* Final DIP Order,
22 ¶ 5(e).

23 21. The applicable Debtors’ obligations owing to the Defendant are secured by a lien on
24 and security interest in the Collateral pursuant to:

25 (i) the loan agreements identified in items (1) – (12) below (collectively, the “Loan
26 Agreements”):

27 (1) Loan Agreement originally dated as of December 1, 2001 between the California
28 Statewide Communities Development Authority, Robert F. Kennedy Medical

1 Center, and Daughters of Charity Health System relating to the \$19,945,000
2 California Statewide Communities Development Authority Revenue Bonds (Robert
3 F. Kennedy Medical Center) Series 2001A.

4 (2) Loan Agreement dated as of February 1, 2005 between the California Statewide
5 Communities Development Authority and Daughters of Charity Health System
6 relating to the \$259,125,000 California Statewide Communities Development
7 Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A.

8 (3) Loan Agreement dated as of February 1, 2005 between the California Statewide
9 Communities Development Authority and Daughters of Charity Health System
10 relating to the \$130,000,000 California Statewide Communities Development
11 Authority Revenue Bonds (Daughters of Charity Health System) Series 2005B-1,
12 2005B-2, 2005B-3, 2005B- 4, and 2005B-5.

13 (4) Loan Agreement dated as of February 1, 2005 between the California Statewide
14 Communities Development Authority and St. Francis Medical Center relating to the
15 \$39,715,000 California Statewide Communities Development Authority Revenue
16 Bonds (Daughters of Charity Health System – St. Francis Medical Center) Series
17 2005F.

18 (5) Loan Agreement dated as of February 1, 2005 between the California Statewide
19 Communities Development Authority and St. Francis Medical Center relating to the
20 \$48,245,000 California Statewide Communities Development Authority Revenue
21 Bonds (Daughters of Charity Health System – St. Francis Medical Center) Series
22 2005G.

23 (6) Loan Agreement dated as of February 1, 2005 between the California Statewide
24 Communities Development Authority and St. Francis Medical Center relating to
25 the\$17,570,000 California Statewide Communities Development Authority
26 Revenue Bonds (Daughters of Charity Health System – St. Francis Medical Center)
27 Series 2005H.
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1 (7) Loan Agreement dated as of December 1, 2015 between California Public Finance
2 Authority and Verity Health System of California, Inc. relating to the \$60,000,000
3 California Public Finance Authority Revenue Notes (Verity Health System) Series
4 2015A.

5 (8) Loan Agreement dated as of December 1, 2015 between California Public Finance
6 Authority and Verity Health System of California, Inc. relating to the \$45,000,000
7 California Public Finance Authority Revenue Notes (Verity Health System) Series
8 2015B.

9 (9) Loan Agreement dated as of December 1, 2015 between California Public Finance
10 Authority and Verity Health System of California, Inc. relating to the \$10,000,000
11 California Public Finance Authority Revenue Notes (Verity Health System) Series
12 2015C (Federally Taxable).

13 (10) Loan Agreement dated as of December 1, 2015 between California Public Finance
14 Authority and Verity Health System of California, Inc. relating to the \$45,000,000
15 California Public Finance Authority Revenue Notes (Verity Health System) Series
16 2015D.

17 (11) Loan Agreement dated as of September 1, 2017 between California Public Finance
18 Authority and Verity Health System of California, Inc. relating to the \$21,000,000
19 California Public Finance Authority Revenue Notes (Verity Health System) Series
20 2017.

21 (12) Loan Agreement dated as of December 1, 2017 between California Public Finance
22 Authority and Verity Health System of California, Inc. relating to the \$21,000,000
23 California Public Finance Authority Revenue Notes (Verity Health System) Series
24 2017B.

25 (ii) the Notes, Indentures (as defined in the Loan Agreements), and Master Indenture (in each
26 case referred to in the applicable Loan Agreement), and
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1 (iii) each Deed of Trust With Fixture Filing and Security Agreement and Assignment of
2 Leases and Rents entered into in connection with the Loan Agreements (individually or
3 collectively, “Deed of Trust”).

4 22. On December 27, 2018, the Bankruptcy Court entered an order granting
5 Debtors’ motion seeking approval of the sale (the “SCC Sale”) of O’Connor Hospital and Saint
6 Louise Regional Hospital to the County of Santa Clara, a political subdivision of California
7 (“SCC”). The SCC sale has closed. On May 2, 2019, the Bankruptcy Court entered an order
8 granting Debtors’ motion seeking approval of the sale (the “SGM Sale,” and together with the
9 SCC Sale, the “Sales”) to Strategic Global Management, Inc. (“SGM”) of St. Francis Medical
10 Center, St. Vincent Medical Center, and Seton Medical Center. The SGM sale has not yet
11 closed.

12 23. The proceeds of the Sales include substantial going concern premiums.
13 Defendant is not entitled to those premiums because they are generated by labor—the hard
14 work of the doctors, nurses, and other employees of the medical facilities.

15 24. Stated differently, the going concern premiums are not the proceeds of the
16 Collateral. The bankruptcy process created significant value above what the Defendant would
17 have realized upon foreclosure on its interest in the Collateral. In a foreclosure, Defendant
18 would have found itself the owner of a collection of buildings, not an ongoing business, and
19 would have been subject to significant wind-down costs. These chapter 11 cases, on the other
20 hand, have unlocked the going concern value of the Debtors’ enterprise, resulting in a
21 substantial benefit to Defendant as well as allowing Defendant to avoid the costs of a wind-
22 down.

23 25. ~~22.~~ Other than the Collateral, as of the Petition Date, the Defendant does not have a
24 perfected security interest in any of the Debtors’ assets, including (i) the Deposit Accounts set forth
25 in Section I of Exhibit B hereto, (ii) the entities or the assets of the entities set forth in Section II of
26 Exhibit B hereto, (iii) any going concern premium that has been or will be generated, (iv) assets
27 related to medical office buildings (the “MOB Assets”), (v) any Future QAF Disbursements, and
28 (~~iv~~~~vi~~) any commercial ~~causes of action~~ tort claims.

1 26. ~~23.~~ A determination by the Court pursuant to Federal Rules of Bankruptcy Procedure
2 7001(2) and 7001(9), sections 105 and 502 of the Bankruptcy Code, and other applicable law
3 regarding the validity, priority, and extent of Defendant’s liens against the Debtors’ estates is
4 necessary to the proper administration of the Debtors’ estates.

5 27. ~~24.~~ All rights to bring avoidance or similar actions under Chapter 5 of the Bankruptcy
6 Code or similar state law (collectively, “Avoidance Actions”) are reserved. Nothing in this First
7 Amended Complaint shall be considered to be a waiver of any rights of the Committee, the Debtors,
8 a liquidating trust, or any other entity with standing, to bring Avoidance Actions against any party.

9 **FIRST CLAIM FOR RELIEF**

10 **(Declaratory Relief – Clarification of Final DIP Order)**

11 28. ~~25.~~ The Committee restates and re-alleges each of the foregoing allegations as if fully
12 set forth herein.

13 29. ~~26.~~ Paragraph 5(e) of the Final DIP Order provides that “the Prepetition Liens
14 securing the Prepetition Secured Obligations on the Prepetition Collateral and the VMF Liens on the
15 VMF Collateral were valid, binding, enforceable, non-avoidable, and properly perfected and were
16 granted to, or for the benefit of, the Prepetition Secured Creditors and McKesson.”

17 30. ~~27.~~ Read literally, paragraph 5(e) of the Final DIP Order mistakenly suggests that
18 Defendant has a perfected security interest in all of the assets of all of the Debtors.

19 31. ~~28.~~ As of the Petition Date, Defendant does not have a perfected security interest in
20 *all* of the assets of all of the Debtors, but rather only in the Collateral set forth on Exhibit A.
21 Defendant does not have a perfected security interest in any of the Debtors’ other assets, including
22 (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, (ii) the entities or the assets of the
23 entities set forth in Section II of Exhibit B hereto, (iii) any going concern premium that has been
24 or will be generated, (iv) the MOB Assets, (v) any Future QAF Disbursements, and ~~(iv)~~ (vi) any
25 commercial ~~causes-of-action~~ tort claims.

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SECOND CLAIM FOR RELIEF

(Declaratory Relief – Deposit Accounts And Entities)

32. ~~29.~~The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

33. ~~30.~~Defendant does not have a perfected security interest in the Deposit Accounts set forth in Section I of Exhibit B hereto because (a) there are no deposit account control agreements for the Deposit Accounts, (b) there is no possession of the funds by Defendant in the Deposit Accounts, and (c) the funds in the Deposit Accounts do not constitute identifiable cash proceeds of an otherwise perfected, unavoidable lien in other collateral of the Defendant.

34. ~~31.~~Defendant does not have a perfected security interest in the entities or the assets of the entities set forth in Section II of Exhibit B hereto.

THIRD CLAIM FOR RELIEF

(Declaratory Relief – Future QAF Disbursements)

35. ~~32.~~The Committee restates and re-alleges each of the foregoing allegations as if fully set forth herein.

36. ~~33.~~Defendant does not have a perfected security interest in Future QAF Disbursements because, among other things, (a) Future QAF Disbursements do not constitute proceeds of pre-petition collateral, (b) the value of a lien in Future QAF Disbursements to Defendant is \$0.00 given that, as of the Petition Date, Defendant could not foreclose on its purported security interest and demand collection from the State of California, (c) the value of Future QAF Disbursements to Debtors on the Petition Date was \$0.00 because Debtors had not undertaken the commitments or satisfied the conditions precedent to have any rights to Future QAF Disbursements, ~~and/or~~ (d) Future QAF Disbursements depended completely upon post-petition services of the Debtors, and (e) to the extent Defendant contends one or more Loan Agreements were modified to include a lien in Future QAF Disbursements, the purported granting of any such lien was a constructive fraudulent conveyance under 11 U.S.C. §§ 544 and 550 and California Civil Code §§ 3439.04 and 3439.05, because Debtors received less than reasonably equivalent value in exchange for the granting of the lien, and (i) Debtors’ remaining assets were

1 unreasonably small in relation to the transaction, or (ii) Debtors intended to incur, or believed
2 or reasonably should have believed they would incur, debts beyond Debtors' ability to repay,
3 or (iii) Debtors were insolvent at the time, or as a result, of the granting of the lien.

4 37. ~~34.~~ Accordingly, any purported lien in any Future QAF Disbursements in favor of
5 Defendant must be avoided.

6 **FOURTH CLAIM FOR RELIEF**

7 **(Declaratory Relief – Defendant is Undersecured)**

8 38. The Committee restates and re-alleges each of the foregoing allegations as if fully
9 set forth herein.

10 39. If the Court were to grant the relief sought in some or all of the first three claims
11 for relief herein, the Defendant would be undersecured.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, the Committee respectfully requests that the Court:

14 (a) issue a declaratory judgment that, notwithstanding the language of Paragraph 5(e) of the
15 Final DIP Order, as of the Petition Date Defendant does not have a perfected security interest in any
16 of the Debtors' assets other than the Collateral set forth on Exhibit A hereto;

17 (b) issue a declaratory judgment that Defendant does not have a perfected security interest in
18 (i) the Deposit Accounts set forth in Section I of Exhibit B hereto, ~~or~~ (ii) the entities or the assets of
19 the entities set forth in Section II of Exhibit B hereto; (iii) any going concern premium that has
20 been or will be generated; (iv) the MOB Assets; and (v) any commercial tort claims;

21 (c) issue a declaratory judgment that Defendant does not have a perfected security interest in
22 Future QAF Disbursements; ~~and~~

23 (d) issue a declaratory judgment that, as a result of the Committee's claims for relief,
24 Defendant is undersecured; and

25 (de) grant any further relief as the Court deems just and proper.
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1 DATED: ~~June 13~~September 11, 2019

MILBANK LLP

2 /s/ Mark Shinderman

3 Mark Shinderman

4 Robert J. Liubicic

Alexandra Achamallah

5 ARENT FOX LLP

6 Thomas E. Jeffry Jr.

Robert M. Hirsh (admitted *pro hac vice*)

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

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Exhibit A

Defendant is secured by a lien on and security interest in the following property:

(1) Real Property:

