Docket #0009 Date Filed: 9/5/2018

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

FILED & ENTERED

SEP 05 2018

CLERK U.S. BANKRUPTCY COURT
Central District of California
BY gonzalez DEPUTY CLERK

In re

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

Debtors and Debtors In Possession.

☒ Affects All Debtors
☐ Affects O'Connor Hospital
☐ Affects Saint Louise Regional Hospital
☐ Affects St. Francis Medical Center
☐ Affects St. Vincent Medical Center
☐ Affects Seton Medical Center
☐ Affects O'Connor Hospital Foundation
☐ Affects Saint Louise Regional Hospital Foundation
☐ Affects St. Francis Medical Center of Lynwood Medical Foundation
☐ Affects St. Vincent Foundation
☐ Affects St. Vincent Dialysis Center, Inc.
☐ Affects Seton Medical Center Foundation
☐ Affects Verity Business Services
☐ Affects Verity Medical Foundation
☐ Affects Verity Holdings, LLC
☐ Affects DePaul Ventures, LLC
☐ Affects DePaul Ventures - San Jose Dialysis, LLC
Debtors and Debtors In Possession.

VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et al.*,
Debtors and Debtors In Possession
Plaintiff,
v.
OLD REPUBLIC INSURANCE COMPANY and CITY NATIONAL BANK,
Defendants.

Lead Case No. 2:18-bk-20151-ER
Adv. No. 2:18-ap-01277-ER

Chapter 11

SCHEDULING ORDER

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This adversary proceeding having been assigned to the undersigned judge, IT IS HEREBY ORDERED:

1) The following dates shall apply to this proceeding:
   a) A status conference is set for **12/11/2018** at 10:00 a.m. A Joint Status Report must be submitted by no later than fourteen days prior to the hearing.
   b) The last day to amend pleadings and/or join other parties is **01/10/2019.**
   c) The last day to disclose expert witnesses and expert witness reports is **04/30/2019.**
   d) The last day to disclose rebuttal expert witnesses and rebuttal expert witness reports is **05/30/2019.**
   e) The last date to complete discovery relating to expert witnesses (e.g., depositions of expert witnesses), including hearings on motions related to expert discovery, is **06/18/2019.**[1]
   f) The last day for dispositive motions to be heard is **06/25/2019.**[2]
   g) The last day to complete discovery (except as to experts), including hearings on discovery motions, is **06/29/2019.**[3]
   h) A Pretrial Conference is set for **07/16/2019** at 11:00 a.m. By no later than fourteen days prior to the Pretrial Conference, the parties must submit a Joint Pretrial Stipulation via the Court's Lodged Order Upload (LOU) system. Submission via LOU allows the

[1] For contemplated hearings on motions related to expert discovery, it is counsel's responsibility to check the Judge's self-calendaring dates, posted on the Court's website. If the expert discovery cutoff date falls on a date when the court is closed or that is not available for self-calendaring, the deadline for hearings on expert discovery motions is the next closest date which is available for self-calendaring.
[2] If the motion cutoff date is not available for self-calendaring, the deadline for dispositive motions to be heard is the next closest date which is available for self-calendaring. See footnote 1.
[3] If the non-expert discovery cutoff date is not available for self-calendaring, the deadline for non-expert discovery motions to be heard is the next closest date which is available for self-calendaring. See footnote 1.

Court to edit the Joint Pretrial Stipulation, if necessary. Parties should consult the Court Manual, section 4, for information about LOU.

i) Trial is set for the week of **07/29/2019.** The trial day commences at 9:00 a.m. The Court's courtroom deputy will contact counsel 2-3 weeks prior and advise counsel which day of the week the matter will be tried. Consult the Court's website for the Judge's requirements regarding exhibit binders and trial briefs.

2) Unless otherwise ordered, the status conference and pretrial shall be conducted by telephone conference. All requests to conduct the status conference and/or pretrial in person shall be made in a written application filed with the court and served upon the parties not later than 5 court days prior to the status conference and pretrial.

3) This order applies to counsel for all parties and persons not represented by counsel. ALL COUNSEL AND PARTIES MUST COMPLY WITH LOCAL RULES 7016-1(a)(2)& (3) WHICH REQUIRE THE FILING OF A JOINT STATUS REPORT AT LEAST FOURTEEN DAYS BEFORE THE STATUS CONFERENCE OR UNILATERAL STATUS REPORTS AT LEAST SEVEN DAYS BEFORE THE STATUS CONFERENCE. IF NOT SO SERVED, OR SERVED LATE, THE COURT MAY SUA SPONTE ISSUE SANCTIONS AS SET FORTH IN LOCAL RULE 7016-1(f), INCLUDING, BUT NOT LIMITED TO, THE IMPOSITION OF MONETARY SANCTIONS OR ENTERING JUDGMENT AGAINST THE NON-COMPLYING PARTY.

4) Unless otherwise ordered, all applicable Local Bankruptcy Rules continue to apply as set forth in the EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS, which is attached and incorporated herein by this reference. In particular, all parties shall review the Third Amended General Order No. 95-01 ("Adoption of Mediation

Program for Bankruptcy Cases and Adversary Proceedings"), located on the Court's website.

