

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

9:00 AM

2:00-000000

Chapter

- #1.00** Hearings in Judge Bason's courtroom (1545) are simultaneously:
- (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices),
 - (2) via ZoomGov video, and
 - (3) via ZoomGov telephone.
- You are free to choose any of these options, except that evidentiary hearings/trials must be in person in the courtroom (unless otherwise ordered).
You do not need to call Chambers for advance approval or notice.
ZoomGov appearances are free.

ZoomGov Instructions for all matters on today's calendar:

Meeting ID: 160 848 8960

Password: 401253

Meeting URL: <https://cacb.zoomgov.com/j/1608488960>

Telephone: +1 669-254-5252 or +1 646-828-7666 or 833-568-8864 (Toll Free)

Please connect at least 5 minutes before the start of your hearing, and wait with your microphone muted until your matter is called.

Chapter 13: Persons needing to contact the Chapter 13 Trustee's attorney, either prior to the hearing or during a recess, can call Kaleen Murphy, Esq. at (213) 996-4433.

Members of the public, including the press, are always welcome in person (except in rare instances when the courtroom is sealed) and they may also listen via telephone to non-evidentiary hearings, but must not view any hearings via video (per mandate of the AO).

Any audio or video recording is strictly prohibited. Official recordings are available for a small fee through the Clerk's Office.

Zoomgov hearing etiquette: (a) wait until the judge calls on you, so everyone is not talking at once; (b) when you first speak, state your name and, if you are an attorney, whom you represent (do not make your argument until asked to do so); (c) when you make your argument, please pause from time to time so that, for

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example, the judge can ask a question or anyone else can make an objection; (d) if the judge does not see that you want to speak, or forgets to call on you, please say so when other parties have finished speaking (do not send a "chat" message, which the judge might not see); and (e) please let the judge know if he mispronounces your name, uses the wrong pronoun, etc.

Docket 0

Tentative Ruling:

- NONE LISTED -

**United States Bankruptcy Court
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Hearing Room 1545

10:00 AM

2:22-15016 Debra Ann Engle

Chapter 13

#1.00 Hrg re: Motion for relief from stay [RP]

U.S. BANK TRUST NATIONAL ASSOC
vs
DEBTOR

Docket 56

***** VACATED *** REASON: APO**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Debra Ann Engle

Represented By
D Justin Harelik

Movant(s):

U.S. Bank Trust National

Represented By
Jennifer C Wong

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Hearing Room 1545

10:00 AM

2:23-16137 Alex Oropeza and Virginia Marie Oropeza

Chapter 13

#2.00 Hrg re: Motion for relief from stay [RP]

ROCKET MORTGAGE, LLC
vs
DEBTOR

Docket 48

Tentative Ruling:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 50).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

Debtor(s):

Alex Oropeza

Represented By
Michael E Clark
Barry E Borowitz

Joint Debtor(s):

Virginia Marie Oropeza

Represented By
Michael E Clark
Barry E Borowitz

Movant(s):

Rocket Mortgage, LLC f/k/a

Represented By
Kinnera Bhoopal

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CONT... Alex Oropeza and Virginia Marie Oropeza

Chapter 13

Ciro Mestres

Dane W Exnowski

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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Los Angeles
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Hearing Room 1545

10:00 AM

2:24-11151 Arthur Harutun Magdesian

Chapter 13

#3.00 Hrg re: Motion for relief from stay [RP]

WELLS FARGO BANK, N.A.
vs
DEBTOR

Docket 38

Tentative Ruling:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 42).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

Debtor(s):

Arthur Harutun Magdesian

Represented By
Rex Tran

Movant(s):

Wells Fargo Bank, N.A.

Represented By
Merdaud Jafarnia

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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10:00 AM

2:24-18204 Rashieda Tuere Lane

Chapter 13

#4.00 Hrg re: Motion for relief from stay [RP]

ARVEST BANK
vs
DEBTOR

Docket 42

***** VACATED *** REASON: APO**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Rashieda Tuere Lane

Represented By
Peter M Lively

Movant(s):

Arvest Bank

Represented By
Chad L Butler

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:24-20620 Alondra Stephanie Gomez

Chapter 7

#5.00 Hrg re: Motion for relief from stay [PP]

WILSHIRE COMMERCIAL CREDIT, LLC
vs
DEBTOR

Docket 40

Tentative Ruling:

Grant.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

The automatic stay does not apply

Debtor did not file a statement of intention with respect to the subject vehicle, as required by 11 U.S.C. 521(a)(2)(A), and the trustee has not sought a determination that the property is of value or benefit to the estate, so the automatic stay has terminated pursuant to 11 U.S.C. 362(h)(1)&(2) and 521(a)

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CONT... Alondra Stephanie Gomez

Chapter 7

(2)(C). See *In re Blixseth*, 684 F.3d 865, 870-73 (9th Cir. 2012).

In the alternative and in addition, the tentative ruling is to grant relief from the automatic stay as follows.

Note regarding mootness: As provided in the posted "Procedures of Judge Bason" (available at www.cacb.uscourts.gov), the tentative ruling is that a motion for relief from the automatic stay is not mooted even when the tentative ruling is that the stay no longer exists, for the following reasons:

a. Multiple, alternative grounds for relief should all be reached.