Property Address	APN
3630 E. Imperial Highway, Lynwood, CA 90262	6173-021-007
2700 E. Slauson Ave., Huntington Park, CA 90255	6320-006-069
5957/5931 Atlantic Blvd., Maywood, CA 90270	6313-013-026, 028
3663 Martin Luther King Jr. Blvd., Lynwood, CA 90262	6173-019-022
3570 Brenton Ave., Lynwood, CA 90262	6191-016-008
202 Alta Loma Ave., Daly City, CA 94015	008-101-010
1800/1850 Sullivan Ave., Daly City, CA 94015	008-084-430, 440, 460, 470, 480, 500, 520, 530, 540
1500 Southgate Ave., Daly City, CA 94015	008-521-110
1900 Sullivan Ave., Daly City, CA 94015	008-104-120
1900 Sullivan Ave., Daly City, CA 94015	008-104-100
1900 Sullivan Ave., Daly City, CA 94015	008-520-190
1900 Sullivan Ave., Daly City, CA 94015	008-084-370
9340/9400 No Name Uno, Gilroy, CA 95020	835-05-031, 032
2030 Forest Ave., San Jose, CA 95128-4815	274-58-020
2039 Forest Ave., Unit B2, San Jose, CA 95128-4815	274-60-013
2039 Forest Ave., Unit 105, San Jose, CA 95128-4815	274-60-014
2039 Forest Ave., Unit 204, San Jose, CA 95128-4815	274-60-015
2105 Forest Ave., San Jose, CA 95128-0000	274-40-081, 082
2131 W. 3rd St., Los Angeles, CA 90057	5154-018-018
275 S. Grand View St., Los Angeles, CA 90057	5154-017-007
2312 Miramar St., Los Angeles, CA 90057	5154-017-008
2318 Miramar St., Los Angeles, CA 90057	5154-017-009
2322 Miramar St., Los Angeles, CA 90057	5154-017-010
2328 Miramar St., Los Angeles, CA 90057	5154-017-011
2332 Miramar St., Los Angeles, CA 90057	5154-017-012
2336 Miramar St., Los Angeles, CA 90057	5154-017-013
2340 Miramar St., Los Angeles, CA 90057	5154-017-014
2344 Miramar St., Los Angeles, CA 90057	5154-017-015
274 S. Park View St., Los Angeles, CA 90057	5154-017-016
2301 W. 3rd St., Los Angeles, CA 90057	5154-017-017
434 S. Lake St., Los Angeles, CA 90057	5154-030-017
426 S. Lake St., Los Angeles, CA 90057	5154-030-018
422 S. Lake St., Los Angeles, CA 90057	5154-030-019
412 S. Lake St., Los Angeles, CA 90057	5154-030-022
2200 W. 3rd St., Los Angeles, CA 90057	5154-034-006
438 S. Lake St., Los Angeles, CA 90057	5154-031-024
161 S. Alvarado St., Los Angeles, CA 90057	5154-008-015
143 S. Alvarado St., Los Angeles, CA 90057	5154-008-012
2222 Ocean View Ave., Los Angeles, CA 90057	5154-033-021

2100 W. 3rd St., Los Angeles, CA 90057	5154-030-034
2334 Valley St., Los Angeles, CA 90057	5154-012-007
2335 Miramar St., Los Angeles, CA 90057	5154-012-011
2220 Valley St., Los Angeles, CA 90057	5154-012-020
253 S. Lake St., Los Angeles, CA 90057	5154-012-026
199/201 S. Alvarado St., Los Angeles, CA 90057	5154-018-019
171 S. Alvarado St., Los Angeles, CA 90057	5154-018-020
262/272 S. Lake St. and 2120 Valley, Los Angeles, CA 90057	5154-018-021
4472 W. 177th St., Hawthorne, CA 90250	4044-016-026
4477 W. 188th St., Unit 10, Hawthorne, CA 90250	4044-016-039
4477 W. 188th St., Unit 11, Hawthorne, CA 90250	4044-016-040
4477 W. 188th St., Unit 12, Hawthorne, CA 90250	4044-016-041
4477 W. 188th St., Unit 13, Hawthorne, CA 90250	4044-016-042
4477 W. 188th St., Unit 14, Hawthorne, CA 90250	4044-016-043
4477 W. 188th St., Unit 15, Hawthorne, CA 90250	4044-016-044
4477 W. 188th St., Unit 16, Hawthorne, CA 90250	4044-016-045
4477 W. 188th St., Unit 17, Hawthorne, CA 90250	4044-016-046
4477 W. 188th St., Unit 18, Hawthorne, CA 90250	4044-016-047
	4044-011-029
	4044-012-004

(2) Accounts:

Company	Financial Institution	Account Number
O'Connor Hospital	Bank of America	XXXXXX3900
St. Louise Regional Hospital	Bank of America	XXXXXX3905
St. Francis Medical Center	Bank of America	XXXXXX3924
St. Vincent Medical Center	Bank of America	XXXXXX3929
Seton Coastside	Bank of America	XXXXXX3887
Seton Medical Center	Bank of America	XXXXXX3882

; and

(3) to the extent not covered by subparagraph (1) or (2) above, a perfected security interest in the Property (as defined in the Deed of Trust) and Personal Property (as defined in the Deed of Trust) of Seton Medical Center, Saint Louise Regional Hospital, St. Francis Medical Center, O'Connor Hospital, St. Vincent Medical Center, and Robert F. Kennedy Medical Center, in each case to the extent such Property and Personal Property (i) may be perfected by the recording of the Deed of Trust in the applicable recording office under California law or (ii) is described in the corresponding financing statements filed with the California Secretary of State and can be perfected by the filing of such financing statements with the California Secretary of State.

Exhibit B

Exhibit B—Section I

Company	Financial Institution	Account Number
Verity Health System of CA Inc.	Bank of America	XXXXXX6440
Verity Health System of CA Inc.	Bank of America	XXXXXX9250
Verity Health System of CA Inc.	Bank of America	XXXXXX1785
Verity Health System of CA Inc.	Bank of America	XXXXXX2889
O’Connor Hospital	Bank of America	XXXXXX2945
O’Connor Hospital	Bank of America	XXXXXX6389
O’Connor Hospital	Bank of America	XXXXXX3007
O’Connor Hospital	Bank of America	XXXXXX2284
O’Connor Hospital	Bank of America	XXXXXX2662
St. Louise Regional Hospital	Bank of America	XXXXXX2926
St. Louise Regional Hospital	Bank of America	XXXXXX6421
St. Louise Regional Hospital	Bank of America	XXXXXX7575
St. Louise Regional Hospital	Bank of America	XXXXXX2307
St. Francis Medical Center	Bank of America	XXXXXX2940
St. Francis Medical Center	Bank of America	XXXXXX6407
St. Francis Medical Center	Bank of America	XXXXXX3012
St. Francis Medical Center	Bank of America	XXXXXX2487
St. Francis Medical Center	Bank of America	XXXXXX1057
St. Francis Medical Center	Bank of America	XXXXXX1371
St. Francis Medical Center	Bank of America	XXXXXX1357
St. Francis Medical Center	Bank of America	XXXXXX1845
St. Francis Medical Center	Bank of America	XXXXXX1840
St. Francis Medical Center	U.S. Bank	XXXXXX2162
St. Vincent Medical Center	Bank of America	XXXXXX2964
St. Vincent Medical Center	Bank of America	XXXXXX6426
St. Vincent Medical Center	Bank of America	XXXXXX3017
St. Vincent Medical Center	Bank of America	XXXXXX2062
St. Vincent Medical Center	Bank of America	XXXXXX0553
St. Vincent Medical Center	Bank of America	XXXXXX3695
St. Vincent Medical Center	Bank of America	XXXXXX0989
Seton Medical Center	Bank of America	XXXXXX2902
Seton Medical Center	Bank of America	XXXXXX6365
Seton Medical Center	Bank of America	XXXXXX3001
Seton Medical Center	Bank of America	XXXXXX2289
Seton Medical Center	Bank of America	XXXXXX02907
Seton Medical Center	Bank of America	XXXXXX6384

Company	Financial Institution	Account Number
Seton Medical Center	Bank of America	XXXXXX2302
Seton Medical Center	Bank of America	XXXXX12907
O'Connor Hospital Foundation	Bank of America	XXXXXX3433
O'Connor Hospital Foundation	Morgan Stanley	XXXXX2-037
St. Louise Regional Hospital Foundation	Bank of America	XXXXXX2521
St. Francis Medical Center Foundation	Bank of America	XXXXXX2809
St. Vincent Medical Center Foundation	Bank of America	XXXXXX3025
St. Vincent Medical Center Foundation	East West Bank	XXXXXX1162
St. Vincent Dialysis Center	Bank of America	XXXXXX8921
Seton Medical Center Foundation	Bank of America	XXXXXX2260
Healy, James T/U/A	Wells Fargo	XXXXXX0089
Verity Business Services	Bank of America	XXXXXX6402
Verity Business Services	Bank of America	XXXXXX2982
Verity Business Services	Bank of America	XXXXXX3192
Verity Medical Foundation	Wells Fargo	XXXXXX9996
Verity Medical Foundation	Wells Fargo	XXXXXX0010
Verity Holdings LLC	Bank of America	XXXXXX1597
Verity Holdings LLC	Bank of America	XXXXXX1248
Verity Holdings LLC	Bank of America	XXXXXX1970
Verity Holdings LLC	Bank of America	XXXXXX1975
Seton Medical Center	Tri Counties Bank	XXXXXX3611
Seton Medical Center Foundation	Tri Counties Bank	XXXXXX8521

Exhibit B—Section II

- Verity Health System of California, Inc.
- O’Connor Hospital Foundation
- Saint Louise Regional Hospital Foundation
- St. Francis Medical Center of Lynwood Foundation
- St. Vincent Foundation
- St. Vincent Dialysis Center, Inc.
- Seton Medical Center Foundation
- Verity Business Services
- Verity Medical Foundation
- Verity Holdings, LLC
- De Paul Ventures, LLC
- De Paul Ventures - San Jose Dialysis, LLC

EXHIBIT 3

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input checked="" type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Series 2015 Notes Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else? No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>c/o McDermott Will & Emery LLP (Attn: Megan Preusker)</u></p> <p>Name <u>444 W. Lake Street</u></p> <p>Number Street</p> <p><u>Chicago IL 60606</u></p> <p>City State ZIP Code</p> <p><u>USA</u></p> <p>Country</p> <p>Contact phone <u>312.984.3668</u></p> <p>Contact email <u>mpreusker@mwe.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association (Attn: Sandra Spivey)</u></p> <p>Name <u>2300 W. Sahara, Ste 200</u></p> <p>Number Street</p> <p><u>Las Vegas NV 89102</u></p> <p>City State ZIP Code</p> <p><u>USA</u></p> <p>Country</p> <p>Contact phone <u>702.251.1656</u></p> <p>Contact email <u>sandra.spivey@usbank.com</u></p>
--	---

4. Does this claim amend one already filed? No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim? No
 Yes. Who made the earlier filing? _____

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

Amount entitled to priority

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

3/8/2019
MM / DD / YYYY

Signature

Sandra Spivey

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102 USA
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com

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Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2015 Notes Trustee*”) for the holders of the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C, and D (collectively, the “*Series 2015 Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, and St. Vincent Medical Center (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the 2015 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. Each series of Series 2015 Notes was issued pursuant to a separate Indenture, each dated as of December 1, 2015, by and between the Series 2015 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the “*Series 2015 Notes Documents*.”
3. The indebtedness evidenced by the Series 2015 Notes and Series 2017 Notes (defined herein) is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets, including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical

¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

³ “Accounts” includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any ‘account’ (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.

8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.

9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

<p>1. Who is the current creditor?</p>	<p>U. S. Bank National Association, as Series 2015 Notes Trustee</p> <p>Name of the current creditor (the person or entity to be paid for this claim)</p> <p>Other names the creditor used with the debtor _____</p>		
<p>2. Has this claim been acquired from someone else?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. From whom? _____</p>		
<p>3. Where should notices and payments to the creditor be sent?</p> <p>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</p>	<p>Where should notices to the creditor be sent?</p> <p>c/o McDermott Will & Emery LLP (Attn: Megan Preusker)</p> <p>Name 444 W. Lake Street Number Street Chicago IL 60606 City State ZIP Code USA Country</p> <p>Contact phone 312.984.3668 Contact email mpreusker@mwe.com</p>	<p>Where should payments to the creditor be sent? (if different)</p> <p>U.S. Bank National Association (Attn: Sandra Spivey)</p> <p>Name 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country</p> <p>Contact phone 702.251.1656 Contact email sandra.spivey@usbank.com</p>	<p>RECEIVED MAR 14 2019</p>
<p>Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____</p>			
<p>4. Does this claim amend one already filed?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY</p>		
<p>5. Do you know if anyone else has filed a proof of claim for this claim?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Who made the earlier filing? _____</p>		

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
 See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

Amount entitled to priority

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

3/8/2019
MM / DD / YYYY

Sandra Spivey
Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102 USA
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com

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Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2015 Notes Trustee*”) for the holders of the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C, and D (collectively, the “*Series 2015 Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, and St. Vincent Medical Center (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the 2015 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. Each series of Series 2015 Notes was issued pursuant to a separate Indenture, each dated as of December 1, 2015, by and between the Series 2015 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the “*Series 2015 Notes Documents*.”
3. The indebtedness evidenced by the Series 2015 Notes and Series 2017 Notes (defined herein) is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets, including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical

¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

³ “Accounts” includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any ‘account’ (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastsides (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.

8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.

