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14 IN THE UNITED STATES BANKRUPTCY COURT  
15 EASTERN DISTRICT OF CALIFORNIA  
16 FRESNO DIVISION

17 In re

18 TULARE LOCAL  
HEALTHCARE DISTRICT, dba  
19 TULARE REGIONAL MEDICAL  
CENTER,

20 Debtor.

21 Tax ID #: 94-6002897  
22 Address: 869 N. Cherry Street  
Tulare, CA 93274

CASE NO. 17-13797

DC No.: WW-41

Chapter 9

Date: August 2, 2018

Time: 9:30 a.m.

Place: 2500 Tulare Street  
Fresno, CA 93721  
Courtroom 13

Judge: Honorable René Lastreto II

24 **NOTICE TO CONTRACT AND LEASE PARTIES OF DESIGNATION**  
25 **OF CONTRACTS AND LEASES TO BE ASSUMED AND ASSIGNED**  
26 **PURSUANT TO MOTION FOR AUTHORITY TO ENTER INTO TRANSACTION**  
27 **INCLUDING BORROWING FUNDS, SALES OF PERSONAL PROPERTY AND**  
28 **PROVIDING SECURITY, ASSUMPTION AND ASSIGNMENT OF CONTRACTS AND**  
**LEASES AND FOR AUTHORITY TO LEASE REAL PROPERTY PURSUANT TO 11**  
**U.S.C. SECTIONS 105, 362, 364, 365, 901 AND 922**

TO THE CONTRACT/LEASE PARTIES LISTED ON EXHIBIT A:

1 Pursuant to an Order of the United States Bankruptcy Court (the "Order"), a  
2 hearing will be held before the Honorable René Lastreto II, United States Bankruptcy  
3 Judge, on August 2, 2018, at 9:30 a.m. in the United States Bankruptcy Court for the  
4 Eastern District of California, 2500 Tulare Street, Fresno, California, to consider the  
5 above-captioned Debtor's Motion for Authority to Enter into Transaction including  
6 Borrowing Funds, Sales of Personal Property and Providing Security, Assumption and  
7 Assignment of Contracts and Leases and for Authority to Lease Real Property Pursuant  
8 to 11 U.S.C. Sections 105, 362, 364, 365, 901 and 922 (the "Motion"), for an order (the  
9 "Order") authorizing (a) the sale (the "Sale") of certain of the Debtor's assets (the  
10 "Assets") free and clear of all liens, claims, interests, and encumbrances, pursuant to  
11 and as described in the Asset Purchase Agreement (the "APA"), between the Debtor, as  
12 seller, and Adventist Health Tulare ("AH"), as purchaser, (b) the Debtor's assumption  
13 and assignment to AH of certain executory contracts and unexpired leases (the  
14 "Assumed Contracts"), pursuant to and as described in the APA, free and clear of liens,  
15 claims, interests, and encumbrances such liens, claims, interests and encumbrances to  
16 attach to the proceeds of the sale, and (c) the assumption by AH of certain liabilities of  
17 the Debtor in connection with the APA.

18 You are receiving this Notice because you are a party to one or more contracts  
19 or leases (each, a "Potential Assumed Contract") as listed in the annexed Exhibit A (i) as  
20 to which the Debtor also is a party, and (ii) that may be assumed by the Debtor (as such  
21 Potential Assumed Contract(s) may have been revised, restated, amended,  
22 supplemented, or otherwise modified by the Debtor and all other parties to such  
23 Assumed Contract(s)) and assigned to AH pursuant to the APA on the Closing Date of  
24 the APA, which is anticipated to be no sooner than December 2018.

25 All existing monetary and non-monetary defaults, if any, against the Debtor with  
26 respect to any Assumed Contract, and the cure payments or other form of cure, if any,  
27 that the Debtor would be required to provide in order for the Debtor to assume and  
28 assign any Assumed Contract, if any, are set forth on Exhibit A. To the extent that there

1 is no cure amount listed, the Debtor does not believe that there is any cure amount  
2 owing with respect to your Potential Assumed Contract.

3 If you object to the Debtor's proposed assumption and assignment of your  
4 Potential Assumed Contract or to the information set forth herein or in the annexed  
5 Exhibit A, including the proposed cure amount, you must (i) file a written objection that  
6 complies with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy  
7 Rules, (ii) file your objection with the Clerk of the Court, United States Bankruptcy Court  
8 for the Eastern District of California, 2500 Tulare Street, Fresno, California 93721, and  
9 (iii) serve your objection upon (a) counsel to the Debtor, Walter Wilhelm Law Group,  
10 205 E. River Park Circle, Suite 410, Fresno, CA 93720, (b) counsel to AH, Kimberly A.  
11 Posin, Lathan & Watkins LLP, 355 South Grand Avenue, Suite 100, Los Angeles, CA  
12 90071, and (c) the Office of the United States Trustee, 2500 Tulare Street, Suite 1401,  
13 Fresno, CA 93721, so that they are actually *RECEIVED* on or before August 1, 2018.

