

**United States Bankruptcy Court  
Central District of California  
Riverside  
Mark Houle, Presiding  
Courtroom 301 Calendar**

**Wednesday, October 2, 2024**

**Hearing Room 301**

10:00 AM

**6:24-13427 ZARINA D CARRILLO**

**Chapter 7**

**#1.00** Reaffirmation Agreement Between Debtor and CarMax Auto Finance, in the amount of \$18,020.57, re: 2017 Lexus RX 350

EH\_\_

Docket 13

**Tentative Ruling:**

- NONE LISTED -

<b>Party Information</b>
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**Debtor(s):**

ZARINA D CARRILLO

Pro Se

**Trustee(s):**

Arturo Cisneros (TR)

Pro Se

**United States Bankruptcy Court  
Central District of California  
Riverside  
Mark Houle, Presiding  
Courtroom 301 Calendar**

**Wednesday, October 2, 2024**

**Hearing Room 301**

11:00 AM

**6:23-12171 Jose I. Cardenas**

**Chapter 7**

**#2.00 Notice of Trustee's Final Report and Applications for Compensation**

EH \_\_\_\_

Docket 30

**Tentative Ruling:**

**10/2/2024**

**Service: Proper  
Opposition: None**

The application for compensation of the Trustee has been set for hearing on the notice required by LBR 2016-1. Pursuant to the Trustee's Final Report, and there being no opposition, which the Court deems consent to the relief requested pursuant to Local Rule 9013-1(h), the Court is inclined to APPROVE the proposed distribution and the following administrative expenses:

Trustee Fees: \$ 1,288.90

Trustee Expenses: \$ 159.10

APPEARANCES WAIVED. If written or oral opposition is presented at the hearing, the hearing may be continued. Trustee to lodge order within 7 days.

**Party Information**

**Debtor(s):**

Jose I. Cardenas

Represented By  
Tristan L Brown

**Trustee(s):**

Todd A. Frealy (TR)

Pro Se

**United States Bankruptcy Court  
Central District of California  
Riverside  
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**Wednesday, October 2, 2024**

**Hearing Room 301**

11:00 AM

**6:24-13907 Erica Denise Long**

**Chapter 7**

**#3.00** Order to Show Cause re: Dismissal of Case for Failure to make Installment payment

EH\_\_

Docket 17

**\*\*\* VACATED \*\*\* REASON: BALANCE PAID ON 8/30/24**

**Tentative Ruling:**

- NONE LISTED -

<b>Party Information</b>
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**Debtor(s):**

Erica Denise Long

Pro Se

**Trustee(s):**

Charles W Daff (TR)

Pro Se

**United States Bankruptcy Court  
Central District of California  
Riverside  
Mark Houle, Presiding  
Courtroom 301 Calendar**

**Wednesday, October 2, 2024**

**Hearing Room 301**

11:00 AM

**6:22-14723 Better Nutritionals, LLC and Harco National Insurance**

**Chapter 7**

**#4.00** CONT. Motion of Impact Networking, LLC For Allowance and Payment of Chapter 11 Administrative Priority Claim; \$108419.99 (Motion filed 9/28/23)

From: 11/1/23, 1/31/24, 3/27/24, 5/29/24, 7/31/24

EH\_\_

Docket 626

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Movant(s):**

Impact Networking, LLC

Represented By  
David W. Meadows

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

**United States Bankruptcy Court  
Central District of California  
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**6:22-14723 Better Nutritionals, LLC**

**Chapter 7**

**#5.00** CONT. Alpha Packaging, Inc.'s Motion for Allowance and Payment of Administrative Expense Claim Pursuant to 11 U.S.C. 503 (Motion filed 11/9/23)

From: 2/8/24, 3/27/24,5/29/24, 7/31/24

EH\_\_

Docket 782

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Movant(s):**

Alpha Packaging, Inc.