9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input checked="" type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Series 2015 Notes Trustee
Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else? No Yes. From whom? _____

<p>3. Where should notices and payments to the creditor be sent?</p> <p>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</p>	<p>Where should notices to the creditor be sent?</p> <p><u>c/o McDermott Will & Emery LLP</u> Name (Attn: Megan Preusker), 444 W. Lake Street Number Street Chicago IL 60606 City State ZIP Code USA Country Contact phone <u>312.984.3668</u> Contact email <u>mpreusker@mwe.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association</u> Name (Attn: Sandra Spivey) 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country Contact phone <u>702.251.1656</u> Contact email <u>sandra.spivey@usbank.com</u></p>
	<p>Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____</p>	

4. Does this claim amend one already filed? No Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim? No Yes. Who made the earlier filing? _____

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum

Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 3/8/2019
MM / DD / YYYY

Sandra Spivey
 Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com

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MAR 14 2019

KURTZMAN CARSON CONSULTANTS



mwe.com

Megan Preusker
Associate
mpreusker@mwe.com
+1 312 984 3668

March 12, 2019

VIA FEDERAL EXPRESS

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

To whom it may concern:

Enclosed herein are six proofs of claim on behalf of U.S. Bank National Association, as Series 2015 Notes Trustee, for filing in the bankruptcy cases of (i) Verity Health System of California, Inc. (Case No. 18-20151), (ii) St. Vincent Medical Center (Case No. 18-20164), (iii) St. Louise Regional Hospital (Case No. 18-20162), (iv) St. Francis Medical Center (Case No. 18-20165), (v) Seton Medical Center (Case No. 18-20167) and (vi) O'Connor Hospital (Case No. 18-20168).

If you have any questions, please do not hesitate to contact me.

Sincerely,

Megan Preusker

MP/ns

Enclosures

DM_US 158796036-1.066372.0077

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2015 Notes Trustee*”) for the holders of the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C, and D (collectively, the “*Series 2015 Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, and St. Vincent Medical Center (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the 2015 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.

2. The claim arises under the following undertakings:

a. Each series of Series 2015 Notes was issued pursuant to a separate Indenture, each dated as of December 1, 2015, by and between the Series 2015 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹

b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the “*Series 2015 Notes Documents*.”

3. The indebtedness evidenced by the Series 2015 Notes and Series 2017 Notes (defined herein) is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets, including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical

¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

³ “Accounts” includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any ‘account’ (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastsides (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b). (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.
8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.
9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.
10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

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<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
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<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
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<input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
 Proof of Claim**

04/16

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Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

<p>1. Who is the current creditor?</p>	<p>U. S. Bank National Association, as Series 2015 Notes Trustee</p> <p>Name of the current creditor (the person or entity to be paid for this claim)</p> <p>Other names the creditor used with the debtor _____</p>		
<p>2. Has this claim been acquired from someone else?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. From whom? _____</p>		
<p>3. Where should notices and payments to the creditor be sent?</p> <p>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</p>	<p>Where should notices to the creditor be sent?</p> <p>c/o McDermott Will & Emery LLP (Attn: Megan Preusker)</p> <p>Name _____</p> <p>444 W. Lake Street</p> <p>Number Street</p> <p>Chicago IL 60606</p> <p>City State ZIP Code</p> <p>USA</p> <p>Country</p> <p>Contact phone 312.984.3668</p> <p>Contact email mpreusker@mwe.com</p>	<p>Where should payments to the creditor be sent? (if different)</p> <p>U.S. Bank National Association (Attn: Sandra Spivey)</p> <p>Name _____</p> <p>2300 W. Sahara, Ste 200</p> <p>Number Street</p> <p>Las Vegas NV 89102</p> <p>City State ZIP Code</p> <p>USA</p> <p>Country</p> <p>Contact phone 702.251.1656</p> <p>Contact email sandra.spivey@usbank.com</p>	<p>Uniform claim identifier for electronic payments in chapter 13 (if you use one):</p> <p>_____</p>
<p>4. Does this claim amend one already filed?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____</p> <p style="text-align: right;">MM / DD / YYYY</p>		
<p>5. Do you know if anyone else has filed a proof of claim for this claim?</p>	<p><input checked="" type="checkbox"/> No</p> <p><input type="checkbox"/> Yes. Who made the earlier filing? _____</p>		

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 . Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
 See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

Amount entitled to priority

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

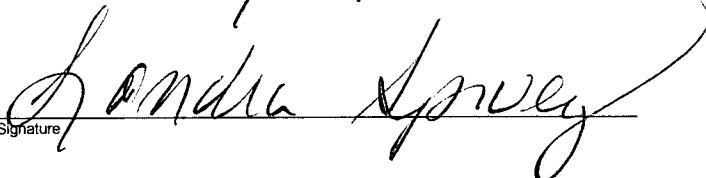
I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

3/8/2019
MM / DD / YYYY

Signature 

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

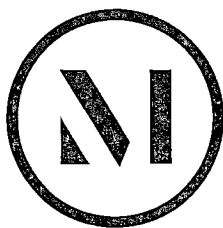
Las Vegas NV 89102 USA
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com

RECEIVED

MAR 14 2019

KURTZMAN CARSON CONSULTANTS



mwe.com

Megan Preusker
Associate
mpreusker@mwe.com
+1 312 984 3668

March 12, 2019

VIA FEDERAL EXPRESS

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

To whom it may concern:

Enclosed herein are six proofs of claim on behalf of U.S. Bank National Association, as Series 2015 Notes Trustee, for filing in the bankruptcy cases of (i) Verity Health System of California, Inc. (Case No. 18-20151), (ii) St. Vincent Medical Center (Case No. 18-20164), (iii) St. Louise Regional Hospital (Case No. 18-20162), (iv) St. Francis Medical Center (Case No. 18-20165), (v) Seton Medical Center (Case No. 18-20167) and (vi) O'Connor Hospital (Case No. 18-20168).

If you have any questions, please do not hesitate to contact me.

Sincerely,

Megan Preusker

MP/ns
Enclosures

DM_US 158796036-1.066372.0077

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2015 Notes Trustee*”) for the holders of the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C, and D (collectively, the “*Series 2015 Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, and St. Vincent Medical Center (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the 2015 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. Each series of Series 2015 Notes was issued pursuant to a separate Indenture, each dated as of December 1, 2015, by and between the Series 2015 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the “*Series 2015 Notes Documents*.”
3. The indebtedness evidenced by the Series 2015 Notes and Series 2017 Notes (defined herein) is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets, including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical

¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

³ “Accounts” includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any ‘account’ (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louis Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louis Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.

8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.

9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input checked="" type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. **Who is the current creditor?** U. S. Bank National Association, as Series 2015 Notes Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. **Has this claim been acquired from someone else?** No
 Yes. From whom? _____

3. **Where should notices and payments to the creditor be sent?** **Where should notices to the creditor be sent?** **Where should payments to the creditor be sent? (if different)**

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g) RECEIVED MAR 14 2019	c/o McDermott Will & Emery LLP (Attn: Megan Preusker) Name 444 W. Lake Street Number Street Chicago IL 60606 City State ZIP Code USA Country Contact phone 312.984.3668 Contact email mpreusker@mwe.com	U.S. Bank National Association (Attn: Sandra Spivey) Name 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country Contact phone 702.251.1656 Contact email sandra.spivey@usbank.com
--	--	---

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. **Does this claim amend one already filed?** No
 Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?** No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
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 Other. Describe: See attached addendum

Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

Amount entitled to priority

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

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Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

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I am the creditor's attorney or authorized agent.

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I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

3/8/2019
MM / DD / YYYY

Sandra Spivey
Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

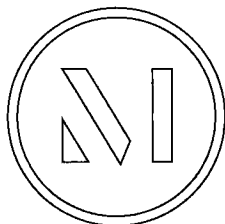
Las Vegas NV 89102 USA
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com

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MAR 14 2019

KURTZMAN CARSON CONSULTANTS



mwe.com

Megan Preusker
Associate
mpreusker@mwe.com
+1 312 984 3668

March 12, 2019

VIA FEDERAL EXPRESS

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

To whom it may concern:

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If you have any questions, please do not hesitate to contact me.

Sincerely,

Megan Preusker

MP/ns
Enclosures

DM_US 158796036-1.066372.0077

Addendum to Proof of Claim

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1. On August 31, 2018 (the "*Petition Date*"), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "*Bankruptcy Code*") in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
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 - b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the "*Master Indenture*"), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the "*Series 2015 Notes Documents*."
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¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

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³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastsides (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC). (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.
8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.
9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.
10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	U. S. Bank National Association, as Series 2015 Notes Trustee Name of the current creditor (the person or entity to be paid for this claim)		
	Other names the creditor used with the debtor _____		
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____		
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? c/o McDermott Will & Emery LLP (Attn: Megan Preusker) Name 444 W. Lake Street Number Street Chicago IL 60606 City State ZIP Code USA Country Contact phone 312.984.3668 Contact email mpreusker@mwe.com	Where should payments to the creditor be sent? (if different) U.S. Bank National Association (Attn: Sandra Spivey) Name 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country Contact phone 702.251.1656 Contact email sandra.spivey@usbank.com	
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY		
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____		

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1820164190314000000000002

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 160,000,000.00 Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum

Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ 160,000,000.00
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) _____ %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority
_____	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	_____
_____	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	_____
_____	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	_____
_____	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	_____
_____	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	_____
_____	\$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 3/8/2019
MM/ DD / YYYY

Sandra Spivey
 Signature

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KURTIZMAN CARSON CONSULTANTS

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102 USA
City State ZIP Code Country

Contact phone 702.251.1656 Email sandra.spivey@usbank.com



mwe.com

Megan Preusker
Associate
mpreusker@mwe.com
+1 312 984 3668

March 12, 2019

VIA FEDERAL EXPRESS

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

To whom it may concern:

Enclosed herein are six proofs of claim on behalf of U.S. Bank National Association, as Series 2015 Notes Trustee, for filing in the bankruptcy cases of (i) Verity Health System of California, Inc. (Case No. 18-20151), (ii) St. Vincent Medical Center (Case No. 18-20164), (iii) St. Louise Regional Hospital (Case No. 18-20162), (iv) St. Francis Medical Center (Case No. 18-20165), (v) Seton Medical Center (Case No. 18-20167) and (vi) O'Connor Hospital (Case No. 18-20168).

If you have any questions, please do not hesitate to contact me.

Sincerely,

Megan Preusker

MP/ns
Enclosures

DM_US 158796036-1.066372.0077

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the "*Series 2015 Notes Trustee*") for the holders of the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C, and D (collectively, the "*Series 2015 Notes*"), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. ("*VHS*"), O'Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, and St. Vincent Medical Center (collectively, the "*Debtors*"). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the 2015 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the "*Petition Date*"), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "*Bankruptcy Code*") in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. Each series of Series 2015 Notes was issued pursuant to a separate Indenture, each dated as of December 1, 2015, by and between the Series 2015 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the "*Authority*"); and¹
 - b. The proceeds of each series of Series 2015 Notes were loaned to the Debtors pursuant to Loan Agreements dated as of December 1, 2015, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the "*Master Indenture*"), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements with respect to the Series 2015 Notes are referred to collectively herein as the "*Series 2015 Notes Documents*."
3. The indebtedness evidenced by the Series 2015 Notes and Series 2017 Notes (defined herein) is jointly secured by senior first priority security interests and liens on certain of the Debtors' assets, including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical

¹ Copies of the Series 2015 Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Series 2015 Notes Documents are available upon request to counsel to the Series 2015 Notes Trustee (Megan Preusker; mpreusker@mwe.com). Certain of the Series 2015 Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any "account" (as defined in the Uniform Commercial Code)

Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The Series 2015 Notes and Series 2017 Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017, as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the "*Intercreditor Agreement*"), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the Series 2015 Notes Trustee and Series 2017 Notes Trustee with respect to the Senior Note Collateral.⁶

Summary of Claim

6. Pursuant to the Series 2015 Notes Documents and as of the Petition Date, the Debtors are obligated to and owe the Series 2015 Notes Trustee, for the benefit of the holders of the Series

("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (c) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K.

⁵ In addition to the Series 2015 Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 A and B (collectively, the "*Series 2017 Notes*").

⁶ A true and correct copy of the Second Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

2015 Notes, a total principal amount of \$160,000,000.00, together with interest as it continues to accrue plus all redemption and other premiums, costs, charges, expenses, and fees accrued and accruing post-Petition Date pursuant to the terms of the Series 2015 Notes Documents and applicable law.

Reservation of Other Claims and Rights

7. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2015 Notes Trustee. The Series 2015 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors' bankruptcy cases.

8. The Series 2015 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys' and advisors' fees and expenses, as to which sums the Series 2015 Notes Trustee is entitled to payment.