When a motion seeks the same relief on multiple alternative grounds, all of those grounds usually should be ruled on because a tentative or final ruling on any one ground might be reversed or altered later on. For example, movants often seek a ruling that the automatic stay does not prevent them from pursuing their remedies both (i) because the stay does not apply (*e.g.*, after dismissal of the bankruptcy case, per 11 U.S.C. §§ 349(b)(3), 362(c)) and alternatively (ii) because relief from the stay is appropriate (under 11 U.S.C. § 362(d)). If the first ground later turns out to be reversed or altered (*e.g.*, if a dismissal is vacated), the movant would be prejudiced if this Court had refused to reach the movant's alternative argument that the stay should be lifted. See *also, e.g., In re Krueger*, 88 B.R. 238, 241-42 (9th Cir. BAP 1988) (notwithstanding dismissal, stay held to continue due to lack of proper notice re dismissal).

b. Annulment, *in rem* relief, etc. Some matters always remain relevant, notwithstanding dismissal, closing of a case, or other grounds on which the stay might not currently exist. See *In re Aheong*, 276 B.R. 233 (9th Cir. BAP 2002).

For the foregoing reasons, the tentative ruling is that it is appropriate to address the following issues.

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay

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CONT... **Alondra Stephanie Gomez** **Chapter 7**

in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

Party Information

Debtor(s):

Alondra Stephanie Gomez

Represented By
Kevin Tang

Movant(s):

Wilshire Commercial Credit, LLC

Represented By
Dane W Exnowski

Trustee(s):

Howard M Ehrenberg (TR)

Pro Se

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10:00 AM

2:24-20620 Alondra Stephanie Gomez

Chapter 7

#6.00 Hrg re: Motion for relief from stay [UD]

MING HSIEN SHEN
vs
DEBTOR

Docket 27

Tentative Ruling:

Grant in part and deny in part as set forth below.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(2).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

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CONT... Alondra Stephanie Gomez

Chapter 7

Relief notwithstanding *future* bankruptcy cases

Grant "*in rem*" relief (*i.e.*, relief applicable notwithstanding *future* bankruptcy cases (under 11 U.S.C. 362(d)(4) and/or *In re Vazquez*, 580 B.R. 526 (Bankr. C.D. Cal. 2017), and/or *In re Choong* (case no. 2:14-bk-28378-NB, docket no. 31), as applicable) as follows:
as applicable:

If this order is duly recorded in compliance with applicable State laws governing notices of interests or liens in the property at issue, then no automatic stay shall apply to such property in any bankruptcy case purporting to affect such property and filed within 180 days after the date of entry of this order, unless otherwise ordered by the court presiding over that bankruptcy case.

For the avoidance of doubt, any acts by the movant to obtain exclusive possession of such property shall not be stayed, including any eviction actions, through and including any lockout or other enforcement by the Sheriff or other authorized legal authority.

The tentative ruling is to grant such relief because, in this Court's view, Debtor's prepetition tender of a "move in" check that was void (R/S Motion, dkt. 27, p. 9, para. 9.d.), and then filing a bankruptcy petition without immediately surrendering the premises, is evidence that the petition was part of a "scheme" to delay, hinder, or defraud creditors that is comparable to the type of evidence typically required for such relief, such as multiple bankruptcy filings or unauthorized transfers. See 11 U.S.C. 362(d)(4).

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

Party Information

Debtor(s):

Alondra Stephanie Gomez

Represented By
Kevin Tang

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CONT... Alondra Stephanie Gomez

Chapter 7

Movant(s):

Ming Hsien Shen

Represented By
Gary A Starre

Trustee(s):

Howard M Ehrenberg (TR)

Pro Se

**United States Bankruptcy Court
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10:00 AM

2:25-12876 Nikia M McKnight

Chapter 7

#7.00 Hrg re: Motion for relief from stay [UD]

**TAYEB AYAT AND MINOO MALEK
vs
DEBTOR**

Docket 8

***** VACATED *** REASON: Voluntary dismissal of motion filed on 5/1/25
[dkt.13]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Nikia M McKnight

Pro Se

Movant(s):

TAYEB AYAT AND MINOO

Represented By
Richard Sontag

Trustee(s):

Brad D Krasnoff (TR)

Pro Se

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10:00 AM

2:25-12876 Nikia M McKnight

Chapter 7

#8.00 Hrg re: Motion for relief from stay [UD]

AUSTIN MCEL RATH AND JENNA LYNN FREDERICK
vs
DEBTOR

Docket 10

***** VACATED *** REASON: Voluntary dismissal of motion filed on 5/1/25
[dkt.14]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Nikia M McKnight

Pro Se

Movant(s):

Austin McElrath and Jenna Lynn

Represented By
Richard Sontag

Trustee(s):

Brad D Krasnoff (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:25-13037 Pauletta Ann Oliver James

Chapter 13

#9.00 Hrg re: Motion in Individual Case for Order
Imposing a Stay or Continuing the Automatic
Stay as the Court Deems Appropriate

Docket 11

Tentative Ruling:

Grant. Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

After the hearing date this Court will prepare an order and the tentative ruling is to include the following language in that order:

The stay of 11 U.S.C. 362(a) applies subject to the following modifications and conditions:

(1) Service and reconsideration. Any party in interest who was not timely served in accordance with FRBP 7004 (incorporated by FRBP 9014(b)) is hereby granted through 14 days after proper service to seek reconsideration, including retroactive relief (under FRBP 9023 and/or 9024). Any such person (a) may set a hearing on 14 days' notice, (b) may appear by telephone (if arrangements are made per Judge Bason's posted procedures), and (c) may present all arguments orally at the hearing (*i.e.*, no written argument is required). If written arguments appear necessary then this court will set a briefing schedule at the hearing.