5) Plaintiff shall serve a copy of this order as well as the EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS on all parties along with the summons and complaint. PROOF OF SERVICE OF THE SUMMONS AND COMPLAINT MUST INDICATE THAT SUCH COPIES WERE SERVED IN ACCORDANCE WITH THIS ORDER.

6) Any party contesting this Court's authority to enter a final order or judgment in this matter must file and serve a written objection no later than ten days prior to the date set for the first status conference. *See Wellness Int'l Network, Ltd. v. Sharif*, 135 S. Ct. 1932 (2015). Failure to raise the issue in accordance with the requirements set forth above will be deemed consent to this court's authority to enter a final order or judgment. If an objection is filed and served the Court may set a hearing date and a briefing schedule. Alternatively, the Court may rule on the objection without a hearing.

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Date: September 5, 2018

Ernest M. Robles
United States Bankruptcy Judge

REVISED EARLY MEETING OF COUNSEL, JOINT STATUS CONFERENCE INSTRUCTIONS

1. *A COPY OF THESE INSTRUCTIONS MUST BE ATTACHED TO THE COPY OF THE COMPLAINT SERVED UPON EACH PARTY, AND THE PROOF OF SERVICE OF THE SUMMONS AND COMPLAINT MUST INDICATE THAT SUCH COPY WAS SERVED THEREWITH.*

2. These instructions apply only to parties represented by counsel. If you do not have an attorney you must appear at the status conference in person.

3. This status conference will be conducted **by telephone** at the date and time shown on the summons. Telephone appearances for status conference will be arranged through ***Court Call***™ pursuant to the attached Instructions for Telephonic Appearances. Court Call is an independent conference call company that arranges conference calls on a national and international basis for business. It has no business connection with this court.

4. If the proceeding involves money or property exceeding $10,000.00 or if the plaintiff believes trial time will be four hours or more, plaintiff must serve, with the summons and complaint, a notice that compliance with **Local Rule 7026-1** is required. Plaintiff must also file proof of service of the notice with proof of service of the summons and complaint.

5. If **Local Rule 7026-1** applies, counsel for the parties **MUST TIMELY MEET TO DISCUSS SETTLEMENT AND TO EXCHANGE DOCUMENTS, OTHER EVIDENCE, AND LISTS OF WITNESSES AND PRELIMINARY DISCOVERY SCHEDULES AS PROVIDED IN SAID RULE.**

6. Unless all defendants have defaulted, the parties shall file a Form F7016.1.1 Joint Status Report pursuant to **Local Rule 7016-1(a)(2)** at least 14 days before the date of the status conference. If **Local Rule 7026-1** applies, the parties must include in the Joint Status Report a statement that they have met to discuss settlement and have exchanged documents, other evidence, lists of witnesses and preliminary discovery schedules. If the parties request dates for discovery cut-off, pre-trial or trial other than those ordered herein, this request shall be made in the Joint Status Report.

7. If no response to the complaint is timely filed, plaintiff may request entry of default by the clerk or by the court. Plaintiff may also request entry of a default judgment by filing and serving an appropriate motion, see **FRBP Rule 7055 and Local Rule 7055.**

8. If the parties dispute whether the adversary proceeding is **"core" or "non-core,"** they shall file points and authorities in support of their positions. Any party that contends the proceeding is **"non-core"** shall file and serve its points and authorities at least **14 days** before the status conference. Any response must be filed and served at least seven days before the status conference.

9. Failure to comply with these instructions including the failure to timely file a joint status report will subject the responsible party to monetary **sanctions**, without a further hearing.

10. Failure of counsel for any party to appear at a status conference or pre-trial conference may be considered an abandonment or failure to prosecute or defend diligently and the proceeding may be dismissed or judgment entered against the defaulting party without a further hearing.

11. Plaintiffs demanding trial by jury in the bankruptcy court shall file a demand with their complaint. All other parties stipulating to trial by jury in the bankruptcy court should file their stipulation not later than the date of the status conference.

HON. ERNEST M. ROBLES
United States Bankruptcy Judge

AMENDED ORDER RE TELEPHONIC STATUS CONFERENCE IN ADVERSARY PROCEEDINGS

This proceeding having been assigned to Judge Ernest M. Robles, **IT IS HEREBY ORDERED:**

1. Unless otherwise ordered all status conferences and continued status conferences ("Conferences") in this proceeding shall be conducted by telephone. However, any party or counsel may appear in person if they wish. As set forth in paragraph six below, if you do not have counsel you must appear in person at the status conference.

2. Plaintiff shall serve a copy of this order on all defendants, together with the summons and complaint. The return proof of service shall indicate such service. In continued status conferences and pre-trials, plaintiff shall serve a copy of this order together with plaintiff's notice of continued hearing.

