2:19-cv-10352-DSF

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re: VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et al*., Debtors and Debtors In Possession.	On Appeal from the United States Bankruptcy Court for the Central District of California Bankruptcy Court Lead Case Number: 2:18−bk−20151−ER
STRATEGIC GLOBAL MANAGEMENT, INC. APPELLANT(S) v. STATE OF CALIFORNIA, VERITY HEALTH SYSTEM OF CALIFORNIA, INC., OFFICIAL COMMITTEE OF UNSECURED CREDITORS, *et al.* APPELLEE(S).	Date: [TBD] Time: [TBD] Courtroom: 7D Location: 350 W. First Street Los Angeles, CA 90012

EMERGENCY MOTION OF OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ENTRY OF ORDER, (I) PURSUANT TO BANKRUPTCY RULE 8003(c) RECOGNIZING COMMITTEE AS "PARTY TO THE APPEAL;" OR (II) IN THE ALTERNATIVE, PURSUANT TO 8013(g) GRANTING COMMITTEE RIGHT TO INTERVENE IN APPEAL

The Official Committee of Unsecured Creditors of Verity Health System of California, Inc., *et al*. (the "Committee"), appointed in connection with the chapter 11 cases (the "Chapter 11 Cases") of the above-captioned debtors and debtors-in-possession (the "Debtors") pending in the United States Bankruptcy Court for the

Central District of California (the "Bankruptcy Court"), hereby files this emergency motion (the "Motion") for entry of an Order (i) pursuant to Rule 8003(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") recognizing the Committee as a "party to the appeal;" or (ii) in the alternative, pursuant to Bankruptcy Rule 8013(g) granting the Committee the right to intervene in the above-captioned appeal (the "Appeal") commenced by Strategic Global Management, Inc. ("SGM").[1] In support of the Motion, the Committee respectfully states the following:

BACKGROUND

The Committee believes that the Appeal, to the extent that it seeks reversal or modification of the Bankruptcy Court's *Order Granting "Debtors' Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc; (II) Finding That the Sale is Free and Clear of Conditions Materially Different Than Those Approved by the Court; (III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief"* entered on November 14, 2019 (the

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the *Debtors' Emergency Motion to Dismiss Appeal* (the "Dismissal Motion") [District Court Docket No. 6].

"Enforcement Order") [Docket No. 3611][2], is a frivolous effort by SGM to appeal where no appeal lies, solely to forestall the closing on the sale to SGM (the "Sale") of four of the Debtors' hospitals (the "Hospitals") and ultimately escape the obligations SGM undertook in its asset purchase agreement with the Debtors (the "APA").

Because the Committee's interests are directly and significantly threatened by the baseless arguments advanced in the Appeal, the Committee is filing this Motion so that it might be permitted to be heard with respect to this matter, which is critical to the interests of the stakeholders it represents, including, without limitation, by filing a joinder (the "Committee Joinder," attached hereto as Exhibit 1) in the Debtors' pending Dismissal Motion. SGM should have included the Committee as a party to this Appeal.

RELIEF REQUESTED

The Committee respectfully requests the entry of an Order (i) pursuant to Bankruptcy Rule 8003(c) recognizing the Committee as a "party to the appeal;" or (ii) in the alternative, pursuant to Bankruptcy Rule 8013(g) granting the Committee

[2] A copy of the Enforcement Order is included in the *Appendix in Support of the Debtors' Emergency Motion to Dismiss Appeal* [District Court Docket No. 3] ("Debtor Appendix" or "Debtor App.") at Tab 18.

the right to intervene in the Appeal, and that this Motion be considered on an emergency basis.[3]

BASIS FOR RELIEF REQUESTED

I. The Committee Is a Party in Interest with Respect to the Enforcement Order and Should Have Been Named as a Party to the Appeal

As a matter of both fact and law, the Committee was a party in interest with respect to all proceedings relating to the Enforcement Order and should have been named as an appellee in the Appeal.