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CONT...

Pauletta Ann Oliver James

Chapter 13

(2) Reasons. (a) It appears appropriate to continue/impose the automatic stay, and to continue/impose it as to all persons rather than just as to selected persons, because one purpose of the automatic stay is to preventing a "race to collect" that could unfairly advantage some creditors at the expense of others. (b) To prevent possible abuse, this Court provides the foregoing simple process for reconsideration.

(3) Very limited ruling. This Court's tentative ruling to grant the foregoing relief is solely for purposes of this motion, and is not intended to have any binding effect with respect to any future assertions by any party in interest regarding the existence or lack of existence of good faith in any other context.

Party Information

Debtor(s):

Pauletta Ann Oliver James

Represented By
Peter M Lively

Movant(s):

Pauletta Ann Oliver James

Represented By
Peter M Lively

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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10:00 AM

2:25-11948 Eddie Leonarde Royal, Sr.

Chapter 13

#10.00 Hrg re: Motion in Individual Case for Order
Imposing a Stay or Continuing the Automatic
Stay as the Court Deems Appropriate

Docket 24

Tentative Ruling:

Grant, subject to the following conditions. Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.").

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

After the hearing date this Court will prepare an order and the tentative ruling is to include the following language in that order:

The stay of 11 U.S.C. 362(a) applies subject to the following modifications and conditions:

(1) Service and reconsideration. Any party in interest who was not timely served in accordance with FRBP 7004 (incorporated by FRBP 9014(b)) is hereby granted through 14 days after proper service to seek reconsideration, including retroactive relief (under FRBP 9023 and/or 9024). Any such person (a) may set a hearing on 14 days' notice, (b) may appear by telephone (if arrangements are made per Judge Bason's posted procedures), and (c) may present all arguments orally at the hearing (*i.e.*, no written argument is required). If written arguments appear necessary then this court will set a briefing schedule at the hearing.

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CONT...

Eddie Leonarde Royal, Sr.

Chapter 13

(2) Reasons. (a) It appears appropriate to continue/impose the automatic stay, and to continue/impose it as to all persons rather than just as to selected persons, because one purpose of the automatic stay is to preventing a "race to collect" that could unfairly advantage some creditors at the expense of others. (b) To prevent possible abuse, this Court provides the foregoing simple process for reconsideration.

(3) Very limited ruling. This Court's tentative ruling to grant the foregoing relief is solely for purposes of this motion, and is not intended to have any binding effect with respect to any future assertions by any party in interest regarding the existence or lack of existence of good faith in any other context.

Party Information

Debtor(s):

Eddie Leonarde Royal Sr.

Represented By
Juanita V Miller

Movant(s):

Eddie Leonarde Royal Sr.

Represented By
Juanita V Miller

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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10:00 AM

2:22-10168 Janet Trejo

Chapter 13

#11.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 3/18/25

U.S. BANK NATIONAL ASSOC
vs
DEBTOR

Docket 59

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 3/18/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 3/18/25:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 61).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

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CONT... Janet Trejo

Chapter 13

Debtor(s):

Janet Trejo

Represented By
Joshua Sternberg

Movant(s):

U.S. Bank National Association, as

Represented By
Joseph C Delmotte
Sean C Ferry

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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2:22-14154 Florence Annette Reed

Chapter 13

#12.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 2/25/25, 4/8/25

NEWREZ LLC
vs
DEBTOR

Docket 74

***** VACATED *** REASON: APO**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Florence Annette Reed

Represented By
Matthew D. Resnik

Movant(s):

NewRez LLC dba Shellpoint

Represented By
Joseph C Delmotte

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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2:23-10115 Marilyn Warren Marks-Wynne

Chapter 13

#13.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 12/3/24, 1/7/25, 2/25/25, 4/8/25

U.S. BANK TRUST COMPANY
vs
DEBTOR

Docket 51

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Appearances required.

At the hearing on 2/25/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative

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CONT... **Marilynn Warren Marks-Wynne**
rulings.

Chapter 13

Tentative Ruling for 2/25/25:

Appearances required.

At the hearing on 1/7/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 1/7/25:

Appearances required.

At the hearing on 12/3/24 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 12/3/24:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 54).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices),

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

CONT... **Marilynn Warren Marks-Wynne** **Chapter 13**
(2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

Debtor(s):

Marilynn Warren Marks-Wynne

Represented By
Joshua Sternberg

Movant(s):

U.S. Bank Trust Company, National

Represented By
Sean C Ferry

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:23-11462 Damian Lopez

Chapter 13

#14.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 1/7/25, 2/11/25, 3/4/25, 4/8/25

SELENE FINANCE LP
vs
DEBTOR

Docket 49

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Appearances required.