3. **Any settlement stipulations or default judgments shall be filed with the Court at least 7 days before the status conference or pretrial. If the orders are not timely filed, all parties must appear. Parties submitting late stipulations or default judgments may be subject to Court Call's regular charges even if the hearing never takes place.**

4. Unless otherwise ordered, all applicable Local Bankruptcy Rules remain in force. In particular, all parties and counsel are encouraged to review Local Bankruptcy Rules 7026-1 (early meeting of counsel) and 7016-1 (status conferences and pre-trial hearings), and (Third Amended) General Order No. 95-01 ("Adoption of Mediation Program for Bankruptcy Cases and Adversary Proceedings").

5. Except in instances where either the plaintiff or defendant is not represented by counsel, conference calls shall be initiated by counsel for the plaintiff and Court Call™ will coordinate such conference calls. Relevant instructions are attached. Court Call™ is not affiliated with the U.S. Courts nor has the U.S. government contracted in any way with Court Call™. Payment for the conference call shall be the responsibility of the parties individually, unless the parties have agreed to other arrangements.

6. In cases where either the plaintiff or defendant are not represented by counsel the parties shall appear in person.

Ernest M. Robles
United States Bankruptcy Judge

INSTRUCTIONS FOR TELEPHONIC APPEARANCES
For Judge Ernest Robles
United States Bankruptcy Court, Los Angeles Division

Telephone appearances will be arranged through ***Court Call***™ . Court Call is an independent conference call company that arranges conference calls nationally for Courts.

It is counsel's responsibility to schedule their telephonic appearance at least 5 court days prior to the hearing date by contacting CourtCall at 866-582-6878 or via internet by registering at www.courtcall.com.

Participants automatically scheduled by the Court for the monthly ***adversary status conference or pre-trial conference calendar*** will receive a call from a CourtCall Representative to confirm their telephonic appearance prior to the date of their hearing.

Written confirmation will be provided for each separate CourtCall Appearance. If you have not received a written Confirmation, prior to the hearing date, please contact CourtCall immediately or you may be precluded from the telephone calendar.

It is the participant's responsibility to dial into to their conference by using the 800 number provided by CourtCall. **The CourtCall Operator will not dial out to connect a participant.**

Payment: CourtCall accepts 2 forms of payment:
1) Credit or Debit Card
2) CourtCall Debit Account
***Please contact CourtCall for more detailed information, not the Court.

Do not argue with Court Call or request special treatment. Court Call's function is no more than to offer you the opportunity to appear by telephone. Your election to appear by telephone constitutes your agreement for telephonic appearances.

At the time of the hearing, you will initially be placed in "Listen-only" mode and able to hear all proceedings just as if you were in the courtroom. Your line will be placed "Live" once the Judge calls your case. Each time a participant speaks to the Court, he or she must identify themselves for the record. When the Judge informs the participants that the hearing is completed, the participants may disconnect and the next case will be called. Please remain on the line if you are appearing on multiple cases on the same calendar.

Telephonic appearances are connected directly with the courtroom's public address system and electronic recording equipment so that a normal record is produced. To ensure a quality record, the use of car phones, public telephone booths, or phones in other public places is **prohibited** except in the most extreme emergencies. Participants should be able to hear all parties without difficulty or echo. The system also allows more than one speaker to be heard so that the Judge can interrupt a speaker to ask a question or redirect the discussion.

Telephonic appearances by multiple participants are only possible when there is compliance with every procedural requirement. Sanctions may be imposed when there is any deviation from the required procedures or the Court determines that a person's conduct makes telephonic appearances inappropriate. Sanctions may include dropping a matter from calendar, continuing the hearing, proceeding in the absence of an unavailable participant, a monetary sanction, or a permanent prohibition against a person appearing telephonically.

FREE LEGAL HELP

A creditor has sued you in bankruptcy court. You were served with a Summons and Complaint, and you must now file an Answer. If you do not file an Answer on time, the court may enter a default judgment against you. This means that your debt may not be discharged and you will be responsible for paying it back.

IF YOU CAN NOT AFFORD AN ATTORNEY, FREE LEGAL HELP MAY BE AVAILABLE.

For more information, call:

Public Counsel's

Debtor Assistance Project Hotline (213) 385-2977, ext. 704

Public Counsel
LAW CENTER
35TH ANNIVERSARY

THE PUBLIC INTEREST LAW OFFICE OF THE LOS ANGELES COUNTY AND BEVERLY HILLS BAR ASSOCIATIONS

AYUDA LEGAL GRATUITA

Su acreedor le ha demandado en la corte de bancarrota. Usted recibió la demanda, llamada "Summons" y "Complaint." Usted debe archivar una respuesta a la demanda en la corte. Si no archiva la respuesta a tiempo, la corte puede decidir en su contra. Si eso sucede, la deuda no se descargará en su caso de bancarrota y Usted será responsable por pagar al acreedor.

SI LE FALTAN RECURSOS PARA CONTRATAR A UN ABOGADO, LLAME A LA LINEA DE AYUDA LEGAL GRATUITA.

Para mas información, llame al:

Proyecto de Ayuda al Deudor
de
Public Counsel

(213) 385-2977, ext. 704

Public Counsel
LAW CENTER
35TH ANNIVERSARY
THE PUBLIC INTEREST LAW OFFICE OF THE LOS ANGELES COUNTY AND BEVERLY HILLS BAR ASSOCIATIONS