Represented By  
Claudia Coleman

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

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**6:22-14723 Better Nutritionals, LLC**

**Chapter 7**

**#6.00** CONT. Notice of Motion and Motion of Allied Universal Security Services for Allowance of an Administrative Priority Expense Claim; \$78,525.46 (Motion filed 9/29/23)

From: 11/1/23/ 1/31/24, 3/27/24, 5/29/24, 7/31/24

EH\_\_

Docket 646

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Movant(s):**

Allied Universal Security Services

Represented By  
Jamie L Edmonson

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

**United States Bankruptcy Court  
Central District of California  
Riverside  
Mark Houle, Presiding  
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11:00 AM

6:22-14723 Better Nutritionals, LLC

Chapter 7

#7.00 CONT. Motion By Goli Nutrition Inc For Allowance Of Chapter 11 Administrative Priority And Super priority Claims  
(Motion filed 9/28/23)

From: 11/1/23, 1/31/24, 3/27/24, 5/29/24, 7/31/24

EH\_\_

Docket 633

\*\*\* VACATED \*\*\* REASON: CONTINUED TO 10/9/24 BY ORDER  
ENTERED 9/27/24

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Movant(s):**

Goli Nutrition, Inc.

Represented By  
Eve H. Karasik  
Joseph M Rothberg  
Daniel H Reiss  
Todd M Arnold  
Carmela Pagay

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood

**United States Bankruptcy Court  
Central District of California  
Riverside  
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**CONT... Better Nutritionals, LLC**

**Chapter 7**

Tinho Mang  
Michael A Sweet  
Daniel A Lev



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6:22-14723 Better Nutritionals, LLC

Chapter 7

#8.00 CONT. Trustee's Motion for Order Approving Compromise with Goli Nutrition, Inc. (Canada); Memorandum of Points and Authorities; and Declaration of Larry D. Simons in Support; with Proof of Service (Motion filed 6/19/24)

From: 7/10/24, 7/31/24

EH\_\_

Docket 1053

\*\*\* VACATED \*\*\* REASON: CONTINUED TO 10/9/24 BY ORDER  
ENTERED 9/27/24

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Movant(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays

**United States Bankruptcy Court  
Central District of California  
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Mark Houle, Presiding  
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11:00 AM

**CONT... Better Nutritionals, LLC**

**Chapter 7**

David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

**United States Bankruptcy Court  
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11:00 AM

**6:22-14723 Better Nutritionals, LLC**

**Chapter 7**

**#9.00** Trustee's Motion for Order Approving Compromise With Alpha Packaging, Inc.; Memorandum of Points and Authorities; and Declaration of Larry D. Simons in Support

EH \_\_\_\_

Docket 1089

**Tentative Ruling:**

10/2/2024

**BACKGROUND**

On December 20, 2022, Better Nutritionals, LLC ("Debtor") filed a Chapter 11 voluntary petition. On March 30, 2023, Debtor's case was converted to Chapter 7.

After conversion of Debtor's case to Chapter 7, a variety of entities filed motions for administrative claims. Among those parties were the following:

-Alpha Packaging, Inc ("Alpha") (filed on November 9, 2023 as docket number 782), which filed a motion for an administrative expense claim in the amount of \$227,599;

-Impact Networking, LLC ("Impact") (filed on September 28, 2023 as docket number 626), which filed a motion for an administrative expense claim in the amount of \$108,419.99; and

-Total Transportation Logistics, Inc. ("Total Transportation") (filed on September 29, 2023 as docket number 652), which filed a motion for an administrative expense claim in the amount of \$270,793.64.

Below is a brief background summary relating to the administrative expense claims of Alpha, Impact, and Total Transportation:

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**CONT... Better Nutritionals, LLC**

**Chapter 7**

Alpha Administrative Expense Claim

Alpha manufactured packaging products for Debtor's business and stored items for Debtor in its warehouses.

On September 29, 2023, the Chapter 7 Trustee filed a motion to: (1) abandon any interest in two of Alpha's commercial properties as well as any interest in remaining personal property at those facilities; and (2) reject the supply agreement with Alpha. On October 20, 2023, the Court entered an order granting the motion.

In its administrative expense motion, Alpha asserted an administrative claim totaling \$77,446 during the period when Debtor was in Chapter 11 and an additional \$150,153 post-conversion.

Trustee contends that Alpha was the recipient of \$36,184 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Alpha, filed on September 11, 2024 as docket number 1089,

- (1) Alpha's asserted Chapter 11 administrative claim would be allowed in full;
- (2) Alpha's asserted Chapter 7 administrative claim would be reduced by \$54,014.40; and
- (3) Trustee would waive any liability for a preferential transfer.