At the hearing on 3/4/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative

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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

CONT... **Damian Lopez**
rulings.

Chapter 13

Tentative Ruling for 3/4/25:

Appearances required.

At the hearing on 2/11/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 2/11/25:

Appearances required.

At the hearing on 1/7/25 this Court was persuaded to continue this matter to today, with a deadline of 1/8/25 for Movant to file and serve a notice of the continued hearing. Movant did not give notice of this hearing until 1/17/25, which is 11 days late. The tentative ruling is to excuse the late filing in this instance, because Debtor appears to have had plenty of notice of this continued hearing, but Movant is cautioned not to miss deadlines set by this Court in future.

There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 1/7/25:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current

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CONT... Damian Lopez Chapter 13

and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 50).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

Debtor(s):

Damian Lopez

Represented By
Onyinye N Anyama

Movant(s):

U.S. Bank Trust National

Represented By
Fanny Zhang Wan
Sean C Ferry
Kelli M Brown
Sarah Arlene Dooley-Lewis

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:23-17047 Diana Minerva Hernandez

Chapter 13

#15.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 9/24/24, 11/19/24, 1/7/25, 2/25/25, 4/8/25

U.S. BANK TRUST NATIONAL ASSOC
vs
DEBTOR

Docket 35

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Appearances required.

At the hearing on 2/25/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative

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10:00 AM

CONT... **Diana Minerva Hernandez**
rulings.

Chapter 13

Tentative Ruling for 2/25/25:

Appearances required.

At the hearing on 1/7/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 1/7/25:

Appearances required.

At the hearing on 11/19/24 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 11/19/24:

Appearances required.

At the hearing on 9/24/24 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom,

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CONT... Diana Minerva Hernandez

Chapter 13

unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 9/24/24:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) whether the alleged arrears have been brought current and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 37).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Party Information

Debtor(s):

Diana Minerva Hernandez

Represented By
D Justin Harelik

Movant(s):

U.S. BANK TRUST NATIONAL

Represented By
Sean C Ferry

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:24-12284 Natarajan Srinivasan

Chapter 13

#16.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 4/8/25

U.S. Bank National Association
vs
DEBTOR

Docket 56

***** VACATED *** REASON: APO**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Natarajan Srinivasan

Represented By
Jeffrey N Wishman
Marcus G Tiggs

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:24-18075 Jonathan Jones

Chapter 13

#17.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 3/18/25, 4/8/25

WEST COAST SERVICING, INC.
vs
DEBTOR

Docket 33

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Appearances required.

At the hearing on 3/18/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative

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Hearing Room 1545

10:00 AM

CONT... **Jonathan Jones**
rulings.

Chapter 13

Tentative Ruling for 3/18/25:

Grant as set forth below.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)).

Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(2).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Effective date of relief

Deny the request to waive the 14-day stay provided by FRBP 4001(a)(3) for lack of sufficient cause shown.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

Party Information

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10:00 AM

CONT... Jonathan Jones

Chapter 13

Debtor(s):

Jonathan Jones

Represented By
Joshua Sternberg

Movant(s):

West Coast Servicing, Inc.

Represented By
Brian A Paino

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:24-18315 Richard Lemont Gocha

Chapter 13

#18.00 Cont'd hrg re: Motion for relief from stay [PP]
fr. 2/25/25, 4/8/25

CALIFORNIA CREDIT UNION
VS
DEBTOR

Docket 30

***** VACATED *** REASON: APO**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Richard Lemont Gocha

Represented By
Devin Sawdayi

Movant(s):

California Credit Union

Represented By
Nichole Glowin

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:24-19429 Anthony Michael Enriquez, Sr.

Chapter 13

#19.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 1/7/25, 1/28/25, 3/4/25, 4/28/25

BREAN ASSET BACKED SECURITIES TRUST
2023-SRM1
vs
DEBTOR

Docket 42

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 3/4/25 this Court was persuaded to continue this matter to 4/28/25. To accommodate this Court's schedule, this Court requested, and the parties then agreed, to a subsequent further continuance to today. See dkt. 91. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures. See Motion (dkt. 42), Opposition papers (dkt. 46, 59, 74). In particular, Movant should be prepared to address whether it opposes Debtor's request for a further thirty day continuance of the hearing. See Supplemental opposition (dkt. 92–95).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 3/4/25:

Appearances required.

At the hearing on 1/28/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any

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CONT... **Anthony Michael Enriquez, Sr.** **Chapter 13**

briefing schedules, any hearings, or any other procedures. See Motion (dkt. 42), Opposition papers (dkt. 46, 59, 74).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 1/28/25:

Appearances required. There is no tentative ruling, but the parties should be prepared to address (a) the status of Debtor's efforts to refinance the matured reverse mortgage and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's responses, dkt. 46 & 59).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 1/7/25 (N/A):

[No tentative ruling was posted in connection with the prior hearing because the matter was initially continued to 1/14/25 pursuant to a stipulation (dkt. 49) and order thereon (dkt. 50), and subsequently continued to the date of this hearing to accommodate the scheduling needs of this Court (dkt. 53).]

Party Information

Debtor(s):

Anthony Michael Enriquez Sr.

Represented By
Nancy Lynn Vernon

Movant(s):

Brean Asset Backed Securities Trust

Represented By
Joseph C Delmotte

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10:00 AM

CONT... Anthony Michael Enriquez, Sr.