9. The Series 2015 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors' behalf (including any recipient directly or indirectly of the proceeds of the Series 2015 Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2015 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Series 2015 Notes. The Series 2015 Notes Trustee expressly reserves all other rights and claims against the Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2015 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

10. The Series 2015 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2015 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Notes Trustee
Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>c/o Maslon LLP (Attn: Clark Whitmore)</u> <small>Name</small> <u>90 South 7th Street, Suite 3300</u> <small>Number Street</small> <u>Minneapolis MN 55402</u> <small>City State ZIP Code</small> <u>USA</u> <small>Country</small> <u>(612)672-8335</u> <small>Contact phone</small> <u>clark.whitmore@maslon.com</u> <small>Contact email</small></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association</u> <small>Name</small> <u>(Attn: Sandra Spivey) 2300 W. Sahara, Ste 200</u> <small>Number Street</small> <u>Las Vegas NV 89102</u> <small>City State ZIP Code</small> <u>USA</u> <small>Country</small> <u>(702) 251-1656</u> <small>Contact phone</small> <u>sandra.spivey@usbank.com</u> <small>Contact email</small></p>
---	--

Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____ See attached addendum regarding Master Trustee

Date Stamped Copy Returned
 No self addressed stamped envelope
 No copy to return



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MAR 26 2019
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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) 7.25 %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

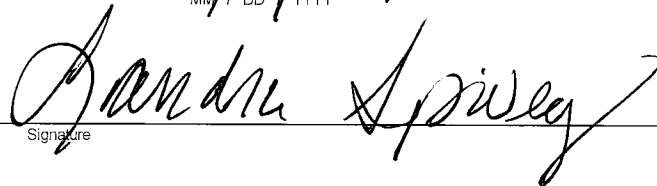
I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/21/2019
MM / DD YYYY


 Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

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MAR 26 2019

URTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

**Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER**

To Whom it May Concern:

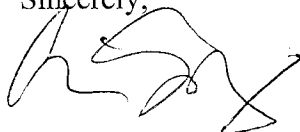
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the “2017 Notes Trustee”) under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O’Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastsides (collectively, the "Hospitals") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "Senior Note Collateral").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("UCC"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order* (i) *Authorizing Postpetition Financing*, (ii) *Authorizing Use of Cash Collateral*, (iii) *Granting Liens and Providing Superpriority Administrative Expense Status*, (iv) *Granting Adequate Protection*, (v) *Modifying Automatic Stay*, and (vi) *Granting Related Relief* at docket number 409 (the "Financing Order"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "Series 2005 Bonds") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "2015 Notes").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input checked="" type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Notes Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>c/o Maslon LLP (Attn: Clark Whitmore)</u> Name 90 South 7th Street, Suite 3300 Number Street Minneapolis MN 55402 City State ZIP Code USA Country Contact phone <u>(612)672-8335</u> Contact email <u>clark.whitmore@maslon.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association</u> Name (Attn: Sandra Spivey) 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country Contact phone <u>(702) 251-1656</u> Contact email <u>sandra.spivey@usbank.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____ See attached addendum regarding Master Trustee

Date Stamped Copy Returned
 No self addressed stamped envelope
 No copy to return



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) 7.25 %
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ _____

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If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

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Check the appropriate box:

I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/21/2019
MM / DD / YYYY

Sandra Spivey
 Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

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MAR 26 2019

KURTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

**Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER**

To Whom it May Concern:

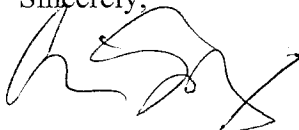
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the "2017 Notes Trustee") under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O'Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
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¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. See Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Notes Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>c/o Maslon LLP (Attn: Clark Whitmore)</u></p> <p>Name <u>90 South 7th Street, Suite 3300</u></p> <p>Number Street</p> <p><u>Minneapolis MN 55402</u></p> <p>City State ZIP Code</p> <p><u>USA</u></p> <p>Country</p> <p>Contact phone <u>(612)672-8335</u></p> <p>Contact email <u>clark.whitmore@maslon.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association</u></p> <p>Name</p> <p>(Attn: Sandra Spivey) 2300 W. Sahara, Ste 200</p> <p>Number Street</p> <p><u>Las Vegas NV 89102</u></p> <p>City State ZIP Code</p> <p><u>USA</u></p> <p>Country</p> <p>Contact phone <u>(702) 251-1656</u></p> <p>Contact email <u>sandra.spivey@usbank.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____ See attached addendum regarding Master Trustee

Date Stamped Copy Returned
 No self addressed stamped envelope
 No copy to return



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 MAR 26 2019
 KURTZMAN CARSON CONSULTANTS

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) 7.25 %

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

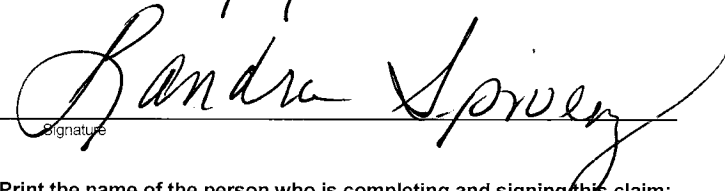
A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/21/2019
MM / DD / YYYY


Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

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MAR 26 2019

KURTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

**Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER**

To Whom it May Concern:

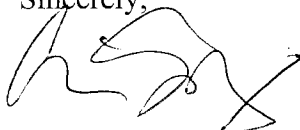
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the "2017 Notes Trustee") under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O'Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958

Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any "account" (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. *See* Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

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Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input checked="" type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>U. S. Bank National Association, as Notes Trustee</u> <small>Name of the current creditor (the person or entity to be paid for this claim)</small> <small>Other names the creditor used with the debtor</small> _____		
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____		
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? <u>c/o Maslon LLP (Attn: Clark Whitmore)</u> <small>Name</small> <u>90 South 7th Street, Suite 3300</u> <small>Number Street</small> <u>Minneapolis MN 55402</u> <small>City State ZIP Code</small> <u>USA</u> <small>Country</small> <u>(612)672-8335</u> <small>Contact phone</small> <u>clark.whitmore@maslon.com</u> <small>Contact email</small>	Where should payments to the creditor be sent? (if different) <u>U.S. Bank National Association</u> <small>Name</small> <u>(Attn: Sandra Spivey) 2300 W. Sahara, Ste 200</u> <small>Name Street</small> <u>Las Vegas NV 89102</u> <small>Number Street City State ZIP Code</small> <u>USA</u> <small>Country</small> <u>(702) 251-1656</u> <small>Contact phone</small> <u>sandra.spivey@usbank.com</u> <small>Contact email</small>	<small>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</small> RECEIVED MAR 26 2019 KURT/MAN CARSON CONSULTANTS
<small>Uniform claim identifier for electronic payments in chapter 13 (if you use one):</small> _____			
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ <small>MM / DD / YYYY</small>		
5. Do you know if anyone else has filed a proof of claim for this claim?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ <small>See attached addendum regarding Master Trustee</small> <input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return		



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _ _ _ _

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ _____

Annual Interest Rate (when case was filed) 7.25 %

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).		\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).		\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).		\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).		\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.		\$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

- Check the appropriate box:
- I am the creditor.
 - I am the creditor's attorney or authorized agent.
 - I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 - I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/21/2019
MM / DD / YYYY

Sandra Spivey
 Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

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KURTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER

To Whom it May Concern:

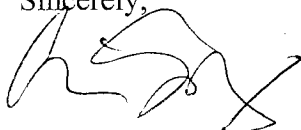
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the "2017 Notes Trustee") under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O'Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. *See* Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Notes Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)
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<p>Where should notices to the creditor be sent?</p> <p><u>c/o Maslon LLP (Attn: Clark Whitmore)</u> Name <u>90 South 7th Street, Suite 3300</u> Number Street <u>Minneapolis MN 55402</u> City State ZIP Code USA Country Contact phone <u>(612)672-8335</u> Contact email <u>clark.whitmore@maslon.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>U.S. Bank National Association</u> Name (Attn: <u>Sandra Spivey</u>) <u>2300 W. Sahara, Ste 200</u> Number Street <u>Las Vegas NV 89102</u> City State ZIP Code USA Country Contact phone <u>(702) 251-1656</u> Contact email <u>sandra.spivey@usbank.com</u></p>
--	--

Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? See attached addendum regarding Master Trustee

Date Stamped Copy Returned
 No self addressed stamped envelope
 No copy to return



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
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9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
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 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
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 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) 7.25 %
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

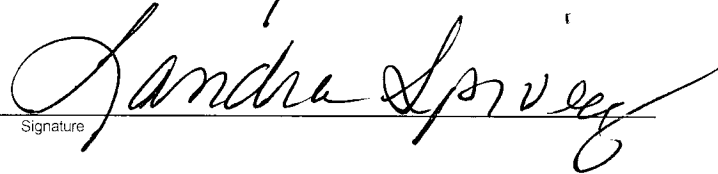
I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/21/2019
MM / DD / YYYY


 Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

RECEIVED

MAR 26 2019

KURTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

**Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER**

To Whom it May Concern:

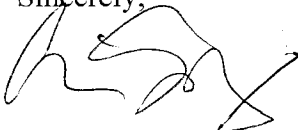
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the "2017 Notes Trustee") under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O'Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastside (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. *See* Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input checked="" type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	<u>U. S. Bank National Association, as Notes Trustee</u> <small>Name of the current creditor (the person or entity to be paid for this claim)</small> Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? <small>Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)</small>	Where should notices to the creditor be sent? <u>c/o Maslon LLP (Attn: Clark Whitmore)</u> Name <u>90 South 7th Street, Suite 3300</u> Number Street <u>Minneapolis MN 55402</u> City State ZIP Code USA Country Contact phone <u>(612)672-8335</u> Contact email <u>clark.whitmore@maslon.com</u>	Where should payments to the creditor be sent? (if different) <u>U. S. Bank National Association</u> Name (Attn: Sandra Spivey) 2300 W. Sahara, Ste 200 Number Street Las Vegas NV 89102 City State ZIP Code USA Country Contact phone <u>(702) 251-1656</u> Contact email <u>sandra.spivey@usbank.com</u>
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ <small>See attached addendum regarding Master Trustee</small>	
		Filed on _____ MM / DD / YYYY <input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return

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MAR 26 2019

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum
Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) 7.25 %
 Fixed
 Variable

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MAR 26 2019

KURTZMAN CARSON CONSULTANTS

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/21/2019
MM / DD / YYYY

Sandra Spivey
Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

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 MAR 26 2019

KURZBAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER

To Whom it May Concern:

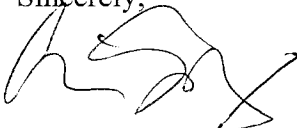
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1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O'Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
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Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

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Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

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4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. *See* Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- Verity Health System of California, Inc. (Case No. 18-20151)
De Paul Ventures - San Jose Dialysis, LLC (Case No. 18-20181)
De Paul Ventures, LLC (Case No. 18-20176)
O'Connor Hospital (Case No. 18-20168)
O'Connor Hospital Foundation (Case No. 18-20179)
Saint Louise Regional Hospital Foundation (Case No. 18-20172)
Seton Medical Center (Case No. 18-20167)
Seton Medical Center Foundation (Case No. 18-20175)
St. Francis Medical Center (Case No. 18-20165)
St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
St. Louise Regional Hospital (Case No. 18-20162)
St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
St. Vincent Foundation (Case No. 18-20180)
St. Vincent Medical Center (Case No. 18-20164)
Verity Business Services (Case No. 18-20173)
Verity Holdings, LLC (Case No. 18-20163)
Verity Medical Foundation (Case No. 18-20169)

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? U. S. Bank National Association, as Notes Trustee
2. Has this claim been acquired from someone else? No
3. Where should notices and payments to the creditor be sent? c/o Maslon LLP (Attn: Clark Whitmore)
4. Does this claim amend one already filed? No
5. Do you know if anyone else has filed a proof of claim for this claim? No

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ 42,000,000 and amounts reflected on addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.

See attached addendum

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See attached addendum

Basis for perfection: See attached addendum
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ _____
Amount of the claim that is secured: \$ Entire Claim is secured
Amount of the claim that is unsecured: \$ _____ (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ _____
Annual Interest Rate (when case was filed) 7.25 %
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

No

Yes. Check all that apply:

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/21/2019
MM / DD / YYYY

Sandra Spivey
Signature

Print the name of the person who is completing and signing this claim:

Name Sandra Spivey
First name Middle name Last name

Title Vice President

Company U.S. Bank National Association, in its capacity as Notes Trustee
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 2300 West Sahara, Ste. 200
Number Street

Las Vegas NV 89102
City State ZIP Code Country

Contact phone (702) 251-1656 Email sandra.spivey@usbank.com

RECEIVED
 MAR 26 2019
 KURTZMAN CARSON CONSULTANTS

MASLON

Erin Snyder
Direct Dial: (612) 672-8399
Erin.Snyder@maslon.com

March 25, 2019

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, CA 90245

VIA FEDERAL EXPRESS

**Re: *In Re Verity Health Systems of California, Inc.*
Case No. 2:18-bk-20151-ER**

To Whom it May Concern:

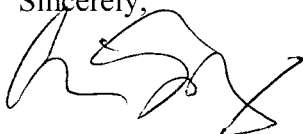
Pursuant to the Bar Date Order entered by the Court, enclosed please find Proof of Claim forms to be filed on behalf of U.S. Bank National Association, as Trustee (in such capacity, the “2017 Notes Trustee”) under those certain indentures dated as of September 1, 2017 and December 1 2017, each by and between the California Public Finance Authority, as Issuer and the 2017 Notes Trustee, against the following Debtors, as applicable:

1. Verity Health Systems of California, Inc. (Case No. 2:18-bk-20151-ER);
2. O’Connor Hospital (Case No. 2:18-bk-20168-ER);
3. Seton Medical Center (Case No. 2:18-bk-20167-ER);
4. St. Francis Medical Center (Case No. 2:18-bk-20165-ER);
5. St. Louise Regional Hospital (Case No. 2:18-bk-20162-ER);
6. St. Vincent Medical Center (Case No. 2:18-bk-20164-ER); and
7. Verity Holdings, LLC (Case No. 2:18-bk-20163-ER).

Pursuant to paragraph 10 of the Bar Date Order these Proofs of Claim are being submitted without exhibits because such documentation is voluminous. Such exhibits are in my possession and can be obtained by contacting me at the number above.

We have also enclosed a copies of the Proof of Claim forms to be date-stamped and returned to us in the enclosed self-addressed stamped envelope.