A. Party in Interest As Matter of Fact

The Appeal arises out of a contested matter in the Chapter 11 Cases, as to which the Committee took a position by filing two pleadings and participating actively at the hearing that resulted in entry of the order now subject to appeal. The contested matter underlying the Appeal commenced with the filing of the *Debtors' Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc; (II) Finding That the Sale is Free and Clear of Conditions Materially Different Than Those Approved by the Court;*

[3] The Committee respectfully requests that this motion be decided on the same emergency basis as the Dismissal Motion, so that the Committee can be heard on this issue. The bases for emergency relief are the same as those listed by the Debtors in the Dismissal Motion.

(III) Finding That the Attorney General Abused His Discretion in Imposing Conditions on That Sale; and (IV) Granting Related Relief [Docket No. 3188] (the "Enforcement Motion") [Debtor App. Tab 7]. In support of the Enforcement Motion, the Committee filed two pleadings: (i) the *Official Committee of Unsecured Creditors' Response in Support of Debtors' Emergency Motion for the Entry of an Order: (I) Enforcing the Order Authorizing the Sale to Strategic Global Management, Inc; (II) Finding That the Sale is Free and Clear of Conditions Materially Different Than Those Approved by the Court; and Other Relief* [Docket No. 3320] [Debtor App. Tab 13]; and (ii) the *Official Committee of Unsecured Creditors' (I) Reply to SGM's Objection to the Debtors' Proposed Order on the Debtors' Enforcement Motion [Dkt. 3582] and (II) Statement in Support of the Debtors' Proposed Order* [Docket No. 3574] [Debtor App. Tab 16]. The Committee also appeared and participated in argument at, among others, the November 13, 2019 hearing that resulted in entry of the Enforcement Order [Docket No. 3620] [Debtor App. Tab 17].

In light of all the foregoing, the Committee was plainly a party in interest with respect to the contested matter underlying the Enforcement Order and should have been named as an appellee with respect to the Appeal.

B. Party in Interest as Matter of Law

As a matter of law, the Committee is also a party in interest with respect to any of the issues raised by the Appeal by virtue of section 1109(b) of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"), which provides as follows:

> A **party in interest, including** the debtor, the trustee, a **creditors' committee**, an equity security holders' committee, a creditor, an equity security holder, or any indenture trustee, **may raise and may appear and be heard on any issue in a case under this chapter.**

11 U.S.C. § 1109(b) (emphasis added).

The Committee is thus a party in interest under the definition set forth in section 1109(b) with respect to *any* issue in a chapter 11 case. The Appeal relates to issues raised in the Chapter 11 Cases as contested matters—the Enforcement Motion and the Enforcement Order—and thus the Committee is a party in interest with respect to all related issues and should have been named as an appellee with respect to the Appeal.

Under comparable circumstances, where parties in interest have been inadvertently or improperly omitted as appellees as to appeals arising out of contested matters in which they participated, courts have not hesitated to recognize the excluded parties as appellees (and, to the extent necessary, authorized the correction or reformation of related appellate court dockets) with all the notice and

participation rights such parties would have had if included as appellees upon filing of the appeal. *See West v. United States*, 853 F.3d 520, 523 (9th Cir. 2017) ("Consistent with other circuits and the plain language of the rule, we hold that failing to name an appellee in an NOA is not a bar to an appeal" and addressing omitted party's claims as if party had been included as appellee); *Hale* v. *Arizona*, 967 F.2d 1356, 1361 (9th Cir. 1992) ("Rule 3(c) does not require that *appellees* be listed, only *appellants,*" but treating omitted parties in interest as appellees); *Longmire* v. *Guste*, 921 F.2d 620, 622 (5th Cir. 1991) (per curiam) (holding that appellant's failure to name appellee was not jurisdictional bar to review and deeming omitted parties to be appellees); *Chathas v. Smith*, 848 F.2d, 93, 95 (7th Cir. 1988) (deeming omission of party from notice of appeal to be "harmless error," noting that any "doubt-dispelling function can be performed by a letter to the appellees' counsel," and recognizing omitted parties as appellees); *Williams v. Henagan*, 595 F.3d 610, 615 (5th Cir. 2010) (deeming omitted parties to be appellees on ground that "notices of appeal are liberally construed," especially "where there is no prejudice to the adverse party"); *Lesesne v. Doe*, 712 F.3d 584, 586 n.2 (D.C. Cir. 2013) (recognizing omitted party as appellee because, "[t]o the extent there was error . . . it was harmless as the dispositive order appealed applied to all defendants and [the omitted party] is a public employee represented by the same counsel as the

