Docket #0016 Date Filed: 8/6/2019

FILED & ENTERED

AUG 06 2019

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

CHANGES MADE BY COURT

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES DIVISION

In re VERITY HEALTH SYSTEM OF CALIFORNIA, INC. Debtors and Debtors in Possession. OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF VERITY HEALTH SYSTEM OF CALIFORNIA, INC., ET AL., Plaintiffs, v. UMB BANK, NATIONAL ASSOCIATION, Defendants.	Case No.: 2:18-bk-20151-ER Adv. No.: 2:19-ap-01166-ER **ORDER APPROVING JOINT CASE MANAGEMENT AND SCHEDULING STIPULATION** **[No Hearing Required]** Complaint Filed: June 13, 2019

The Court having read and considered the Joint Case Management and Scheduling Stipulation [Docket No. 15] (the "Stipulation")[1], and it appearing that good cause exists to approve the Stipulation,

[1] Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Stipulation.

1820151190807000000000005

IT IS HEREBY ORDERED AS FOLLOWS:

1. The Stipulation is approved.

2. The scheduling order previously entered in this case is superseded by this Order in all respects.

3. Due to the expedited timeline set forth in the Stipulation, the status conference required by Local Bankruptcy Rule 7016-1 shall be re-scheduled at the Court's discretion pursuant to a subsequent order that may be entered by the Court.

MEDIATION

4. All claims in the UMB Adversary Proceeding shall be submitted to private mediation (the "Mediation") jointly and simultaneously with the mediation to be held in the US Bank Adversary Proceeding.

5. No later than August 5, 2019, the Parties shall agree upon a mediator (the "Mediator") to conduct the Mediation, who shall be a sitting bankruptcy court judge and who will not charge a fee or seek reimbursement of any other costs for conducting the Mediation. Defendant reserves the right to claim that any legal fees, costs and expenses incurred by the Defendant in connection with the Mediation constitute costs of collection of the Defendant's claim in the Debtors' bankruptcy proceedings.

6. Each Party shall submit a confidential mediation statement to the Mediator no later than August 29, 2019. UMB may file a joint mediation statement along with US Bank.

7. The Mediation shall be scheduled for September 10, 2019, or such other, subsequent date as may be mutually agreeable to the Mediator and the Parties.

8. The Debtors in these cases may elect to participate in the Mediation. The Debtors are permitted, but not required, to submit a confidential mediation statement to the Mediator no later than August 29, 2019.

9. The Parties acknowledge that if a full or partial settlement is reached as a result of the Mediation, the Parties shall inform the Court within two (2) business days thereafter, and all

subsequent dates and deadlines herein with respect to the settled claims shall be suspended until such time as the Court may rule upon and approve such settlement.

LITIGATION

10. Subject to paragraph 11 below, Defendant shall have until August 29, 2019 to answer or otherwise file a responsive motion with respect to the Complaint; Plaintiff shall file any response to any such motion made by Defendant no later than September 17, 2019; and Defendant shall file any reply to Plaintiff's response no later than September 24, 2019.

11. The Parties shall meet and confer and shall endeavor to agree by August 22, 2019 upon a set of stipulated facts with respect to those allegations and cause of action in the Complaint seeking a determination of the validity, priority and extent of the liens and security interest of UMB in Future QAF Payments (as defined in the Complaint). If the Parties agree upon such set of stipulated facts by August 22, 2019, the Parties further agree that any motions for summary judgment with respect to such allegations and cause of action concerning Future QAF Payments shall be filed by either Party no later than August 29, 2019; any responses to such motions for summary judgment shall be filed no later than September 17, 2019; and any replies to such responses shall be filed no later than September 24, 2019.

12. In the event that Mediation does not result in a settlement of all claims under the Complaint, discovery in these proceedings shall commence immediately upon completion of Mediation with respect to any claims that are not the subject of a pending motion for summary judgment. All discovery must be completed by November 15, 2019.

13. If either Party wishes to call an expert witness during trial, such Party shall notify the other Party of the identity of such expert witness, and the subject matter of such expert's testimony, no later than October 1, 2019. Any written report of such expert witness shall be furnished to the other Party no later than October 18, 2019, and such expert shall be made available for deposition no later than November 15, 2019.

14. The Parties shall file the pretrial stipulation required by Local Bankruptcy Rule 7016-1(b) as soon as practicable after the Parties have notified each other in writing that they have completed discovery, but in no event later than December 3, 2019.

15. The Parties shall request a pre-trial conference within seven (7) days after filing their pre-trial stipulation. Absent a request for an earlier pre-trial conference, the pre-trial conference in this case shall be held on December 10, 2019 at 11:00 a.m.

16. After the completion of discovery, the Parties may agree to proceed by dispositive motion upon stipulated facts. Absent such agreement, trial shall commence on January 27, 2020, at 9:00 a.m. (concurrently with the trial in the related proceeding *Official Committee of Unsecured Creditors of Verity Health System of California, Inc. et al. v. U.S. Bank, National Ass'n, as Trustee* [2:19-ap-01165-ER]); the trial date is subject to advancement upon a showing of good cause.

17. The scheduling and case management procedures set forth herein shall be subject to modification upon the consent of the Parties and the approval of this Court. Except as specifically provided herein, nothing contained in this Stipulation is intended to modify or supersede the requirements of the Local Rules of Bankruptcy Procedure of the Central District of California or any other rule applicable to the UMB Adversary Proceeding.

###

Date: August 6, 2019

Ernest M. Robles
United States Bankruptcy Judge