Sincerely,



Erin Snyder
4851-8301-0958
Enclosures

Addendum to Proof of Claim

U.S. Bank National Association, not individually but as Trustee (the “*Series 2017 Notes Trustee*”) for the holders of the \$42,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2017 (the “*2017 Notes*”) and 2017B (the “*2017B Notes*” and together with the 2017 Notes, the “*Notes*”), hereby submits this Addendum to its Proof of Claim against Verity Health System of California, Inc. (“*VHS*”), O’Connor Hospital, Seton Medical Center, St. Francis Medical Center, St. Louise Regional Hospital, St. Vincent Medical Center, and Verity Holdings, LLC (collectively, the “*Debtors*”). This Addendum is incorporated by reference in, and constitutes a part of, the Proof of Claim. In support of its Proof of Claim, the Series 2017 Notes Trustee states as follows:

Background

1. On August 31, 2018 (the “*Petition Date*”), the Debtors and certain of their affiliates each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “*Bankruptcy Code*”) in the United States Bankruptcy Court for the Central District of California, Los Angeles Division.
2. The claim arises under the following undertakings:
 - a. The 2017 Notes and 2017B Notes were issued pursuant to separate Indentures dated as of September 1, 2017 and December 1, 2017, respectively, each by and between the Series 2017 Notes Trustee, as trustee, and the California Public Finance Authority, as issuer (the “*Authority*”); and¹
 - b. The proceeds of 2017 Notes and 2017B Notes were loaned to the Debtors pursuant to separate Loan Agreements dated as of September 1, 2017 and December 1, 2017, respectively, each between the Authority and VHS, for itself and as a representative of the Verity Health System Obligated Group under the Master Indenture of Trust dated as of December 1, 2001, as supplemented (the “*Master Indenture*”), between the Obligated Group² and UMB Bank, N.A., as successor Master Trustee. The Indentures and Loan Agreements, together with all documents and agreements thereto granting or evidencing rights relating thereto as the same may be amended from time to time are referred to collectively herein as the “*Notes Documents*.”
3. The indebtedness evidenced by the 2015 Notes (defined herein) and the Notes is jointly secured by senior first priority security interests and liens on certain of the Debtors’ assets,

¹ Copies of the Notes Documents are not attached to the Proof of Claim and this Addendum because they are voluminous. Copies of the Notes Documents are available upon request to counsel to the Series 2017 Notes Trustee (Jason Reed; Jason.Reed@maslon.com). Certain of the Notes Documents, including the Second Amended and Restated Security Agreements, the Second Amended and Restated Intercreditor Agreement, the Second Amended and Restated Deeds of Trust, and the Second Amended and Restated Subordination Agreements, were filed as Exhibits A through O to docket number 367-1 in case number 18-20151.

² The Obligated Group consists of VHS and the Hospitals (as defined herein).

including (x) Accounts³ of St. Francis Medical Center, St. Vincent Medical Center, O'Connor Hospital, Saint Louise Regional Hospital, and Seton Medical Center, including Seton Medical Center Coastsides (collectively, the "*Hospitals*") and (y) real property and certain personal property comprising St. Francis Medical Center and Saint Louise Regional Hospital (collectively, the "*Senior Note Collateral*").⁴

4. The 2015 Notes and the Notes are also jointly secured on a parity basis with the collateral pledged to the other Obligations under the Master Indenture, including the Series 2005 Bonds.⁵ Those Obligations are secured by, *inter alia*, (i) Deeds of Trust on the Hospitals and (ii) the "Gross Revenues" of the Obligated Group, which is broadly defined to include "all revenues, income, receipts and money received by or on behalf of the Members from all sources."

5. Pursuant to that certain Intercreditor Agreement dated as of December 1, 2015, as amended by the Amended and Restated Intercreditor Agreement dated as of September 1, 2017,

³ "Accounts" includes, collectively, (a) any right to payment of a monetary obligation whether or not earned by performance, that relates to or arises out of any services provided or goods rendered by an Obligated Group Member (including, without limitation, payments made by or through a governmental authority to an individual patient assigned to such Member), (b) without duplication, any 'account' (as defined in the Uniform Commercial Code) ("*UCC*"), any accounts receivable, whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise, any Health-Care-Insurance Receivables and any Payment Intangibles (each as defined in the UCC), (c) all General Intangibles, Intellectual Property (each as defined in the UCC), rights, remedies, guarantees, supporting obligations and letter of credit rights relating to or arising out of the foregoing assets described in clauses (a) and (b), (d) all information and data compiled or derived by any Member or to which any Member is entitled in respect of or related to the foregoing assets described in clauses (a) and (b) and (e) and all proceeds of any of the foregoing. *See* Amended and Restated Supplemental Master Indenture Number 20 dated as of January 1, 2016, between VHS and the prior Master Trustee.

⁴ The Senior Note Collateral was pledged pursuant to (i) certain Security Agreements dated as of December 11, 2015, Amended and Restated Security Agreements dated as of September 1, 2017, and Second Amended and Restated Security Agreements dated as of December 1, 2017, between the members of the Obligated Group and the Series 2015 Notes Trustee and Series 2017 Notes Trustee and (ii) certain Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 11, 2015, Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017, and Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of December 28, 2017, by the members of the Obligated Group in favor of the Series 2015 Notes Trustee and Series 2017 Notes Trustee. True and correct copies of the Second Amended and Restated Security Agreements were attached to docket number 367-1 as Exhibits A through F, and true and correct copies of the Second Amended and Restated Deeds of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents were attached to docket number 367-1 as Exhibits H through K. (Collectively, the Security Agreement, the Pledge Agreements and other documents which secure the repayment of the Notes, the "Security Documents") In addition to its rights under the Security Documents, the Notes Trustee has rights relating to this claim and the collateral security therefor arising under various orders of the Bankruptcy Court including but not limited to that certain *Final Order (i) Authorizing Postpetition Financing, (ii) Authorizing Use of Cash Collateral, (iii) Granting Liens and Providing Superpriority Administrative Expense Status, (iv) Granting Adequate Protection, (v) Modifying Automatic Stay, and (vi) Granting Related Relief* at docket number 409 (the "*Financing Order*"), describing, among other things, adequate protection replacement liens and liens which attach to the proceeds of collateral which may be sold during the Bankruptcy Cases.

⁵ In addition to the Notes, the Obligations also include the California Statewide Communities Development Authority Revenue Bonds (Daughters of Charity Health System) Series 2005A, F, G and H (collectively, the "*Series 2005 Bonds*") and the \$160,000,000 California Public Finance Authority Revenue Notes (Verity Health System) Series 2015 A, B, C and D (collectively, the "*2015 Notes*").

as further amended by the Second Amended and Restated Intercreditor Agreement dated as of December 1, 2017 (as amended, the “*Intercreditor Agreement*”), the Master Trustee subordinated its liens and security interests, including the Gross Revenue pledge, to the 2015 Notes Trustee and Notes Trustee with respect to the Senior Note Collateral.⁶

6. The Notes are also secured by that certain Deed of Trust with Fixture Filing and Security Agreement and Assignment of Leases and Rents dated as of September 15, 2017 granted from Verity Holdings, LLC, to the Series 2017 Notes Trustee as Deed of Trust Beneficiary covering the real property and certain personal property at 600 Marine Blvd., Moss Beach California.

Summary of Claim

7. Pursuant to the Notes Documents on the Petition Date, the Debtors owed the Notes Trustee, for the benefit of the holders of the Notes, a total principal amount of \$42,000,000.00 on the Notes, plus all post-petition interest and any fees and expense and other charges under the Note Documents to the extent allowable under 11 U.S.C. § 506 (b), including without limitation any make whole or redemption premium or payment required thereby.⁷

Reservation of Other Claims and Rights

8. The filing of the Proof of Claim and Addendum is not intended as and should not be construed as an election of remedies, acceleration of any indebtedness evidenced by the Notes or the Indentures, waiver of any past, present or future defaults or events of default, or a waiver or limitation of any rights, remedies, claims or interests of the Series 2017 Notes Trustee, including any right to the payment of any additional amount due upon the payment of the Notes prior to their stated maturity. The Series 2017 Notes Trustee hereby reserves all of its rights, remedies and claims accruing at law or in equity, including, without limitation, all rights, remedies and claims against the Debtors, all of their affiliates and creditors, and all other parties in interest in the Debtors’ bankruptcy cases.

9. The Series 2017 Notes Trustee has incurred and will continue to incur additional amounts for its compensation and expenses, including attorneys’ and advisors’ fees and expenses, as to which sum the Series 2017 Notes Trustee is entitled to payment.

10. The Series 2017 Notes Trustee expressly includes a claim against the Debtors and all others purporting to act on the Debtors’ behalf (including any recipient directly or indirectly of the proceeds of the Notes) for the benefit derived from the use of any such proceeds traceable to such person, and for imposition of constructive trusts or equitable liens thereon, subrogation and all other claims thereto, and for any and all other legal or equitable remedies, rights, and interests to which the Series 2017 Notes Trustee may be entitled by virtue of the use, possession and enjoyment by the Debtors or any other recipient directly or indirectly of the proceeds of the Notes. The Series 2017 Notes Trustee expressly reserves all other rights and claims against the

⁶ A true and correct copy of the Seconded Amended and Restated Intercreditor Agreement was attached to docket number 367-1 as Exhibit G.

⁷ The Debtors are currently paying the Notes Trustee’s fees and expenses on a monthly basis pursuant to ¶5(b) of the Financing Order, however, the Notes Trustee reserves the right to amend this Proof of Claim to include post-petition fees and expenses if such payments should ever cease.

Debtors and their estates, including claims for constructive trust and equitable liens, and all rights of setoff and recoupment. The Series 2017 Notes Trustee further reserves all rights and claims against parties other than the Debtors.

11. The Series 2017 Notes Trustee reserves its right to amend or supplement the Proof of Claim and Addendum or to file additional proofs of claims for additional claims, including, without limitation, claims for administrative expenses and all other claims, at law or in equity, arising prior to, on, or after the Petition Date. The Series 2017 Notes Trustee also reserves its right to amend or supplement the Proof of Claim and Addendum if it deems such amendment or supplement to be necessary or appropriate for any reason, including an updated statement of the amount due, or for any other purpose for which a proof of claim may be amended.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input checked="" type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	<p>Where should notices to the creditor be sent?</p> <p>Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com</p>	<p>Where should payments to the creditor be sent? (if different)</p> <p>Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com</p>
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g) RECEIVED APR 01 2019 KURTZMAN CARSON CONSULTANTS		
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on ____/____/____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ <input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A. as Trustee

by Corbin B. Connell, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

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KURT ZIMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed is a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,



Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent?	Where should payments to the creditor be sent? (if different)
	Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ <input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return	

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by Corbin B. Connell, its Vice President.
 Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim)		
	Other names the creditor used with the debtor _____		
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent?		Where should payments to the creditor be sent? (if different)
	Name Daniel S. Bleck, Esq. Number Street One Financial Center City State ZIP Code Boston MA 02111 Country USA Contact phone 617.542.6000 Contact email DSBleck@mintz.com	Name Corbin B. Connell Number Street 600 S. 4th Street, 6th Floor City State ZIP Code Minneapolis MN 55479 Country USA Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com	
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____	Filed on MM / DD / YYYY _____
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes. Who made the earlier filing? _____	<input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return



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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority
	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by Corbin B. Connell, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed is a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input checked="" type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee <small>Name of the current creditor (the person or entity to be paid for this claim)</small>	
	<small>Other names the creditor used with the debtor</small> _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. <small>Name</small> One Financial Center <small>Number Street</small> Boston MA 02111 <small>City State ZIP Code</small> USA <small>Country</small> Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell <small>Name</small> 600 S. 4th Street, 6th Floor <small>Number Street</small> Minneapolis MN 55479 <small>City State ZIP Code</small> USA <small>Country</small> Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
	<small>Uniform claim identifier for electronic payments in chapter 13 (if you use one):</small> _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	
	<input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return	

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority
	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A. as Trustee
by Corbin B. Connell, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name	Corbin	B.	Connell
	First name	Middle name	Last name
Title	Vice President		
Company	Wells Fargo Corporate Trust Services		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	600	S. 4th Street, 6th Floor	
	Number	Street	
	Minneapolis	MN	55479 USA
	City	State	ZIP Code Country
Contact phone	612.667.4076		Email Corbin.B.Connell@wellsfargo.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

MINTZ

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input checked="" type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____ <input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return	

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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- | | |
|---|---|
| <input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). | Amount entitled to priority
\$ _____ |
| <input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). | \$ _____ |
| <input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). | \$ _____ |
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| <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). | \$ _____ |
| <input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. | \$ See addendum. |

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by Corbin B. Connell, its Vice President
 Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- Verity Health System of California, Inc. (Case No. 18-20151)
- De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)
- De Paul Ventures, LLC (Case No. 18-20176)
- O'Connor Hospital (Case No. 18-20168)
- O'Connor Hospital Foundation (Case No. 18-20179)
- Saint Louise Regional Hospital Foundation (Case No. 18-20172)
- Seton Medical Center (Case No. 18-20167)
- Seton Medical Center Foundation (Case No. 18-20175)
- St. Francis Medical Center (Case No. 18-20165)
- St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
- St. Louise Regional Hospital (Case No. 18-20162)
- St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
- St. Vincent Foundation (Case No. 18-20180)
- St. Vincent Medical Center (Case No. 18-20164)
- Verity Business Services (Case No. 18-20173)
- Verity Holdings, LLC (Case No. 18-20163)
- Verity Medical Foundation (Case No. 18-20169)

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	
	<input checked="" type="checkbox"/> Date Stamped Copy Returned <input type="checkbox"/> No self addressed stamped envelope <input type="checkbox"/> No copy to return	

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KURTZMAN CARSON CONSULTANTS



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges? No Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. See addendum.