Impact Administrative Expense Claim

Impact is a vendor of technology services and provided services to Debtor prepetition, during the Chapter 11 period, and during the Chapter 7 period. Impact also has an affiliate, Impact LA, LLC ("Impact LA"), that appears to have engaged in business with Debtor.

Impact's administrative expense motion asserts an administrative claim of \$108,419.99 during the Chapter 11 period. Impact also asserts a Chapter 7 administrative claim in the amount of \$125,535.61. Trustee asserts that during the preference period, Debtor transferred \$112,828 to Impact LA.

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**CONT... Better Nutritionals, LLC**

**Chapter 7**

Pursuant to the compromise motion between Trustee and Impact, filed on September 11, 2024 as docket number 1090,

- (1) Impact's asserted Chapter 11 administrative claim would be reduced by \$0.99;
- (2) Impact's asserted Chapter 7 would be reduced by \$50,000.61; and
- (3) Trustee would waive any liability for a preferential transfer.

Total Transportation Administrative Expense Claim

Debtor and Total Transportation entered into a warehousing and distribution agreement in July 2021. On July 3, 2023, Total Transportation filed a motion for relief from the automatic stay. Pursuant to order entered September 6, 2023, Total Transportation was granted relief from the automatic stay.

At a hearing held on January 31, 2024, the administrative expense motion of Total Transportation was denied but Total Transportation was permitted until February 23 to file an amended motion. The order entered on February 16 provided Total Transportation an additional four days, extending the deadline to February 27. On February 22, Total Transportation stipulated with the Chapter 7 Trustee to further extend the deadline until March 6. This deadline was subsequently extended by stipulation to April 3, then to May 1, then to July 17, then to September 13, and, finally, to November 11. At this time, no amended administrative expense motion has been filed by Total Transportation.

Trustee contends that Total Transportation received \$154,394 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Total Transportation, filed on September 11, 2024 as docket number 1091,

- (1) Total Transportation's proof of claim would be allowed as a general unsecured claim in the reduced amount of \$38,787.50;
- (2) Total Transportation would be allowed a Chapter 11 administrative claim in the amount of \$42,537.16;
- (3) Total Transportation would be allowed a Chapter 7 administrative claim in the

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CONT... **Better Nutritionals, LLC**

Chapter 7

amount of \$51,000; and

(4) Trustee would waive any liability for a preferential transfer.

**DISCUSSION**

Rule 9019(a) authorizes the bankruptcy court to approve a compromise or settlement on the trustee's motion and after notice and a hearing. The bankruptcy court must consider all "factors relevant to a full and fair assessment of the wisdom of the proposed compromise." *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968). In other words, the bankruptcy court must find that the settlement is "fair and equitable" in order to approve it. *Martin v. Kane (In re A & C Props.)*, 784 F.2d 1377, 1381 (9th Cir. 1986).

In conducting this inquiry, the bankruptcy court must consider the following factors:

(a) the probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

*Id.*

The bankruptcy court enjoys broad discretion in approving a compromise because it "is uniquely situated to consider the equities and reasonableness." *United States v. Alaska Nat'l Bank (In re Walsh Construction, Inc.)*, 669 F.2d 1325, 1328 (9th Cir. 1982). As stated in *A & C Props.*:

The purpose of a compromise agreement is to allow the trustee and the creditors to avoid the expenses and burdens associated with litigating sharply contested and dubious claims. The law favors compromise and not litigation for its own sake, and as long as the bankruptcy court amply considered the various factors that determined the reasonableness of the compromise, the court's decision must be affirmed.

*Id.* (citations omitted).

The Court notes that it has very little record upon which to apply the *A&C Properties* factors. Specifically, the Court has little to no record regarding: (a) Trustee's objections, if any, to the amount of the administrative claims asserted by Alpha,

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**CONT... Better Nutritionals, LLC**

**Chapter 7**

Impact, and Total Transportation; and (b) Trustee's analysis of any potential preference litigation that could be commenced against these parties.

**TENTATIVE RULING**

APPEARANCES REQUIRED.