Chapter 13

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:25-13063 Richard Don

Chapter 13

#20.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 4/22/25

SPARKNEST, LLC
vs
DEBTOR

Docket 6

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant in part: the automatic stay does not apply in this case, and Debtor has failed to file any response establishing any basis to conclude otherwise. See Order, dkt. 18, p. 2:6-8 (deadline of 5/1/25 at noon for any such response), *and* see Statement of Fu Bang Group Corp, USA (dkt. 20) (not disputing that automatic stay does not apply in this case). Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.").

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling (including for the prior hearing, reproduced below), thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/22/25:

Grant in part, subject to any opposition and reply at the hearing. Appearances required.

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Los Angeles
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10:00 AM

CONT...

Richard Don

Chapter 13

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

The automatic stay does not apply

The tentative ruling is to grant the motion on the ground that the automatic stay does not apply, because Debtor does not own the property and does not have a colorable claim to an ownership interest in the property. Instead, the record shows that the property is owned by Fu Bang Group Corp. USA, a California corporation. See R/S Motion (dkt. 6) Ex. B (PDF p. 19) (grant deed).

Debtor's opposition (dkt. 17) appears to confirm the separate ownership of the property by attaching documents referring to Fu Bang Group Corp. USA as the owner, not Debtor. (Although Debtor might also do business under the same name, that does not change the analysis.)

Note: If the automatic stay were to apply, the tentative ruling is that Movant has not shown sufficient "cause" for relief from the automatic stay, for the reasons stated below.

Note regarding mootness: As provided in the posted "Procedures of Judge Bason" (available at www.cacb.uscourts.gov), the tentative ruling is that a motion for relief from the automatic stay is not mooted even when the tentative ruling is that the stay no longer exists, for the following reasons:

- a. Multiple, alternative grounds for relief should all be reached.
When a motion seeks the same relief on multiple alternative grounds, all of those grounds usually should be ruled on

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10:00 AM

CONT...

Richard Don

Chapter 13

because a tentative or final ruling on any one ground might be reversed or altered later on. For example, movants often seek a ruling that the automatic stay does not prevent them from pursuing their remedies both (i) because the stay does not apply (*e.g.*, after dismissal of the bankruptcy case, per 11 U.S.C. §§ 349(b)(3), 362(c)) and alternatively (ii) because relief from the stay is appropriate (under 11 U.S.C. § 362(d)). If the first ground later turns out to be reversed or altered (*e.g.*, if a dismissal is vacated), the movant would be prejudiced if this Court had refused to reach the movant's alternative argument that the stay should be lifted. *See also, e.g., In re Krueger*, 88 B.R. 238, 241-42 (9th Cir. BAP 1988) (notwithstanding dismissal, stay held to continue due to lack of proper notice re dismissal).

- b. Annulment, *in rem* relief, etc. Some matters always remain relevant, notwithstanding dismissal, closing of a case, or other grounds on which the stay might not currently exist. *See In re Aheong*, 276 B.R. 233 (9th Cir. BAP 2002).

For the foregoing reasons, the tentative ruling is that it is appropriate to address the following issues.

Equity

Debtor's written opposition (dkt. 17) asserts that the subject property is very valuable, that there is substantial equity in it, and that this equity cushion provides adequate protection of Movant's interest. On the one hand, although Debtor might be qualified to give an opinion of value, because he is the principal of the corporate owner, his opposition is not in the form of a declaration. On the other hand, the burden is on Movant to establish any lack of equity in the property (11 U.S.C. 362(g)), and the tentative ruling is that Movant has not met that burden.

Nor has Movant provided evidence of multiple bankruptcy cases, or any unauthorized transfer of the property.

For these reasons, the tentative ruling is that, if the automatic stay applied (which it does not), Movant would not have shown sufficient "cause" for relief from the stay.

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10:00 AM

CONT... Richard Don

Chapter 13

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3), because there is no automatic stay, and therefore the order should be effective immediately.

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

Party Information

Debtor(s):

Richard Don

Pro Se

Movant(s):

Sparknest, LLC

Represented By
Rika Kido

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

10:00 AM

2:25-11195 Marco Antonio Hernandez

Chapter 7

#21.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 4/22/25

U.S. BANK TRUST NATIONAL ASSOCIATION
vs
DEBTOR

Docket 11

Tentative Ruling:

Tentative Ruling for 5/6/25:

Continue this hearing to 5/27/25 at 10:00 a.m., which is the date and time for the hearing on the amended version of this motion (dkt. 45) that has belatedly been served as set forth in the adopted tentative ruling issued on 4/22/25 (reproduced below). Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Tentative Ruling for 4/22/25:

Grant in part and continue in part to 5/6/25 at 10:00 a.m., as set forth below. Appearances are not required on 4/22/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

Option for shortened time: This Court has selected a continued hearing date that contemplates shortened notice (per Rule 9006) but that date is conditioned on the movant serving all papers on *the day after the current hearing date*. Alternatively, the movant may self-calendar a continued hearing on *regular*

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Hearing Room 1545

10:00 AM

CONT... **Marco Antonio Hernandez**
notice.