named appellees"); *Longmire v. Guste*, 921 F.2d 620, 623 (5th Cir. 1991) (deeming omitted party to be appellee because "the jurisdictional requirement of *Torres* does not require that appellees' names be specified in a notice of appeal," thereby permitting ready remediation of such omissions). This Court should do the same here and deem the Committee to be an appellee for all relevant purposes with respect to the Appeal, including the filing of the Committee Joinder.

II. Even If the Committee Were Not a Party in Interest, the Committee's Interest in, and Involvement with, the Enforcement Order Would Make Intervention Proper Under Rule 8013(g)

Even if the Committee were not a party in interest, the Committee's interest in and involvement with the Enforcement Order would make intervention in the Appeal proper under Bankruptcy Rule 8013(g). The Committee's interests are profoundly and uniquely implicated by this Appeal. If SGM is not compelled to comply with its obligations under the APA, so that the Sale can be consummated in a timely manner, the likely outcome will be that the Hospitals will be shut down and the Debtors' estates liquidated. Such an outcome would have a profound negative impact on the stakeholders that the Committee represents.

The Committee is a statutorily created body, formed for the purpose of protecting the interest of all unsecured creditors and maximizing proceeds to the unsecured creditors. *See* 11 U.S.C. § 705. Since this Appeal directly concerns the

funds that will be available to pay unsecured creditors, the Committee's interests are at the heart of this Appeal, and the Committee should be allowed to have a say on the issue. The Committee should thus be authorized to intervene in the Appeal. As set forth above, the Committee is a party in interest under the definition set forth in section 1109(b) with respect to *any* issue in a chapter 11 case. The Appeal relates to issues raised in the Chapter 11 Cases as contested matters, and, thus, the Committee is a party in interest with respect to both the Enforcement Order and the Appeal.

Indeed, the First, Second, and Third Circuits have all found that section 1109(b) affords to creditors' committees an *unconditional* right to intervene in adversary proceedings, and the same principle applies all the more readily where, as here, a creditors' committee seeks to intervene as to an appeal of a contested matter that arose in the Chapter 11 Cases themselves. *See In re Fin. Oversight & Mgmt. Bd. for Puerto Rico for Puerto Rico*, 872 F.3d 57, 63 (1st Cir. 2017) ("[T]the rights conferred by § 1109(b) are unconditional . . . ."); *In re Caldor Corp.*, 303 F.3d 161, 169 (2d Cir. 2002) ("We hold, therefore, that the phrase 'any issue in a case' plainly grants a right to raise, appear and be heard on any issue regardless whether it arises in a contested matter or an adversary proceeding."); *Matter of Marin Motor Oil, Inc.*,

689 F.2d 445, 451 (3d Cir. 1982) ("It is unlikely that Congress would have used such sweeping language if it had not meant 'case' to be a broadly inclusive term.").

The Committee' broad party-in-interest rights under section 1109(b) of the Bankruptcy Code ensure that it can readily satisfy the appellate intervention standard set forth in Bankruptcy Rule 8013(d), which provides as follows:

> (g) Intervening in an appeal. Unless a statute provides otherwise, an entity that seeks to intervene in an appeal pending in the district court or BAP must move for leave to intervene and serve a copy of the motion on the parties to the appeal. The motion or other notice of intervention authorized by statute must be filed within 30 days after the appeal is docketed. It must concisely state the movant's interest, the grounds for intervention, whether intervention was sought in the bankruptcy court, why intervention is being sought at this stage of the proceeding, and why participating as an amicus curiae would not be adequate.

Fed. R. Bankr. P. 8013(d).

In light of all the foregoing, the requirements of Bankruptcy Rule 8013(d) have all be satisfied:

- The nature of "movant's interest" and the "grounds for intervention" have been amply and irrefutably established.