9. Is all or part of the claim secured? No Yes. The claim is secured by a lien on property. **Nature of property:** Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*. Motor vehicle Other. Describe: See addendum. **Basis for perfection:** See addendum. Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) **Value of property:** \$ See addendum. **Amount of the claim that is secured:** \$ See addendum. **Amount of the claim that is unsecured:** \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.) **Amount necessary to cure any default as of the date of the petition:** \$ See addendum. **Annual Interest Rate** (when case was filed) various % (see addendum) Fixed Variable

10. Is this claim based on a lease? No Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by Corbin B. Connell, its Vice President
 Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

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APR 01 2019

KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of Wells Fargo Bank, National Association, as Series 2005 Bond Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Corbin B. Connell
William P. Wassweiler, Esq.
Ian A. Hammel, Esq.

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input checked="" type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, L.L.C. (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> <small>Name</small></p> <p><u>One Financial Center</u> <small>Number Street</small></p> <p><u>Boston MA 02111</u> <small>City State ZIP Code</small></p> <p><u>USA</u> <small>Country</small></p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> <small>Name</small></p> <p><u>120 South Sixth Street, Suite 1400</u> <small>Number Street</small></p> <p><u>Minneapolis MN 55402</u> <small>City State ZIP Code</small></p> <p><u>USA</u> <small>Country</small></p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
--	---

Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street
Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input checked="" type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> Name</p> <p><u>One Financial Center</u> Number Street</p> <p><u>Boston MA 02111</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> Name</p> <p><u>120 South Sixth Street, Suite 1400</u> Number Street</p> <p><u>Minneapolis MN 55402</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____
7. How much is the claim?	\$ <u>See addendum.</u> Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>See addendum.</u>
9. Is all or part of the claim secured?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input checked="" type="checkbox"/> Real estate: If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>See addendum.</u> Basis for perfection: <u>See addendum.</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: <u>\$ See addendum.</u> Amount of the claim that is secured: <u>\$ See addendum.</u> Amount of the claim that is unsecured: <u>\$ See addendum.</u> (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: <u>\$ See addendum.</u> Annual Interest Rate (when case was filed) <u>various</u> % (see addendum) <input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this Proof of Claim serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this Proof of Claim and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
 Signature

Print the name of the person who is completing and signing this claim:

Name	Virginia	A.	Housum
	First name	Middle name	Last name
Title	Senior Vice President		
Company	UMB Bank, N.A.		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	120	South Sixth Street, Suite 1400	
	Number	Street	
	Minneapolis	MN	55402 USA
	City	State	ZIP Code Country
Contact phone	617.337.7003	Email	Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
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7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
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6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else? No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> Name</p> <p><u>One Financial Center</u> Number Street</p> <p><u>Boston MA 02111</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> Name</p> <p><u>120 South Sixth Street, Suite 1400</u> Number Street</p> <p><u>Minneapolis MN 55402</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed? No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim? No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority \$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850* earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name	Virginia	A.	Housum
	First name	Middle name	Last name
Title	Senior Vice President		
Company	UMB Bank, N.A. <small>Identify the corporate servicer as the company if the authorized agent is a servicer.</small>		
Address	120	South Sixth Street, Suite 1400	
	Number	Street	
	Minneapolis	MN	55402 USA
	City	State	ZIP Code Country
Contact phone	617.337.7003	Email	Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Files must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else? No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> Name</p> <p><u>One Financial Center</u> Number Street</p> <p><u>Boston MA 02111</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> Name</p> <p><u>120 South Sixth Street, Suite 1400</u> Number Street</p> <p><u>Minneapolis MN 55402</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed? No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim? No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges? No Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name: Virginia A. Housum
First name Middle name Last name

Title: Senior Vice President

Company: UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address: 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone: 617.337.7003 Email: Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
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7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
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12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Files must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else? No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> <small>Name</small></p> <p><u>One Financial Center</u> <small>Number Street</small></p> <p><u>Boston MA 02111</u> <small>City State ZIP Code</small></p> <p><u>USA</u> <small>Country</small></p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> <small>Name</small></p> <p><u>120 South Sixth Street, Suite 1400</u> <small>Number Street</small></p> <p><u>Minneapolis MN 55402</u> <small>City State ZIP Code</small></p> <p><u>USA</u> <small>Country</small></p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed? No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim? No
 Yes. Who made the earlier filing? _____

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.

See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
 Signature

Print the name of the person who is completing and signing this claim:

Name: Virginia A. Housum
First name Middle name Last name

Title: Senior Vice President

Company: UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address: 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone: 617.337.7003 Email: Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> Name</p> <p><u>One Financial Center</u> Number Street</p> <p><u>Boston MA 02111</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> Name</p> <p><u>120 South Sixth Street, Suite 1400</u> Number Street</p> <p><u>Minneapolis MN 55402</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name	Virginia	A.	Housum
	First name	Middle name	Last name
Title	Senior Vice President		
Company	UMB Bank, N.A.		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	120	South Sixth Street, Suite 1400	
	Number	Street	
	Minneapolis	MN	55402 USA
	City	State	ZIP Code Country
Contact phone	617.337.7003	Email	Virginia.Housum@umb.com

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input checked="" type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck</u> Name</p> <p><u>One Financial Center</u> Number Street</p> <p><u>Boston MA 02111</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>617.542.6000</u></p> <p>Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Virginia Housum, UMB Bank, N.A.</u> Name</p> <p><u>120 South Sixth Street, Suite 1400</u> Number Street</p> <p><u>Minneapolis MN 55402</u> City State ZIP Code</p> <p><u>USA</u> Country</p> <p>Contact phone <u>612.337.7003</u></p> <p>Contact email <u>Virginia.Housum@umb.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information.

See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

- Check the appropriate box:
- I am the creditor.
 - I am the creditor's attorney or authorized agent.
 - I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 - I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name	<u>Virginia</u>	<u>A.</u>	<u>Housum</u>
	First name	Middle name	Last name
Title	<u>Senior Vice President</u>		
Company	<u>UMB Bank, N.A.</u>		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	<u>120</u>	<u>South Sixth Street, Suite 1400</u>	
	Number	Street	
	<u>Minneapolis</u>	<u>MN</u>	<u>55402</u>
	City	State	ZIP Code
			<u>USA</u>
			Country
Contact phone	<u>617.337.7003</u>	Email	<u>Virginia.Housum@umb.com</u>

Addendum to Proof of Claim:

Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input checked="" type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151) <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) <input type="checkbox"/> O'Connor Hospital (Case No. 18-20168) <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) <input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162) <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) <input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) <input type="checkbox"/> Verity Business Services (Case No. 18-20173) <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
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**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim) _____ Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name _____ One Financial Center Number Street _____ Boston MA 02111 City State ZIP Code _____ USA Country _____ Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name _____ 600 S. 4th Street, 6th Floor Number Street _____ Minneapolis MN 55479 City State ZIP Code _____ USA Country _____ Contact phone 612.667.4076 Contact email Corbin.B.Cannell@wellsfargo.com
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

Uniform claim identifier for electronic payments in chapter 13 (if you use one):



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
Limit disclosing information that is entitled to privacy, such as health care information.

See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	Amount entitled to priority
	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)() that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee

by Corbin B. Connell, its Vice President

Signature

Print the name of the person who is completing and signing this claim:

Name	Corbin	B.	Connell
	First name	Middle name	Last name
Title	Vice President		
Company	Wells Fargo Corporate Trust Services		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	600	S. 4th Street, 6th Floor	
	Number	Street	
	Minneapolis	MN	55479 USA
	City	State	ZIP Code Country
Contact phone	612.667.4076	Email	Corbin.B.Connell@wellsfargo.com

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input checked="" type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim)		
	Other names the creditor used with the debtor _____		
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____		
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Cannell@wellsfargo.com	
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY		
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____		



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____
7. How much is the claim?	\$ <u>See addendum.</u> Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>See addendum.</u>
9. Is all or part of the claim secured?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input checked="" type="checkbox"/> Real estate: If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>See addendum.</u> Basis for perfection: <u>See addendum.</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: <u>\$ See addendum.</u> Amount of the claim that is secured: <u>\$ See addendum.</u> Amount of the claim that is unsecured: <u>\$ See addendum.</u> (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: <u>\$ See addendum.</u> Annual Interest Rate (when case was filed) <u>various</u> % (see addendum) <input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)() that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by *Corbin B. Cannell*, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Cannell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Cannell@wellsfargo.com

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the "Trustee") for bonds (the "Bonds") issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the "Bond Indenture"), between the California Statewide Communities Development Authority (the "Authority") and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the "Master Indenture") among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the "System"), the System affiliates listed in the Master Indenture (collectively, with the System, the "Obligated Group"), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the "Loan Agreement"), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the "Bond Documents"). The debtor named on the Proof of Claim to which this addendum is attached (the "Debtor") is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the "Bond Claim") against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

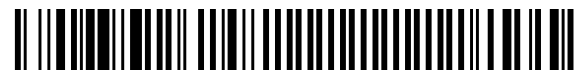
Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim)	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.

See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)? No Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A. as Trustee

by Corbin B. Connell, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street
Minneapolis MN 55479 USA
City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input checked="" type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee <small>Name of the current creditor (the person or entity to be paid for this claim)</small>	
	Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. <small>Name</small> One Financial Center <small>Number Street</small> Boston MA 02111 <small>City State ZIP Code</small> USA <small>Country</small> Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell <small>Name</small> 600 S. 4th Street, 6th Floor <small>Number Street</small> Minneapolis MN 55479 <small>City State ZIP Code</small> USA <small>Country</small> Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
	Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____	
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____
7. How much is the claim?	\$ <u>See addendum.</u> Does this amount include interest or other charges? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).
8. What is the basis of the claim?	Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card. Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c). Limit disclosing information that is entitled to privacy, such as health care information. <u>See addendum.</u>
9. Is all or part of the claim secured?	<input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. The claim is secured by a lien on property. Nature of property: <input checked="" type="checkbox"/> Real estate: If the claim is secured by the debtor's principal residence, file a <i>Mortgage Proof of Claim Attachment</i> (Official Form 410-A) with this <i>Proof of Claim</i> . <input type="checkbox"/> Motor vehicle <input checked="" type="checkbox"/> Other. Describe: <u>See addendum.</u> Basis for perfection: <u>See addendum.</u> Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.) Value of property: <u>\$ See addendum.</u> Amount of the claim that is secured: <u>\$ See addendum.</u> Amount of the claim that is unsecured: <u>\$ See addendum.</u> (The sum of the secured and unsecured amount should match the amount in line 7.) Amount necessary to cure any default as of the date of the petition: <u>\$ See addendum.</u> Annual Interest Rate (when case was filed) <u>various</u> % (see addendum) <input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable
10. Is this claim based on a lease?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Amount necessary to cure any default as of the date of the petition. \$ _____
11. Is this claim subject to a right of setoff?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

	Amount entitled to priority
<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum. _____

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Trustee, N.A., as Trustee
by Corbin B. Cannell, its Vice President
Signature

Print the name of the person who is completing and signing this claim:

Name	Corbin	B.	Cannell
	First name	Middle name	Last name
Title	Vice President		
Company	Wells Fargo Corporate Trust Services		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	600	S. 4th Street, 6th Floor	
	Number	Street	
	Minneapolis	MN	55479 USA
	City	State	ZIP Code Country
Contact phone	612.667.4076	Email	Corbin.B.Cannell@wellsfargo.com

Addendum to Proof of Claim:
Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
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	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
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<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
 Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	Wells Fargo Bank, National Association, as Trustee Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Daniel S. Bleck, Esq. Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Corbin B. Connell Name 600 S. 4th Street, 6th Floor Number Street Minneapolis MN 55479 City State ZIP Code USA Country Contact phone 612.667.4076 Contact email Corbin.B.Connell@wellsfargo.com
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

Uniform claim identifier for electronic payments in chapter 13 (if you use one):



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.

See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.