Chapter 7

Option for interim/partial order: Movant may elect to lodge a proposed order granting the *partial* relief provided in this tentative ruling, but any such order must recite that a continued hearing has been set to consider additional relief (or, alternatively, that Movant no longer seeks additional relief and the Clerk's office is requested and directed to take the continued hearing off calendar).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): N/A (no opposition on file as of the preparation of this tentative ruling)

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1).

To the extent, if any, that the motion seeks to terminate the automatic stay in *other* past or pending bankruptcy cases, such relief is denied on the present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Relief notwithstanding future bankruptcy cases

As to the requested relief that will remain effective notwithstanding any future bankruptcy case, continue the motion to the date and time set forth at the start of this tentative ruling, for service on the persons who executed the documents through which the movant asserts its interest in the property (*i.e.*, the original borrower). Reasons: See LBR 4001-1(c)(1)(B). In addition, Judge Bason has due process concerns about granting such relief without service on the person(s) whose interests may be most directly affected. See *generally Mullane v. Central Hanover Bank & Trust Co.*, 339 U.S. 306 (1950) (due process generally). In this matter, such persons appear to include: Maikel Figueredo (R/S Motion (dkt. 19) PDF p. 19). (This Court notes that although the R/S Motion (dkt. 19) was served upon Mr. Figueredo's spouse Susana Tapia, there is no indication that it was served upon Mr. Figueredo, who is the original

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CONT... **Marco Antonio Hernandez**
 borrower.)

Chapter 7

Effective date of relief

Grant the request to waive the 14-day stay provided by FRBP 4001(a)(3).

Co-debtor stay

Any co-debtor stay (11 U.S.C. 1301(c)) has not been shown to have any basis for any different treatment from the stay under 11 U.S.C. 362(a), so the tentative ruling is to grant the identical relief regarding any co-debtor stay.

Party Information

Debtor(s):

Marco Antonio Hernandez

Pro Se

Movant(s):

U.S. Bank Trust National

Represented By
Shannon A Doyle

Trustee(s):

Rosendo Gonzalez (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, May 6, 2025

Hearing Room 1545

11:00 AM

2:24-16947 Oxford Gold Group Inc.

Chapter 7

Adv#: 2:24-01280 Dye v. Adler et al

#1.00 Hrg re: Defendant Johnathan Adler's Motion to
Quash Subpoena to J.K. Residential Services, Inc.

Docket 98

Tentative Ruling:

Deny Mr. Adler's Motion to Quash. Appearances are not required. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Key documents reviewed (in addition to motion papers): Opposition filed by Chapter 7 Trustee ("Trustee") (adv. dkt. 108), Dumas Decl. (adv. dkt. 109)

(1) Introduction

On 12/30/24, the Chapter 7 Trustee ("Trustee") filed a complaint (adv. dkt. 1) against Jonathan Adler, Pedram Granfar, and Patrick Granfar, seeking among other things to avoid fraudulent transfers alleged to be in excess of \$6 million. Complaint (adv. dkt. 1) at pp. 5:8–6:22 & 8:1–4. On 3/11/25, this Court approved a settlement with Patrick Granfar (see dkt. 96), and on 4/15/25, this Court approved a settlement with Pedram Granfar (see dkt. 107).

(2) Events Subsequent to the Filing of the Motion to Quash (adv. dkt. 98)

Mr. Adler moves to quash a subpoena issued by Trustee which seeks payroll and bank account information from JK Residential Services, Inc., the employer of Mr. Adler's spouse, Laura Adler. Subsequent to the filing of the Motion to Quash (adv. dkt. 98), this Court granted Trustee's motion for leave to file a First Amended Complaint that named Ms. Adler as a defendant. Adv. dkt.

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CONT... Oxford Gold Group Inc.

Chapter 7

101. Trustee filed that First Amended Complaint (adv. dkt. 103) on 4/14/25, and served the summons and First Amended Complaint upon Ms. Adler on 4/14/25 (adv. dkt. 111).

A primary argument advanced in support of the Motion to Quash is that the subpoena is burdensome and harassing because it “unjustifiably invades the privacy interests of ... third-party Laura Adler” Motion to Quash (adv. dkt. 98) p. 3:8–10 and 16–17. But as set forth above, Ms. Adler is no longer a third-party; she has been named as a defendant in the First Amended Complaint. The tentative ruling is that, to the extent that the Motion to Quash relies upon Ms. Adler’s status as a third-party in support of the relief requested, such arguments are no longer persuasive in view of subsequent developments in the case.

(3) Legal principles

The scope of discovery is governed by Rule 26(b)(1) (Fed. R. Civ. P., made applicable by Rule 7026, Fed. R. Bankr. P.), which provides in relevant part:

Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party’s claim or defense and proportional to the needs of the case, considering the importance of the issues at stake in the action, the amount in controversy, the parties’ relative access to relevant information, the parties’ resources, the importance of the discovery in resolving the issues, and whether the burden or expense of the proposed discovery outweighs its likely benefit. Information within this scope of discovery need not be admissible in evidence to be discoverable. [Rule 26(b)(1).]

Pursuant to Rule 45(d)(3)(A), this Court “must quash or modify a subpoena that ... (iii) requires disclosure of privileged or other protected matter, if no exception or waiver applies or (v) subjects a person to undue burden.”