- The Motion is unquestionably timely. The Appeal was docketed on December 6, 2019, and this Motion has been filed within 30 days after that date, as required by Bankruptcy Rule 8013(g).

- Further, to the extent that Bankruptcy Rule 8013(g) requires a party seeking intervention to state "whether intervention was sought in the bankruptcy court," the intervention standard can also be satisfied. In this case, intervention was not sought in the Bankruptcy Court because,

as set forth above, the Committee believed itself to be a party in interest with respect to the underlying Enforcement Motion and had every reason to expect that it would be named as an appellee with respect to the Appeal.

- Finally, limiting the Committee's role to participation as an *amicus curiae* with respect to the Appeal would be inadequate under the circumstances, to protect the Committee's rights, which will be directly impacted by the outcome of the Appeal. The Committee will be unable to fulfill its duty to its constituents if it is not authorized to intervene and participate as a full appellee in this Appeal.

The Debtors support the Committee's participation in the Appeal as an appellee, and SGM has nowhere stated that its omission of the Committee from the "parties to the appeal" listed in its *Notice of Appeal* [District Court Docket No. 1] was intentional or warranted by circumstances other than those set forth herein. Thus, the Committee respectfully submits that the Motion should be granted.

CONCLUSION

WHEREFORE, the Committee respectfully requests that the Court (i) enter an Order (A) pursuant to Bankruptcy Rule 8003(c) recognizing the Committee as a "party to the appeal;" or (B) in the alternative, pursuant to Bankruptcy Rule 8013(g), granting the Committee the right to intervene in the Appeal; and (ii) grant such other and further relief as is just and proper under the circumstances.

DATED: December 17, 2019

MILBANK LLP

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

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

EXHIBIT 1

2:19-cv-10352-DSF

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION

In re: VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *et al*., Debtors and Debtors In Possession.	On Appeal from the United States Bankruptcy Court for the Central District of California Bankruptcy Court Lead Case Number: 2:18−bk−20151−ER
STRATEGIC GLOBAL MANAGEMENT, INC. APPELLANT(S) v. STATE OF CALIFORNIA, VERITY HEALTH SYSTEM OF CALIFORNIA, INC., OFFICIAL COMMITTEE OF UNSECURED CREDITORS, *et al.* APPELLEE(S).	Date: [TBD] Time: [TBD] Courtroom: 7D Location: 350 W. First Street Los Angeles, CA 90012

OFFICIAL COMMITTEE OF UNSECURED CREDITORS' JOINDER IN MOTION OF APPELLEES VERITY HEALTH SYSTEM OF CALIFORNIA, INC., *ET AL.* TO DISMISS APPEAL

The Official Committee of Unsecured Creditors of Verity Health System of California, Inc., *et al*. (the "Committee") appointed in the chapter 11 cases (the "Chapter 11 Cases") of the above-captioned debtors and debtors-in-possession (the "Debtors"), hereby files this joinder (the "Committee Joinder") in *Debtors'*

Emergency Motion to Dismiss Appeal (the "Dismissal Motion" [District Court Docket No. 6]), and in support thereof represents as follows:

JOINDER

1. The breach by Strategic Global Management, Inc. ("SGM") of its asset purchase agreement with the Debtors (the "APA") may end up costing the Debtors' estates tens of millions of dollars and may result in the loss of hundreds, if not thousands, of jobs. The breach will also adversely affect medical care on a state-wide basis. The Court must not permit SGM to abuse the judicial process in this way. The Committee thus and hereby joins in the Dismissal Motion.

2. The Committee, like the Debtors, believes that the appeal of the Enforcement Order[1] (the "Enforcement Order Appeal" or the "Appeal"), which was filed by SGM and relates to the sale to SGM (the "Sale") of four of the Debtors' hospitals (the "Hospitals"), is a frivolous effort by SGM to appeal where no appeal lies, solely to forestall the closing on the Sale and ultimately escape the obligations SGM undertook in the APA—a heavily negotiated purchase agreement that was fully executed by the Debtors and SGM and approved by the Bankruptcy Court. Stated differently, the Appeal is nothing more than a thinly-disguised attempt by SGM to avoid a finding of breach by commencing an appellate process that purportedly gives

[1] Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Dismissal Motion.

rise to an "Evaluation Period" for SGM, during which, at SGM's sole election, SGM may walk away from the APA, *i.e.*, not be in breach.