\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019

MM / DD / YYYY

Wells Fargo Bank, N.A., as Trustee
by Corbin B. Connell, its Vice President.
Signature

Print the name of the person who is completing and signing this claim:

Name Corbin B. Connell
First name Middle name Last name

Title Vice President

Company Wells Fargo Corporate Trust Services
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 600 S. 4th Street, 6th Floor
Number Street

Minneapolis MN 55479 USA
City State ZIP Code Country

City State ZIP Code Country

Contact phone 612.667.4076 Email Corbin.B.Connell@wellsfargo.com

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input checked="" type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? Wells Fargo Bank, National Association, as Trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

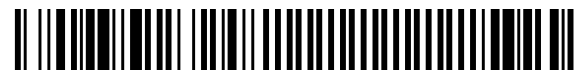
3. Where should notices and payments to the creditor be sent?
 Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

<p>Where should notices to the creditor be sent?</p> <p><u>Daniel S. Bleck, Esq.</u> Name <u>One Financial Center</u> Number Street <u>Boston MA 02111</u> City State ZIP Code <u>USA</u> Country Contact phone <u>617.542.6000</u> Contact email <u>DSBleck@mintz.com</u></p>	<p>Where should payments to the creditor be sent? (if different)</p> <p><u>Corbin B. Connell</u> Name <u>600 S. 4th Street, 6th Floor</u> Number Street <u>Minneapolis MN 55479</u> City State ZIP Code <u>USA</u> Country Contact phone <u>612.667.4076</u> Contact email <u>Corbin.B.Connell@wellsfargo.com</u></p>
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Uniform claim identifier for electronic payments in chapter 13 (if you use one):

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
 MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

<input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	\$ _____
<input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	\$ _____
<input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850* earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	\$ _____
<input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	\$ _____
<input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	\$ _____
<input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.	\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

- Check the appropriate box:
- I am the creditor.
 - I am the creditor's attorney or authorized agent.
 - I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 - I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Wells Fargo Bank, N.A. as Trustee

by Corbin B. Connell, its Vice President

Signature

Print the name of the person who is completing and signing this claim:

Name	Corbin	B.	Connell
	First name	Middle name	Last name
Title	Vice President		
Company	Wells Fargo Corporate Trust Services		
	Identify the corporate servicer as the company if the authorized agent is a servicer.		
Address	600	S. 4th Street, 6th Floor	
	Number	Street	
	Minneapolis	MN	55479 USA
	City	State	ZIP Code Country
Contact phone	612.667.4076	Email	Corbin.B.Connell@wellsfargo.com

Addendum to Proof of Claim:

Claim of Wells Fargo Bank, National Association, as Trustee

Wells Fargo Bank, National Association, serves as trustee (the “Trustee”) for bonds (the “Bonds”) issued pursuant to certain Bond Indentures, each dated as of February 1, 2005 (collectively, as amended and supplemented, the “Bond Indenture”), between the California Statewide Communities Development Authority (the “Authority”) and the Trustee. Repayment of the Bonds is supported by, among other things, the obligations owing pursuant to (i) that certain Master Indenture of Trust, dated as of December 1, 2001 (as amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor, Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee, (ii) certain Loan Agreements, each dated as of February 1, 2005 (collectively, the “Loan Agreement”), between the Authority and the System, and (iii) various other documents evidencing and securing the Bonds (collectively with the Bond Indenture, Master Indenture, and Loan Agreements, the “Bond Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Bond Claim”) against the Debtor totaled not less than \$261,897,375.00. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Bond Claim

The Bond Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to borrow proceeds of the issuance of the Bonds, and to make payments of associated principal, interest and other costs, fees and expenses. Upon information and belief, the Debtor has copies of the Bond Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim* [Docket No. 1528]¹ (the “Bar Date Order”), the Trustee has been excused from attaching herewith copies of the Bond Documents or other referenced documents evidencing and/or securing the Bond Claim. Upon written request by the Debtor to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Bond Documents.

Amount of the Bond Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Bond Claim as of the Petition Date totaled not less than \$261,897,375.00, comprised of the following principal and interest then due on the Bonds:

Maturity Date of Bonds	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
	\$259,445,000.00		\$2,452,375.00	\$261,897,375.00

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Bonds, the Trustee also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to, and subsequent to the Petition Date, as such amounts are provided for under the Bond Documents, (ii) any damages or losses that the Trustee or the holders of the Bonds may suffer as a result of the Debtor's breach of the Bond Documents, including any breach of the indemnity obligations in the Bond Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Bonds, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, inter alia, Bankruptcy Code §§ 503(b)(1), 506(b), 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Bond Claim.

Security and Collateral

The Bond Claim is secured, *inter alia*, by the liens described in the Bond Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Bond Documents include deeds of trust encumbering the Debtor's real estate that have been recorded, and filed financing statements listing certain of the Debtor's personal property.

As of the Petition Date, the Trustee held various funds in trust for repayment of the Bond Claim, which are not property of the Debtor's bankruptcy estate. To the extent, if any, that such funds are not held in trust, the Trustee holds a validly perfected security interest in such funds.

Additional Terms and Conditions

Holders of the Bonds in their individual capacities may have their own, separate claims against the Debtor that are not included in this Proof of Claim, and this Proof of Claim shall not be deemed or construed as a description, limitation, substitution or waiver of any rights of such holders with respect to such separate claims. Pursuant to Federal Rule of Bankruptcy Procedure 3003(c)(5), the terms of the Bond Documents, and paragraph 8 of the Bar Date Order, the Trustee has filed this Proof of Claim on behalf of all known or unknown holders of the Bonds, and the record or beneficial owners of Bonds are not required to file proofs of claim with respect to the Bond Claim.

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Bond Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Bond Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee, for itself and on behalf of each holder of the Bonds, expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under

any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Bond Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee or holders of the Bonds; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Bond Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee or any holder of the Bonds; (h) a waiver of any right of subordination in favor of the Trustee, any holder of the Bonds, or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the Bankruptcy Court of a final judgment with respect to the Bond Claim or any other matter; (k) a waiver of any claim or right against any other creditor arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee, for itself and on behalf of each holder of the Bonds, specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- Verity Health System of California, Inc. (Case No. 18-20151)
- De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)
- De Paul Ventures, LLC (Case No. 18-20176)
- O'Connor Hospital (Case No. 18-20168)
- O'Connor Hospital Foundation (Case No. 18-20179)
- Saint Louise Regional Hospital Foundation (Case No. 18-20172)
- Seton Medical Center (Case No. 18-20167)
- Seton Medical Center Foundation (Case No. 18-20175)
- St. Francis Medical Center (Case No. 18-20165)
- St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
- St. Louise Regional Hospital (Case No. 18-20162)
- St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
- St. Vincent Foundation (Case No. 18-20180)
- St. Vincent Medical Center (Case No. 18-20164)
- Verity Business Services (Case No. 18-20173)
- Verity Holdings, LLC (Case No. 18-20163)
- Verity Medical Foundation (Case No. 18-20169)

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	UMB Bank, N.A., as trustee Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? Daniel S. Bleck Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Virginia Housum, UMB Bank, N.A. Name 120 South Sixth Street, Suite 1400 Number Street Minneapolis MN 55402 City State ZIP Code USA Country Contact phone 612.337.7003 Contact email Virginia.Housum@umb.com
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on _____ MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)

Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

MINTZ

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:

Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input checked="" type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

Official Form 410 Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	UMB Bank, N.A., as trustee Name of the current creditor (the person or entity to be paid for this claim) _____ Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Virginia Housum, UMB Bank, N.A. Name 120 South Sixth Street, Suite 1400 Number Street Minneapolis MN 55402 City State ZIP Code USA Country Contact phone 612.337.7003 Contact email Virginia.Housum@umb.com
Federal Rule of Bankruptcy Procedure (FRBP) 2002(g) RECEIVED APR 01 2019 KURT ZIEMAN CARSON CONSULTANTS Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
 See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).

\$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).

\$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).

\$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).

\$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).

\$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies.

\$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/28/2019
MM / DD / YYYY

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

RECEIVED

APR 01 2019

WORTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. **(Check only one Debtor per claim form.)**

<input type="checkbox"/> Verity Health System of California, Inc. (Case No. 18-20151)	<input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178)
<input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181)	<input type="checkbox"/> St. Louise Regional Hospital (Case No. 18-20162)
<input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176)	<input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171)
<input type="checkbox"/> O'Connor Hospital (Case No. 18-20168)	<input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180)
<input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179)	<input type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164)
<input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172)	<input type="checkbox"/> Verity Business Services (Case No. 18-20173)
<input checked="" type="checkbox"/> Seton Medical Center (Case No. 18-20167)	<input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163)
<input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175)	<input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169)
<input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165)	

**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	UMB Bank, N.A., as trustee Name of the current creditor (the person or entity to be paid for this claim) Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Virginia Housum, UMB Bank, N.A. Name 120 South Sixth Street, Suite 1400 Number Street Minneapolis MN 55402 City State ZIP Code USA Country Contact phone 612.337.7003 Contact email Virginia.Housum@umb.com
KURTZMAN CARSON CONSULTANTS Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	



Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

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Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
 Signature

RECEIVED

APR 01 2019

KURTZWAN CARSON CONSULTANTS

Print the name of the person who is completing and signing this claim:

Name	Virginia	A.	Housum
	First name	Middle name	Last name
Title	Senior Vice President		
Company	UMB Bank, N.A. <small>Identify the corporate servicer as the company if the authorized agent is a servicer.</small>		
Address	120	South Sixth Street, Suite 1400	
	Number	Street	
	Minneapolis	MN	55402 USA
	City	State	ZIP Code Country
Contact phone	617.337.7003	Email	Virginia.Housum@umb.com

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

MINTZ

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
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7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
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12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

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- De Paul Ventures, LLC (Case No. 18-20176)
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- Seton Medical Center (Case No. 18-20167)
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- St. Francis Medical Center of Lynwood Foundation (Case No. 18-20173)
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- St. Vincent Medical Center (Case No. 18-20164)
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- Verity Holdings, LLC (Case No. 18-20163)
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**Official Form 410
Proof of Claim**

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor? UMB Bank, N.A., as trustee
 Name of the current creditor (the person or entity to be paid for this claim)
 Other names the creditor used with the debtor _____

2. Has this claim been acquired from someone else?
 No
 Yes. From whom? _____

3. Where should notices and payments to the creditor be sent? Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)	Where should notices to the creditor be sent? <u>Daniel S. Bleck</u> Name <u>One Financial Center</u> Number Street <u>Boston MA 02111</u> City State ZIP Code <u>USA</u> Country Contact phone <u>617.542.6000</u> Contact email <u>DSBleck@mintz.com</u>	Where should payments to the creditor be sent? (if different) <u>Virginia Housum, UMB Bank, N.A.</u> Name <u>120 South Sixth Street, Suite 1400</u> Number Street <u>Minneapolis MN 55402</u> City State ZIP Code <u>USA</u> Country Contact phone <u>612.337.7003</u> Contact email <u>Virginia.Housum@umb.com</u>
--	--	---

Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____

4. Does this claim amend one already filed?
 No
 Yes. Claim number on court claims registry (if known) _____ Filed on _____
MM / DD / YYYY

5. Do you know if anyone else has filed a proof of claim for this claim?
 No
 Yes. Who made the earlier filing? _____



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Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.

Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: \$ See addendum.

Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

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12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

No

Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____

Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____

Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____

Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____

Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____

Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

I am the creditor.

I am the creditor's attorney or authorized agent.

I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date

03/29/2019
MM / DD / YYYY

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APR 01 2019

Virginia Anne Housum
Signature

Print the name of the person who is completing and signing this claim:

KURTZMAN CARSON CONSULTANTS

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed is a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

United States Bankruptcy Court for the Central District of California

Indicate Debtor against which you assert a claim by checking the appropriate box below. (Check only one Debtor per claim form.)

- | | |
|--|---|
| <input type="checkbox"/> Verity Health System of California, Inc. (Case No.18-20151) | <input type="checkbox"/> St. Francis Medical Center of Lynwood Foundation (Case No. 18-20178) |
| <input type="checkbox"/> De Paul Ventures – San Jose Dialysis, LLC (Case No. 18-20181) | <input type="checkbox"/> St. Louise Regional Hospital (Case No.18-20162) |
| <input type="checkbox"/> De Paul Ventures, LLC (Case No. 18-20176) | <input type="checkbox"/> St. Vincent Dialysis Center, Inc. (Case No. 18-20171) |
| <input type="checkbox"/> O'Connor Hospital (Case No. 18-20168) | <input type="checkbox"/> St. Vincent Foundation (Case No. 18-20180) |
| <input type="checkbox"/> O'Connor Hospital Foundation (Case No. 18-20179) | <input checked="" type="checkbox"/> St. Vincent Medical Center (Case No. 18-20164) |
| <input type="checkbox"/> Saint Louise Regional Hospital Foundation (Case No. 18-20172) | <input type="checkbox"/> Verity Business Services (Case No. 18-20173) |
| <input type="checkbox"/> Seton Medical Center (Case No. 18-20167) | <input type="checkbox"/> Verity Holdings, LLC (Case No. 18-20163) |
| <input type="checkbox"/> Seton Medical Center Foundation (Case No. 18-20175) | <input type="checkbox"/> Verity Medical Foundation (Case No. 18-20169) |
| <input type="checkbox"/> St. Francis Medical Center (Case No. 18-20165) | |

Official Form 410
Proof of Claim

04/16

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. Do not send original documents; they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed.

Part 1: Identify the Claim

1. Who is the current creditor?	UMB Bank, N.A., as trustee Name of the current creditor (the person or entity to be paid for this claim) _____ Other names the creditor used with the debtor _____	
2. Has this claim been acquired from someone else?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. From whom? _____	
3. Where should notices and payments to the creditor be sent?	Where should notices to the creditor be sent? Daniel S. Bleck Name One Financial Center Number Street Boston MA 02111 City State ZIP Code USA Country Contact phone 617.542.6000 Contact email DSbleck@mintz.com	Where should payments to the creditor be sent? (if different) Virginia Housum, UMB Bank, N.A. Name 120 South Sixth Street, Suite 1400 Number Street Minneapolis MN 55402 City State ZIP Code USA Country Contact phone 612.337.7003 Contact email Virginia.Housum@umb.com
Uniform claim identifier for electronic payments in chapter 13 (if you use one): _____		
4. Does this claim amend one already filed?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Claim number on court claims registry (if known) _____ Filed on MM / DD / YYYY	
5. Do you know if anyone else has filed a proof of claim for this claim?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Who made the earlier filing? _____	

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182016419040100000000065

- Date Stamped Copy Returned
- No self addressed stamped envelope
- No copy to return

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

Amount entitled to priority

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). \$ _____
- Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). \$ _____
- Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). \$ _____
- Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). \$ _____
- Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). \$ _____
- Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. \$ See addendum.