**Party Information**

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

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**6:22-14723 Better Nutritionals, LLC**

**Chapter 7**

**#10.00** Trustee's Motion for Order Approving Compromise with Impact Networking, LLC; Memorandum of Points and Authorities; and Declaration of Larry D. Simons in Support

EH \_\_\_\_

**[Tele. appr. David Meadows, rep. creditor, Impact Networking LLC]**

Docket 1090

**Tentative Ruling:**

10/2/2024

**BACKGROUND**

On December 20, 2022, Better Nutritionals, LLC ("Debtor") filed a Chapter 11 voluntary petition. On March 30, 2023, Debtor's case was converted to Chapter 7.

After conversion of Debtor's case to Chapter 7, a variety of entities filed motions for administrative claims. Among those parties were the following:

-Alpha Packaging, Inc ("Alpha") (filed on November 9, 2023 as docket number 782), which filed a motion for an administrative expense claim in the amount of \$227,599;

-Impact Networking, LLC ("Impact") (filed on September 28, 2023 as docket number 626), which filed a motion for an administrative expense claim in the amount of \$108,419.99; and

-Total Transportation Logistics, Inc. ("Total Transportation") (filed on September 29, 2023 as docket number 652), which filed a motion for an administrative expense claim in the amount of \$270,793.64.

Below is a brief background summary relating to the administrative expense claims



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**CONT... Better Nutritionals, LLC**

**Chapter 7**

of Alpha, Impact, and Total Transportation:

Alpha Administrative Expense Claim

Alpha manufactured packaging products for Debtor's business and stored items for Debtor in its warehouses.

On September 29, 2023, the Chapter 7 Trustee filed a motion to: (1) abandon any interest in two of Alpha's commercial properties as well as any interest in remaining personal property at those facilities; and (2) reject the supply agreement with Alpha. On October 20, 2023, the Court entered an order granting the motion.

In its administrative expense motion, Alpha asserted an administrative claim totaling \$77,446 during the period when Debtor was in Chapter 11 and an additional \$150,153 post-conversion.

Trustee contends that Alpha was the recipient of \$36,184 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Alpha, filed on September 11, 2024 as docket number 1089,

- (1) Alpha's asserted Chapter 11 administrative claim would be allowed in full;
- (2) Alpha's asserted Chapter 7 administrative claim would be reduced by \$54,014.40; and
- (3) Trustee would waive any liability for a preferential transfer.

Impact Administrative Expense Claim

Impact is a vendor of technology services and provided services to Debtor prepetition, during the Chapter 11 period, and during the Chapter 7 period. Impact also has an affiliate, Impact LA, LLC ("Impact LA"), that appears to have engaged in business with Debtor.

Impact's administrative expense motion asserts an administrative claim of \$108,419.99 during the Chapter 11 period. Impact also asserts a Chapter 7

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**CONT... Better Nutritionals, LLC**

**Chapter 7**

administrative claim in the amount of \$125,535.61. Trustee asserts that during the preference period, Debtor transferred \$112,828 to Impact LA.

Pursuant to the compromise motion between Trustee and Impact, filed on September 11, 2024 as docket number 1090,

- (1) Impact's asserted Chapter 11 administrative claim would be reduced by \$0.99;
- (2) Impact's asserted Chapter 7 would be reduced by \$50,000.61; and
- (3) Trustee would waive any liability for a preferential transfer.

Total Transportation Administrative Expense Claim

Debtor and Total Transportation entered into a warehousing and distribution agreement in July 2021. On July 3, 2023, Total Transportation filed a motion for relief from the automatic stay. Pursuant to order entered September 6, 2023, Total Transportation was granted relief from the automatic stay.

At a hearing held on January 31, 2024, the administrative expense motion of Total Transportation was denied but Total Transportation was permitted until February 23 to file an amended motion. The order entered on February 16 provided Total Transportation an additional four days, extending the deadline to February 27. On February 22, Total Transportation stipulated with the Chapter 7 Trustee to further extend the deadline until March 6. This deadline was subsequently extended by stipulation to April 3, then to May 1, then to July 17, then to September 13, and, finally, to November 11. At this time, no amended administrative expense motion has been filed by Total Transportation.

Trustee contends that Total Transportation received \$154,394 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Total Transportation, filed on September 11, 2024 as docket number 1091,

- (1) Total Transportation's proof of claim would be allowed as a general unsecured claim in the reduced amount of \$38,787.50;
- (2) Total Transportation would be allowed a Chapter 11 administrative claim in

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CONT...