3. The Committee believes that the Appeal should be dismissed because SGM (i) waived its appeal rights with respect to the Enforcement Order; and (ii) does not otherwise have standing to pursue the Enforcement Order Appeal. Indeed, SGM expressly and impliedly waived its rights to appeal any order granting the Enforcement Motion when it (i) filed a Statement of Support requesting that the Court grant the Enforcement Motion without reservation, which the Court did; (ii) requested at the hearing on the Enforcement Motion that the Court grant the relief requested therein; and (iii) bound itself in the APA to the exact language used in the Enforcement Order—all as found by the Bankruptcy Court.

4. Even if SGM's waiver of appellate rights were not so clear-cut, moreover, dismissal would still be warranted because SGM is without standing to pursue the Appeal because it lacks a pecuniary interest in its outcome sufficient to confer such standing. This is so because (i) the Enforcement Order does not impose any costs on SGM not already imposed or contemplated by the APA; (ii) none of the parties that opposed entry of the Enforcement Order have appealed therefrom, with the result that the Appeal cannot be considered a cross-appeal intended solely to protect threatened contractual rights; and (iii) the Attorney General has consented to the requirements of the APA, which mandate that the Attorney General not impose any conditions on the Sale beyond those to which SGM had expressly agreed and

which had already been factored into the purchase price under the APA. Indeed, other than SGM's proposed "editorial changes" to the Enforcement Order—the rejection of which by the Bankruptcy Court did not in any way alter SGM's obligations under the APA—the only possible interest furthered by SGM's Enforcement Order Appeal would be delay.[2]

5. In the end, SGM's current gambit is both transparent and insupportable. By virtue of the Enforcement Order, SGM was presented with a choice—to close or not to close. By filing the Appeal, SGM made that choice, and made it in a way that appears to have been calculated exclusively to manufacture for its own benefit an "Evaluation Period," which would afford it either more time to extract additional concessions from the Debtors or, if the demanded concessions cannot be obtained, the right to walk away from the APA. The right to an Evaluation Period was granted to SGM by Section 8.6 of the APA, to address what it told the

[2] SGM's "editorial changes," moreover, cannot—as the Debtors cogently argue—either undo the waiver of its appellate rights or grant it standing to appeal. *See Abbs v. Sullivan*, 963 F.2d 918, 924 (7th Cir. 1992) (citing *California v. Rooney*, 483 U.S. 307 (1987) (per curiam) ("But a winner cannot appeal a judgment merely because there are passages in the court's opinion that displease him—that may indeed come back to haunt him in a future case.") *see also Elec. Fittings Corp. v. Thomas & Betts Co*., 307 U.S. 241, 242 (1939) ("A party may not appeal from a judgment or decree in his favor, for the purpose of obtaining a review of findings he deems erroneous which are not necessary to support the decree."); *Envtl. Prot. Info. Ctr.,Inc. v. Pac. Lumber Co.*, 257 F.3d 1071, 1075 (9th Cir. 2001) (finding that "there is nothing for us to reform" where judgment merely states that a motion is granted or denied); *In re Hantges*, 2009 WL 10678773, at *2 (D. Nev. Sept. 9, 2009) (*citing P.R.T.C., Inc.*, 177 F.3d 774, 778 (9th Cir. 1992)) ("A mere desire to prevent future litigation does not detrimentally affect a debtor creating standing to appeal an order of the bankruptcy court.").