14 **OBJECTIONS NOT TIMELY FILED AND SERVED AS SET FORTH ABOVE WILL NOT**  
15 **BE CONSIDERED BY THE BANKRUPTCY COURT AND WILL BE OVERRULED.**

16 If no objections are filed with respect to the proposed assumption and  
17 assignment of a Potential Assumed Contract or to the cure amount set forth on Exhibit  
18 A in accordance with the procedures and deadline set forth above, the Court may enter  
19 the Order: (a) finding that the Potential Assumed Contract is an executory contract or  
20 unexpired lease subject to the provisions of section 365 of the Bankruptcy Code; (b)  
21 approving the assumption and assignment to AH of the Potential Assumed Contract  
22 (with a reservation of rights by the Debtor and AH to withdraw the Potential Assumed  
23 Contract prior to closing of the transaction) under section 365 of the Bankruptcy Code,  
24 subject to the closing, notwithstanding any provision in the Potential Assumed Contract  
25 (including those of the type described in sections 365(b)(2) and (f) of the Bankruptcy  
26 Code) that prohibits, restricts, or conditions such assignment or transfer; (c) fixing the  
27 cure amount for the Potential Assumed Contract at the amount set forth in Exhibit A  
28 hereto (the "Cure Amount"); (d) holding that all defaults or other obligations of the

1 Debtor under the Potential Assumed Contracts arising or occurring prior to the date of  
2 the Order are cured by the payment of the Cure Amounts; (e) holding that each non-  
3 Debtor party to the Potential Assumed Contract who failed to object to its treatment  
4 hereunder shall be deemed to consent to the assumption and assignment to AH of the  
5 Potential Assumed Contract and is forever barred from asserting any default existing as  
6 of the date of entry of the Order, any claim, any purported written or oral modification to  
7 the Potential Assumed Contract other than as set forth in the Order; and (f) holding that  
8 the Debtor is relieved from any further liability with respect to the Potential Assumed  
9 Contracts after such assumption and assignment to AH and the payment of the Cure  
10 Amount with respect to such contract.

11 If no objections are filed with respect to the proposed assumption and  
12 assignment of a Potential Assumed Contract or to the Cure Amount in accordance with  
13 the procedures and deadlines set forth above, all defaults or other obligations of the  
14 Debtor under the Potential Assumed Contract arising or accruing prior to the date of the  
15 Order (without giving effect to any acceleration clauses or any default provisions of the  
16 kind specified in section 365(b)(2) of the Bankruptcy Code) shall be deemed cured upon  
17 payment of the Cure Amount by the Debtor at the closing of the Sale or as soon  
18 thereafter as practicable.

19 **THE DEBTOR'S DESIGNATION OF THE POTENTIAL ASSUMED**  
20 **CONTRACTS LISTED IN EXHIBIT A AS AN "EXECUTORY CONTRACT" OR AS AN**  
21 **"UNEXPIRED LEASE" MAY BE WHOLLY FROM AN ABUNDANCE OF CAUTION,**  
22 **AND SUCH DESIGNATION, FOR PURPOSES OF THIS NOTICE, SHALL NOT BE**  
23 **DEEMED TO BE AN ADMISSION THAT SUCH POTENTIAL ASSUMED CONTRACT**  
24 **IS "EXECUTORY" OR "UNEXPIRED" OR THAT ANY SUCH POTENTIAL ASSUMED**  
25 **CONTRACT IS A TRUE LEASE, AS THE CASE MAY BE, WITHIN THE MEANING**  
26 **OF THE 11 U.S.C. § 365 OR ANY OTHER PROVISION OF THE BANKRUPTCY**  
27 **CODE.**

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The Debtor's Motion for Authority to Enter into Transaction Including Borrowing Funds, Sales of Personal Property and Providing Security, Assumption and Assignment of Contracts and Leases and for Authority to Lease Real Property Pursuant to 11 U.S.C. Sections 105, 362, 364, 365, 901 and 922 and the related definitive agreements are available at [www.tularelocalhealthcaredistrict.org](http://www.tularelocalhealthcaredistrict.org) or PDF from [galfano@W2LG.com](mailto:galfano@W2LG.com).

Dated: July 20, 2018

WALTER WILHELM LAW GROUP,  
a Professional Corporation

By: Riley C. Walter  
Riley C. Walter  
Attorneys for Debtor Tulare Local Healthcare District, dba Tulare Regional Medical Center