**Better Nutritionals, LLC**

**Chapter 7**

the amount of \$42,537.16;

- (3) Total Transportation would be allowed a Chapter 7 administrative claim in the amount of \$51,000; and
- (4) Trustee would waive any liability for a preferential transfer.

**DISCUSSION**

Rule 9019(a) authorizes the bankruptcy court to approve a compromise or settlement on the trustee's motion and after notice and a hearing. The bankruptcy court must consider all "factors relevant to a full and fair assessment of the wisdom of the proposed compromise." *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968). In other words, the bankruptcy court must find that the settlement is "fair and equitable" in order to approve it. *Martin v. Kane (In re A & C Props.)*, 784 F.2d 1377, 1381 (9th Cir. 1986).

In conducting this inquiry, the bankruptcy court must consider the following factors:

- (a) the probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

*Id.*

The bankruptcy court enjoys broad discretion in approving a compromise because it "is uniquely situated to consider the equities and reasonableness." *United States v. Alaska Nat'l Bank (In re Walsh Construction, Inc.)*, 669 F.2d 1325, 1328 (9th Cir. 1982). As stated in *A & C Props.*:

The purpose of a compromise agreement is to allow the trustee and the creditors to avoid the expenses and burdens associated with litigating sharply contested and dubious claims. The law favors compromise and not litigation for its own sake, and as long as the bankruptcy court amply considered the various factors that determined the reasonableness of the compromise, the court's decision must be affirmed.

*Id.* (citations omitted).

The Court notes that it has very little record upon which to apply the *A&C Properties*

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factors. Specifically, the Court has little to no record regarding: (a) Trustee's objections, if any, to the amount of the administrative claims asserted by Alpha, Impact, and Total Transportation; and (b) Trustee's analysis of any potential preference litigation that could be commenced against these parties.

**TENTATIVE RULING**

APPEARANCES REQUIRED.

<b>Party Information</b>
--------------------------

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

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**6:22-14723 Better Nutritionals, LLC**

**Chapter 7**

**#11.00** Trustee's Motion for Order Approving Compromise With Total Transportation Logistics, Inc.; Memorandum of Points and Authorities; and Declaration of Larry D. Simons in Support

EH \_\_\_\_

**[Tele. appr. William Fennell, rep. creditor, Total Transportation Logistics, Inc.]**

Docket 1091

**Tentative Ruling:**

10/2/2024

**BACKGROUND**

On December 20, 2022, Better Nutritionals, LLC ("Debtor") filed a Chapter 11 voluntary petition. On March 30, 2023, Debtor's case was converted to Chapter 7.

After conversion of Debtor's case to Chapter 7, a variety of entities filed motions for administrative claims. Among those parties were the following:

-Alpha Packaging, Inc ("Alpha") (filed on November 9, 2023 as docket number 782), which filed a motion for an administrative expense claim in the amount of \$227,599;

-Impact Networking, LLC ("Impact") (filed on September 28, 2023 as docket number 626), which filed a motion for an administrative expense claim in the amount of \$108,419.99; and

-Total Transportation Logistics, Inc. ("Total Transportation") (filed on September 29, 2023 as docket number 652), which filed a motion for an administrative expense claim in the amount of \$270,793.64.

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**CONT... Better Nutritionals, LLC**

**Chapter 7**

Below is a brief background summary relating to the administrative expense claims of Alpha, Impact, and Total Transportation:

Alpha Administrative Expense Claim

Alpha manufactured packaging products for Debtor's business and stored items for Debtor in its warehouses.

On September 29, 2023, the Chapter 7 Trustee filed a motion to: (1) abandon any interest in two of Alpha's commercial properties as well as any interest in remaining personal property at those facilities; and (2) reject the supply agreement with Alpha. On October 20, 2023, the Court entered an order granting the motion.

In its administrative expense motion, Alpha asserted an administrative claim totaling \$77,446 during the period when Debtor was in Chapter 11 and an additional \$150,153 post-conversion.