The “party opposing discovery bears the burden of resisting disclosure.” *Rogers v. Giurbino*, 288 F.R.D. 469, 478–79 (S.D. Cal. 2012). To satisfy that burden, the party opposing disclosure must show “‘that specific prejudice or harm will result’ if the protective order is not granted.” *In re Roman Catholic Archbishop*, 661 F.3d 417, 424 (9th Cir. 2011) (quoting *Foltz v. State Farm Mut. Auto. Ins. Co.*, 331 F.3d 1122, 1130 (9th Cir. 2003)) (discussing protective orders in the analogous context of Rule 26(c), which like Rule 45(c) requires this Court to restrict discovery that would be unduly burdensome).

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Chapter 7

(4) Discussion

Mr. Adler argues that the subpoena's request for Ms. Adler's salary and bank account information violates her right to financial privacy under the California Constitution. Motion to Quash (adv. dkt. 98) p. 7:18–9:15. The tentative ruling is that this Court need not determine whether a financial privacy right exists that could limit the discovery requested by Trustee, because by relying in the past upon Ms. Adler's testimony regarding the couple's finances, Mr. Adler has waived or forfeited his ability to assert a privacy interest in that same information. Specifically, in opposition to Trustee's request for a preliminary injunction and a right to attach order, Mr. Adler relied upon a declaration submitted by Ms. Adler containing detailed testimony about the couple's finances. See *generally* Adler Decl. (adv. dkt. 36). Among other things, Ms. Adler testified as to her and her husband's liquid assets; where those liquid assets were kept; monthly expenses; debts owed to family members; past-due taxes; and the absence of any investment or retirement accounts. Adler Decl. (adv. dkt. 36) p. 2:19–3:15. Ms. Adler's testimony was among the evidence that this Court relied upon when it issued a temporary restraining order (adv. dkt. 20), followed by a preliminary injunction (adv. dkt. 53), that barred Mr. Adler from spending funds or encumbering assets, but authorized ordinary and necessary living expenditures of \$25,000.00 per month. Having benefitted from this carve-out that was obtained in part based upon Ms. Adler's testimony regarding the couple's finances, Mr. Adler may not now seek to prevent Trustee from obtaining further information regarding those same finances.

Mr. Adler next argues that the subpoena seeks information that "has absolutely no bearing on the Trustee's ability to prove [his fraudulent transfer claims] in that it does not relate to the acts, conduct, property, liabilities or financial condition of the Debtor at the time of the alleged transfers." Motion to Quash (adv. dkt. 98) p. 7:2–5. Trustee asserts that the information sought by the subpoena is relevant because it "goes to the question of the extent to which the Adlers have had sources of income other than the debtor during the relevant period." Opposition (adv. dkt. 108) p. 6:1–3.

The tentative ruling is that Trustee is correct, and that the information sought by the subpoena is relevant to Trustee's fraudulent transfer claims. Purely for the sake of illustration, suppose that a review of Ms. Adler's financial information shows that only a small proportion of the Adlers' income during the

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CONT... Oxford Gold Group Inc.

Chapter 7

relevant period came from Ms. Adler. That would suggest that more income came from Debtor, potentially making it easier for Trustee to prove that the Adlers received fraudulent transfers from Debtor. (To be clear, this example is only an illustration, and this Court is expressing no opinions as to what the discovery may or may not show.)

Finally, Mr. Adler argues that the subpoena is unduly burdensome and is intended only to harass him. Motion to Quash (adv. dkt. 98) p. 3:9–10. The tentative ruling is that there is nothing harassing about seeking discovery of relevant information concerning a party who has been named as defendant. In addition, the tentative ruling is that the subpoena – which seeks basic financial information such as paystubs and W-2s from Ms. Adler’s employer (see dkt. 109 Ex. B) – is not unduly burdensome.

Proposed order(s): Unless otherwise ordered, Trustee is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court’s actual ruling.

Party Information

Debtor(s):

Oxford Gold Group Inc.

Pro Se

Defendant(s):

Jonathan Adler

Represented By
Michael Jay Berger

Pedram Granfar

Represented By
Marc Weitz

Patrick Granfar

Pro Se

Plaintiff(s):

Carolyn Dye

Represented By
James A Dumas Jr
Christian T Kim

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CONT... Oxford Gold Group Inc.

Chapter 7

Trustee(s):

Carolyn A Dye (TR)

Represented By
James A Dumas Jr
Christian T Kim

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Tuesday, May 6, 2025

Hearing Room 1545

11:00 AM

2:22-12904 626 Hospice, Inc.

Chapter 7

Adv#: 2:24-01124 Ehrenberg, Chapter 7 Trustee v. BANK OF AMERICA, NATIONAL

#2.00 Cont'd status conference re: Complaint for Aiding and Abetting Fraud
fr.10/22/24, 12/10/24, 1/7/25, 2/11/25, 2/25/25, 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Continue as set forth below. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

(a) Trustee's motion for leave to amend (adv. dkt. 24), Bank's opposition (adv. dkt. 29), Trustee's reply (adv. dkt. 30), Notice of proposed Second Amended Complaint (adv. dkt. 37)

This Court has anticipated issuing a brief Memorandum Decision expanding upon what was stated on the record, but has been unable to do so (for both personal and business reasons). This Court expects to issue that decision shortly.