Court, when the APA was before the Court for approval, was the "appeal risk" associated with its closing on the Sale without a final, non-appealable Sale Order.[3]

6. Indeed, at the February 6, 2019 hearing that resulted in entry of the Sale Order, SGM made clear that the purpose of the Evaluation Period was to prevent it from being required to close the Sale if there was a risk that the Supplemental Sale Order could be overturned on appeal:

> If the Debtor is successful in obtaining [the Supplemental Sale Order], then we have to deal with the appeal risk, which is, again, very difficult to quantify. So what we've agreed on is that the Debtor is going to have a period of time to get us . . . a final non-appealable order. If the Debtor can get us a final, non-appealable order, meaning that if there's an appeal, it gets resolved in the Debtor's favor or maybe gets dismissed, at that point we will be obligated to close the transaction, as long as all the other conditions to closing have been satisfied.

(Transcript of February 6, 2019 Hearing at 20:7–21:6 (emphasis added).)

7. However, the "appeal risk" at which Section 8.6 was targeted—as SGM's own representations to the Court make clear—was the possibility that the

[3] The APA provides that once the Supplemental Sale Order becomes final and non-appealable, SGM "shall consummate the Sale provided that all other conditions to closing have been satisfied." (APA ¶ 8.6.) In its Memorandum of Decision dated November 18, 2019 (the "Enforcement Order Memorandum"), the Court found, among other things, that (i) all parties with standing to appeal had waived their rights to do so, and the Supplemental Sale Order was thus final and non-appealable; and (ii) all other conditions to closing had been satisfied, so SGM was obligated to promptly close the sale. (Memorandum Of Decision (1) Finding that SGM Is Obligated to Promptly Close the SGM Sale Under § 8.6 of the APA, Provided that All Other Conditions to Closing Have Been Satisfied and (2) Granting Debtors' Motion For A Continuance Of The Hearing To Approve The Disclosure Statement, dated November 18, 2019 [Docket No. 3632].)

Attorney General would appeal as to any relief granted to the Debtors and SGM in the Supplemental Sale Order. (*Id.* at 10:8-10:12 ("Paragraph 8.6 came into the asset purchase agreement fairly late in the process because of . . . concerns [about additional conditions precedent] . . . as certainly exemplified by the Attorney General's continuing efforts through its appeal of the Court's order with regard to the Santa Clara sale.") Never was it contemplated that the appellant as to such an "evaluation period" appeal would be SGM itself. (*Id.* ("If the Debtor *can get us* [*i.e.*, SGM, with respect to an Attorney General appeal] a final, non-appealable order, meaning that if there's an appeal, it gets resolved in the Debtor's favor or maybe gets dismissed." (emphasis added).)

8. Indeed, how can it be that, where SGM has obtained a Sale Order in a form that is otherwise consistent with the APA, it can appeal from the Enforcement Order for the sole purpose of fabricating an Evaluation Period to which it is no longer (and never was) entitled.

9. Either the Debtors have satisfied all Conditions Precedent to Closing, and SGM must close, or the Debtors have not, and SGM need not. If SGM believes that the Conditions Precedent remain unsatisfied, and thus elects not to close, SGM may do so at its own peril and must bear the consequences of this election.

10. However, SGM cannot disingenuously misconstrue Section 8.6 and improperly manipulate the judicial process to grant to itself optionality that was removed when the Attorney General agreed not to enforce Conditions Precedent

beyond those set forth in Section 8.6 and the Unions withdrew their objections—such that there were no pending objections to the entry of the Enforcement Order, and thus no one to appeal.

11. For all the foregoing reasons, the Dismissal Motion should be granted. The Chapter 11 Cases were filed because the Debtors are not financially capable of continuing to fund the losses generated by the operations of the Hospitals. If SGM is not expeditiously brought back to the table and compelled to comply with its obligations under the APA, so that the Sale can be consummated in a timely manner, the likely outcome will be that the Hospitals will be shut down and the Debtors' estates liquidated. Such an outcome would not be in the best interest of anyone—not the Debtors, not the creditors, and not the larger Hospital communities, including, among others, the Hospitals' many patients, physicians, nurses, and other employees.

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CONCLUSION

WHEREFORE, the Committee respectfully requests that the Court (i) grant the Dismissal Motion in its entirety; and (ii) grant such other and further relief as may be just and proper.

DATED: December 17, 2019

MILBANK LLP

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

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