Trustee contends that Alpha was the recipient of \$36,184 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Alpha, filed on September 11, 2024 as docket number 1089,

- (1) Alpha's asserted Chapter 11 administrative claim would be allowed in full;
- (2) Alpha's asserted Chapter 7 administrative claim would be reduced by \$54,014.40; and
- (3) Trustee would waive any liability for a preferential transfer.

Impact Administrative Expense Claim

Impact is a vendor of technology services and provided services to Debtor prepetition, during the Chapter 11 period, and during the Chapter 7 period. Impact also has an affiliate, Impact LA, LLC ("Impact LA"), that appears to have engaged in business with Debtor.

Impact's administrative expense motion asserts an administrative claim of

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**CONT... Better Nutritionals, LLC**

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\$108,419.99 during the Chapter 11 period. Impact also asserts a Chapter 7 administrative claim in the amount of \$125,535.61. Trustee asserts that during the preference period, Debtor transferred \$112,828 to Impact LA.

Pursuant to the compromise motion between Trustee and Impact, filed on September 11, 2024 as docket number 1090,

- (1) Impact's asserted Chapter 11 administrative claim would be reduced by \$0.99;
- (2) Impact's asserted Chapter 7 would be reduced by \$50,000.61; and
- (3) Trustee would waive any liability for a preferential transfer.

Total Transportation Administrative Expense Claim

Debtor and Total Transportation entered into a warehousing and distribution agreement in July 2021. On July 3, 2023, Total Transportation filed a motion for relief from the automatic stay. Pursuant to order entered September 6, 2023, Total Transportation was granted relief from the automatic stay.

At a hearing held on January 31, 2024, the administrative expense motion of Total Transportation was denied but Total Transportation was permitted until February 23 to file an amended motion. The order entered on February 16 provided Total Transportation an additional four days, extending the deadline to February 27. On February 22, Total Transportation stipulated with the Chapter 7 Trustee to further extend the deadline until March 6. This deadline was subsequently extended by stipulation to April 3, then to May 1, then to July 17, then to September 13, and, finally, to November 11. At this time, no amended administrative expense motion has been filed by Total Transportation.

Trustee contends that Total Transportation received \$154,394 in payments from Debtor during the preference period.

Pursuant to the compromise motion between Trustee and Total Transportation, filed on September 11, 2024 as docket number 1091,

- (1) Total Transportation's proof of claim would be allowed as a general unsecured claim in the reduced amount of \$38,787.50;

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Riverside  
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CONT... **Better Nutritionals, LLC** **Chapter 7**

- (2) Total Transportation would be allowed a Chapter 11 administrative claim in the amount of \$42,537.16;
- (3) Total Transportation would be allowed a Chapter 7 administrative claim in the amount of \$51,000; and
- (4) Trustee would waive any liability for a preferential transfer.

**DISCUSSION**

Rule 9019(a) authorizes the bankruptcy court to approve a compromise or settlement on the trustee's motion and after notice and a hearing. The bankruptcy court must consider all "factors relevant to a full and fair assessment of the wisdom of the proposed compromise." *Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson*, 390 U.S. 414, 424 (1968). In other words, the bankruptcy court must find that the settlement is "fair and equitable" in order to approve it. *Martin v. Kane (In re A & C Props.)*, 784 F.2d 1377, 1381 (9th Cir. 1986).

In conducting this inquiry, the bankruptcy court must consider the following factors:

- (a) the probability of success in the litigation; (b) the difficulties, if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises.

*Id.*

The bankruptcy court enjoys broad discretion in approving a compromise because it "is uniquely situated to consider the equities and reasonableness." *United States v. Alaska Nat'l Bank (In re Walsh Construction, Inc.)*, 669 F.2d 1325, 1328 (9th Cir. 1982). As stated in *A & C Props.*:

The purpose of a compromise agreement is to allow the trustee and the creditors to avoid the expenses and burdens associated with litigating sharply contested and dubious claims. The law favors compromise and not litigation for its own sake, and as long as the bankruptcy court amply considered the various factors that determined the reasonableness of the compromise, the court's decision must be affirmed.

*Id.* (citations omitted).



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The Court notes that it has very little record upon which to apply the *A&C Properties* factors. Specifically, the Court has little to no record regarding: (a) Trustee's objections, if any, to the amount of the administrative claims asserted by Alpha, Impact, and Total Transportation; and (b) Trustee's analysis of any potential preference litigation that could be commenced against these parties.

