

UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

Rebecca Smith; Ellen Larson; Justine
Lund; and Jaime and Jared Beard,
individually and on behalf of all others
similarly situated.

Plaintiffs/Appellee

v.

Trinity Healthshare Inc., a Delaware
corporation,

Defendant/Appellant

and

The Alera Companies, Inc., f/k/a
Alera Healthcare, Inc., a Delaware
Corporation, and Oneshare Health,
LLC, f/k/a Unity Healthshare, LLC and
as Kingdom Healthshare Ministries,
LLC, a Virginia limited liability
corporation.

Defendants.

Case No. 21-1187

(D.C. No. 1:20-cv-02130-RBJ)

(D. Colo.)

APPELLANT TRINITY HEALTHSHARE INC.'S
STATUS REPORT

Pursuant to this Court’s August 2, 2021 Order, Appellant Trinity Healthshare, Inc. *d/b/a* Sharity Ministries, Inc. (“Trinity”), by and through its undersigned counsel, provides the following status report:

1. Trinity filed a petition for relief under Title 11, United States Code, in the United States Bankruptcy Court for the District of Delaware, which bears the case number 21-11001. Relief was ordered on July 8, 2021. Trinity’s proposed Plan of Reorganization, contemplated Trinity’s reorganization and continued operations, but also provided that if Trinity’s board of directors deemed it to be in the interest of the health care sharing ministry’s members, Trinity may cease operations and elect to liquidate.

2. Trinity filed a Suggestion of Bankruptcy on July 9, 2021, suggesting that this action and the underlying action against Trinity have been stayed by the operation of 11 U.S.C. § 362.

3. On August 2, 2021, construing the suggestion as a motion to abate proceedings, upon consideration, this Court granted the motion to abate as construed and, pending further order of the Court, Appeal No. 21-1187 has been abated pursuant to 11 U.S.C. § 362. Consolidated appeals, Appeal Nos. 21-1185 and 21-1186, were also abated by the Court in the interest of judicial efficiency. All pending deadlines were vacated. But Trinity was ordered to file, within 30 days of the August

2, 2021 Order, “a written report advising this [C]ourt as to the status of the bankruptcy proceedings and whether the abatement should continue.”

4. On or about July 19, 2021, Trinity’s board of directors made the decision to cease operating as a going concern, wind down its business, and use its assets to pay creditors and members.

5. An Official Committee of Members (the “Committee”) was appointed on August 20, 2021. Trinity is in discussions with the Subchapter V Trustee and various other constituents regarding an agreed-upon structure for a liquidating Chapter 11 plan and anticipates timely filing the same. Upon confirmation of the liquidating plan, oversight of Trinity will, most likely, be transitioned to a post-confirmation Liquidating Trustee.

6. No motion seeking relief from the automatic stay for this appeal, Case No. 21-1187, or any other pending matter against Trinity, has been filed in the United States Bankruptcy Court.

7. Abatement of this appeal, with respect to Trinity, should continue as this action and the underlying action against Trinity continue to be stayed by the operation of 11 U.S.C. § 362. The statutory automatic stay only applies to protect Trinity and property of Trinity, as Trinity is the party that petitioned for relief from the United States Bankruptcy Court.

Dated this 1st day of September 2021.

By: Laurin D. Quiat

Name of Counsel

/s/ Laurin D. Quiat

Signature of Counsel

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CERTIFICATE OF SERVICE

I hereby certify that a copy of this Status Report was served on September 1, 2021 via CM/ECF:

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(See Fed. R. App. P. 25(b))

/s/ Laurin D. Quiat
(Signature)