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
- I am the creditor's attorney or authorized agent.
- I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
- I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

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Virginia Anne Housum
 Signature

Print the name of the person who is completing and signing this claim:

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:

Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. Do you have any number you use to identify the debtor? No
 Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: _____

7. How much is the claim? \$ See addendum. Does this amount include interest or other charges?
 No
 Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. What is the basis of the claim? Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.
 Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).
 Limit disclosing information that is entitled to privacy, such as health care information.
See addendum.

9. Is all or part of the claim secured? No
 Yes. The claim is secured by a lien on property.
Nature of property:
 Real estate: If the claim is secured by the debtor's principal residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.
 Motor vehicle
 Other. Describe: See addendum.
Basis for perfection: See addendum.
 Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)
Value of property: \$ See addendum.
Amount of the claim that is secured: \$ See addendum.
Amount of the claim that is unsecured: \$ See addendum. (The sum of the secured and unsecured amount should match the amount in line 7.)
Amount necessary to cure any default as of the date of the petition: \$ See addendum.
Annual Interest Rate (when case was filed) various % (see addendum)
 Fixed
 Variable

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10. Is this claim based on a lease? No
 Yes. Amount necessary to cure any default as of the date of the petition. \$ _____

11. Is this claim subject to a right of setoff? No
 Yes. Identify the property: _____

12. Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?

- No
 Yes. Check all that apply:

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

- | | |
|---|---|
| <input type="checkbox"/> Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). | Amount entitled to priority
\$ _____ |
| <input type="checkbox"/> Up to \$2,850* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7). | \$ _____ |
| <input type="checkbox"/> Wages, salaries, or commissions (up to \$12,850*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4). | \$ _____ |
| <input type="checkbox"/> Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8). | \$ _____ |
| <input type="checkbox"/> Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5). | \$ _____ |
| <input checked="" type="checkbox"/> Other. Specify subsection of 11 U.S.C. § 507(a)(____) that applies. | \$ See addendum. |

* Amounts are subject to adjustment on 4/01/19 and every 3 years after that for cases begun on or after the date of adjustment.

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to \$500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

- I am the creditor.
 I am the creditor's attorney or authorized agent.
 I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.
 I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 03/28/2019
MM / DD / YYYY

Virginia Anne Housum
 Signature

Print the name of the person who is completing and signing this claim:

Name Virginia A. Housum
First name Middle name Last name

Title Senior Vice President

Company UMB Bank, N.A.
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address 120 South Sixth Street, Suite 1400
Number Street

Minneapolis MN 55402 USA
City State ZIP Code Country

Contact phone 617.337.7003 Email Virginia.Housum@umb.com

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KURTZMAN CARSON CONSULTANTS

Aaron M. Williams
617 348 4964
awilliams@mintz.com



One Financial Center
Boston, MA 02111
617 542 6000
mintz.com

MINTZ

March 28, 2019

VIA OVERNIGHT DELIVERY

Verity Claims Processing Center
c/o KCC
2335 Alaska Avenue
El Segundo, California 90245

Re: Verity Health System – Proofs of Claim

To whom it may concern:

Enclosed herewith are six proofs of claim, delivered on behalf of UMB Bank, N.A., as Master Trustee, for filing in the following bankruptcy cases, each pending in the U.S. Bankruptcy Court for the Central District of California:

- In re Verity Health System of California, Inc. (Case No. 18-20151);
- In re Saint Louise Regional Hospital (Case No. 18-20162);
- In re St. Vincent Medical Center (Case No. 18-20164);
- In re St. Francis Medical Center (Case No. 18-20165);
- In re Seton Medical Center (Case No. 18-20167); and
- In re O'Connor Hospital (Case No. 18-20168)

Also enclosed if a self-addressed, postage pre-paid envelope. Please date-stamp and return this letter to indicate your timely receipt of the proofs of claim.

For any questions or concerns, please do not hesitate to contact me by telephone (617.348.4964) or email (AWilliams@mintz.com).

Respectfully,

Aaron M. Williams

Enclosures

cc: Virginia Housum
Ian Hammel

Addendum to Proof of Claim:
Claim of UMB Bank, N.A., as Trustee

UMB Bank, N.A., serves as trustee (the “Trustee”) for obligations (the “Obligations”) issued under that certain Master Indenture of Trust, dated as of December 1, 2001 (as may be amended and supplemented, the “Master Indenture”) among the Daughters of Charity Health System (the predecessor to debtor Verity Health System of California, Inc., referred to herein as the “System”), the System affiliates listed in the Master Indenture (collectively, with the System, the “Obligated Group”), and the Trustee. The Obligations are supported by, among other things, bonds and notes issued under various indentures and other documents evidencing and securing the Obligations (collectively with the Master Indenture, the “Financing Documents”). The debtor named on the Proof of Claim to which this addendum is attached (the “Debtor”) is a member of the Obligated Group.

The Trustee submits this addendum to its Proof of Claim against the Debtor. As of the Petition Date (defined below), the claims described herein (the “Claim”) against the Debtor totaled not less than \$465,192,301.67. As noted below, the Trustee reserves the right to amend this claim.

Basis for and Documents Supporting the Claim

The Claim is based on, among other things, the Debtor’s agreement, as a member of the Obligated Group, to make payments of principal of, interest on and other costs, fees and expenses associated with the Obligations. Upon information and belief, the Debtor has copies of the Financing Documents. Pursuant to the *Order Establishing Bar Date for Filing Proofs of Claim*

[Docket No. 1528]¹, the Trustee has been excused from attaching herewith copies of the Financing Documents or other referenced documents evidencing and/or securing the Claim. Upon written request to counsel to the Trustee at the address included in this Proof of Claim, the Trustee will make available copies of any of the Financing Documents.

Amount of the Claim

The Debtor commenced its bankruptcy case on August 31, 2018 (the “Petition Date”). The liquidated amounts owing by the Debtor to the Trustee on account of the Claim as of the Petition Date totaled not less than \$465,192,301.67, comprised of the following principal and interest then due on the Obligations:

Maturity Date of the Obligations	Principal Outstanding	Interest Rate	Interest Outstanding	Total Amount Outstanding
7/1/2022	\$8,825,000.00	5.500%	\$80,895.83	\$8,905,895.83
7/1/2024	\$32,885,000.00	5.750%	\$315,147.92	\$33,200,147.92
7/1/2025	\$8,005,000.00	5.750%	\$76,714.58	\$8,081,714.58
7/1/2030	\$64,490,000.00	5.750%	\$618,029.17	\$65,108,029.17
7/1/2035	\$72,530,000.00	5.750%	\$695,079.17	\$73,225,079.17
7/1/2039	\$72,710,000.00	5.500%	\$666,508.33	\$73,376,508.33
6/10/2019	\$60,000,000.00	7.250%	\$362,500.00	\$60,362,500.00
6/10/2019	\$45,000,000.00	7.250%	\$271,385.00	\$45,271,385.00
6/10/2019	\$10,000,000.00	9.500%	\$79,166.67	\$10,079,166.67
6/10/2019	\$45,000,000.00	8.750%	\$328,125.00	\$45,328,125.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
12/10/2020	\$21,000,000.00	7.250%	\$126,875.00	\$21,126,875.00
	\$461,445,000.00		\$3,747,301.67	\$465,192,301.67

In addition to the foregoing principal and interest, which interest continues to accrue to the date of full payment of all principal amounts due and owing under the Obligations, the Trustee

¹ References to docket numbers herein shall refer to entries docketed in Lead Case No. 18-20151 in the jointly administered proceedings of *In re Verity Health System of California, Inc., et al.*

also asserts claims, whether currently liquidated or unliquidated, for all now existing or hereafter arising: (i) unpaid fees and expenses of the Trustee and its professionals incurred prior to and subsequent to the Petition Date, as such amounts are provided for under the Financing Documents, (ii) any damages or losses that the Trustee may suffer as a result of the Debtor's breach of the Financing Documents, including any breach of the indemnity obligations in the Financing Documents, (iii) any claims that may exist against the Debtor related to the issuance of the Obligations, and (iv) any claims that may arise pursuant to that certain *Final Order (I) Authorizing Postpetition Financing, (II) Authorizing Use of Cash Collateral, (III) Granting Liens and Providing Superpriority Administrative Expense Status, (IV) Granting Adequate Protection, (V) Modifying Automatic Stay, and (VI) Granting Related Relief* [Docket No. 409] (the "Final DIP Order"), including administrative, priority and super-priority claims pursuant to, *inter alia*, Bankruptcy Code §§ 503(b)(1), 506(b) and 507(a)(2).

Pursuant to the Final DIP Order, the Court has allowed the Claim.

Security and Collateral

The Claim is secured, *inter alia*, by the liens described in the Financing Documents, the liens described or granted in the Final DIP Order, and any now existing or hereafter arising rights of setoff and recoupment. The Financing Documents include deeds of trust encumbering the Debtor's real estate that have been recorded and filed financing statements listing certain of the Debtor's personal property.

Additional Terms and Conditions

The Trustee expressly reserves its right to amend or supplement this Proof of Claim (including, but not limited to, for purposes of liquidating the amount of interest or additional fees, costs, and expenses referred to herein) at any time and in any respect.

This Proof of Claim is made without prejudice to the filing by the Trustee of additional proofs of claim with respect to any other indebtedness or liability of the Debtor to the Trustee, including, but not limited to any claim arising from any judgment entered in connection with the Financing Documents. The Trustee reserves all rights as to the nature, characterization and substance of the Financing Documents. The Trustee reserves all rights and claims against all third parties.

The Trustee expressly reserves all rights accruing to it, and the execution and filing of this Proof of Claim is not and shall not be deemed: (a) an election of remedies; (b) a waiver of any rights or remedies of the Trustee under any agreement or applicable law; (c) a waiver of any right to assert that all or any portion of the Claim constitutes an administrative expense claim, an unsecured claim, or a priority claim in this bankruptcy case; (d) a waiver of any rights pursuant to 11 U.S.C. § 506(b); (e) a consent to the jurisdiction of the Bankruptcy Court with respect to any proceeding commenced in this bankruptcy case against or otherwise involving the Trustee; (f) a waiver of any immunity; (g) a waiver of the right to withdraw the reference, contest the treatment of any non-core claim against it as a core claim, or otherwise to challenge the jurisdiction of the Bankruptcy Court with respect to the subject matter of the Claim, any objection or other proceedings commenced with respect thereto, or any other proceedings commenced in this bankruptcy case against or otherwise involving the Trustee; (h) a waiver of any right of subordination in favor of the Trustee or liens held by creditors of any of the Debtor; (i) a waiver or release of any right to trial by jury, or a consent to a trial by jury in the Bankruptcy Court or any other court; (j) an admission that any matter is a core matter or is a matter as to which the Bankruptcy Court can enter a final judgment, a right to have final orders entered in non-core matters only after a *de novo* review by the District Court, or a consent to the entry by the

Bankruptcy Court of a final judgment with respect to the Claim or any other matter; (k) a waiver of any claim or right against any other creditor, arising under the bankruptcy case or otherwise; and/or (l) a waiver of any right related to any plan(s) of reorganization or liquidation proposed in this bankruptcy case.

The Trustee specifically reserves all of its defenses and rights, procedural and substantive, including, without limitation, its defenses and rights with respect to any claim that may be asserted against the Trustee or any of its affiliates, by the Debtor or any other party.

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*): OFFICIAL COMMITTEE OF UNSECURED CREDITORS' OMNIBUS OBJECTION TO CLAIMS FILED BY U.S. BANK NATIONAL ASSOCIATION, UMB BANK, N.A., AND WELLS FARGO BANK, NATIONAL ASSOCIATION, AS TRUSTEES 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*) November 18, 2019, 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*) November 18, 2019, 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*) November 18, 2019, 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.

November 18, 2019
Date

James C. Behrens
Printed Name

/s/ James C. Behrens
Signature

SERVICE LIST

(Via NEF)

- **Alexandra Achamallah** aachamallah@milbank.com, rliubicic@milbank.com
- **Melinda Alonzo** ml7829@att.com
- **Robert N Amkraut** ramkraut@foxrothschild.com
- **Kyra E Andrassy** kandrassy@swelawfirm.com,
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- **Joseph Corrigan** Bankruptcy2@ironmountain.com
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nicole.jones@kattenlaw.com,ecf.lax.docket@kattenlaw.com
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- **Paul R. Glassman** pglassman@sycr.com
- **Matthew A Gold** courts@argopartners.net
- **Eric D Goldberg** eric.goldberg@dlapiper.com, eric-goldberg-1103@ecf.pacerpro.com
- **Marshall F Goldberg** mgoldberg@glassgoldberg.com, jbailey@glassgoldberg.com
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