**TENTATIVE RULING**

APPEARANCES REQUIRED.

<b>Party Information</b>
--------------------------

**Debtor(s):**

Better Nutritionals, LLC

Represented By  
John N Tedford IV  
Aaron E. DE Leest  
Danielle R Gabai

**Trustee(s):**

Larry D Simons (TR)

Represented By  
D Edward Hays  
David Wood  
Tinho Mang  
Michael A Sweet  
Daniel A Lev

**United States Bankruptcy Court  
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**6:23-12564 Miguel Angel Navarra, Jr.**

**Chapter 7**

Adv#: 6:24-01058 Simons (TR) v. United Parcel Service

**#12.00** Status Conference re: Complaint by Larry D Simons (TR) against United Parcel Service. Nature of Suit: (11 (Recovery of money/property - 542 turnover of property))  
(Filed 7/15/24)

EH\_\_

Docket 1

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Miguel Angel Navarra Jr.

Represented By  
Anthony B Vigil

**Defendant(s):**

United Parcel Service

Pro Se

**Plaintiff(s):**

Larry D Simons (TR)

Pro Se

**Trustee(s):**

Larry D Simons (TR)

Pro Se

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2:00 PM

**6:23-13947 Bobbie Jean Grant**

**Chapter 7**

Adv#: 6:23-01116 Grant v. Grant

**#13.00** CONT. Status Conference re Adversary case 6:23-ap-01116. Complaint by Jay Timothy Grant against Bobbie Jean Grant. (d),(e)),(64 (Dischargeability - 523(a)(15), divorce/sep property settlement/decre)),(67 (Dischargeability - 523(a)(4), fraud as fiduciary, embezzlement, larceny))

From: 1/17/24, 4/17/24, 5/29/24

EH\_\_

Docket 1

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Bobbie Jean Grant

Represented By  
Lara T Abuzeid

**Defendant(s):**

Bobbie Jean Grant

Represented By  
Lara T Abuzeid

**Plaintiff(s):**

Jay Timothy Grant

Represented By  
Andrew Lee Westover Sr

**Trustee(s):**

Todd A. Frealy (TR)

Pro Se

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**6:23-14977 Gricelda Carolina Campos**

**Chapter 7**

Adv#: 6:24-01011 Daff v. Aguilar Campos

**#14.00** CONT. Status Conference re Complaint by Charles W. Daff against Angel De Jesus Aguilar Campos. (\$350.00 Fee Charge To Estate). for: 1) Avoid and Recover Intentional Fraudulent Transfer; 2) Avoid and Recover Constructive Fraudulent Transfer; 3) Disallow Claims; and 4) Unjust Enrichment Nature of Suit: (14 (Recovery of money/property - other)),(91 (Declaratory judgment))

From: 4/10/24, 6/12/24, 8/21/24

EH\_\_

Docket 1

**\*\*\* VACATED \*\*\* REASON: CASE DISMISSED 9/26/24**

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Gricelda Carolina Campos

Represented By  
Paul Y Lee

**Defendant(s):**

Angel De Jesus Aguilar Campos

Represented By  
Richard L. Sturdevant

**Plaintiff(s):**

Charles W. Daff

Represented By  
Lynda T Bui

**Trustee(s):**

Charles W Daff (TR)

Represented By  
Lynda T Bui

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**6:24-12742 Lydia Lucille Romo**

**Chapter 7**

Adv#: 6:24-01063 He v. Romo

**#15.00** Status Conference re: Complaint by Weifeng He against Lydia Romo . false pretenses, false representation, actual fraud)) ,(68 (Dischargeability - 523(a)(6), willful and malicious injury))

EH\_\_

Docket 1

**\*\*\* VACATED \*\*\* REASON: ALIAS SUMMONS ISSUED 8/6/24**

**Tentative Ruling:**

- NONE LISTED -

<b>Party Information</b>
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**Debtor(s):**

Lydia Lucille Romo

Represented By  
Neil R Hedtke

**Defendant(s):**

Lydia Romo

Pro Se

**Plaintiff(s):**

Weifeng He

Pro Se

**Trustee(s):**

Lynda T. Bui (TR)

Pro Se