(2) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(a) Venue/jurisdiction/authority

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CONT...

626 Hospice, Inc.
[Intentionally omitted]

Chapter 7

(b) Mediation
[Intentionally omitted]

(c) Deadlines
This adversary proceeding has been pending since 5/10/24.
Joint Status Report: 6/10/25
Continued status conference: 6/24/25 at 11:00 a.m.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

626 Hospice, Inc.

Represented By
Yeznik O Kazandjian

Defendant(s):

BANK OF AMERICA, NATIONAL

Represented By
Adam N Barasch
Benjamin J. Howard

Plaintiff(s):

Howard Ehrenberg, Chapter 7

Represented By
Steven Werth
Steve Burnell

Trustee(s):

Howard M Ehrenberg (TR)

Represented By
Steven Werth
Steve Burnell

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:22-16991 Fallah Nasser Alfallah

Chapter 7

Adv#: 2:24-01266 Avery as Chapter 7 Trustee v. Alfallah

#3.00 Cont'd status conference re: Chapter 7 trustee's complaint
for denial of discharge under 11 U.S.C section 727(a)
fr. 1/28/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Continue the status conference as set forth below. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 8) and the other filed documents and records in this adversary proceeding, and has no issues to raise *sua sponte*.

(2) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(a) Venue/jurisdiction/authority

At the 1/28/25 status conference, Defendant's counsel conceded on the record that Defendant would not contest this Court's constitutional authority to

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CONT... Fallah Nasser Alfallah

Chapter 7

enter final judgment in this action. Adv. dkt. 7 ¶ 3(m) (p. 2).

(b) Mediation

Discovery is at an early stage, and the parties anticipate that discovery will continue into 2026 because it will likely be necessary to initiate legal proceedings in the State of Kuwait to obtain the required discovery. Status Report (adv. dkt. 8) ¶ B(2) (p. 2). Therefore, the tentative ruling is to decline to direct the parties to attend formal mediation at this time.

(c) Deadlines

This adversary proceeding has been pending since 11/27/24.

The scheduled deadlines and/or hearing/trial date(s) have been memorialized in this Court's written order (adv. dkt. 7); as set forth in that order, most litigation deadlines have not yet been established. Given the likelihood that extensive time will be required to complete discovery, the tentative ruling is not to set litigation deadlines at this time (other than the date of a continued status conference, as set forth below).

Joint Status Report: 9/9/25

Continued status conference: 9/23/25 at 11:00 a.m.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Fallah Nasser Alfallah

Represented By
Derrick Talerico

Defendant(s):

Fallah Nasser Alfallah

Represented By
Derrick Talerico

Plaintiff(s):

Wesley H Avery as Chapter 7

Represented By
Joshua K Partington
Andrew Still

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CONT... Fallah Nasser Alfallah

Chapter 7

Trustee(s):

Wesley H Avery (TR)

Represented By
Joshua K Partington

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Hearing Room 1545

11:00 AM

2:24-11795 Karen Kim

Chapter 7

Adv#: 2:24-01199 Tapia et al v. Kim

#4.00 Cont'd Status conference re: Complaint for non-dischargeability of debts pursuant to 11 U.S.C. sections 523(a)(2),(4)& (6) fr. 10/8/24, 12/17/24, 2/11/25, 3/18/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

In view of the entry of final judgment (dkt. 15), the absence of a timely appeal, and the absence of any requests for post-judgment relief, take this status conference off calendar (with no continuance), and request and direct the Clerk of the Court to close this adversary proceeding. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 3/18/25:

Final judgment was entered in this case on 3/14/25 (see dkt. 15). Nevertheless, the tentative ruling is to continue this Status Conference to **5/6/25 at 11:00 a.m.** to provide parties an opportunity to request any post-judgment relief that might be relevant. To the extent no post-judgment relief is requested, this Court anticipates that the tentative ruling posted prior to the continued status conference will most likely be that no appearances will be required and the status conference will be taken off calendar. Appearances are not required on 3/18/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

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CONT... Karen Kim

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If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Karen Kim

Represented By
Kevin Tang

Defendant(s):

Karen Kim

Pro Se

Plaintiff(s):

Wenceslado Tapia

Represented By
Giovanni Orantes

Erik Tapia

Represented By
Giovanni Orantes

Trustee(s):

John J Menchaca (TR)

Pro Se

**United States Bankruptcy Court
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11:00 AM

2:23-12556 Richard B Scott

Chapter 7

Adv#: 2:23-01370 JRM Construction West LLC v. Scott

#5.00 Cont'd hrg re: Motion of defendant Richard Bryan Scott
for relief from default for failure to timely respond to
request for admissions
fr. 11/5/24, 12/3/24, 12/3/24, 2/11/25, 3/18/25

Docket 40

***** VACATED *** REASON: Order approving stip to cont'd hearing to
6/17/25 at 11:00 a.m. [dkt. 65]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Richard B Scott

Represented By
Stephen R Wade

Defendant(s):

Richard B Scott

Represented By
Stephen R Wade

Movant(s):

Richard B Scott

Represented By
Stephen R Wade

Plaintiff(s):

JRM Construction West LLC

Represented By
Robert P Goe
Charity J Manee

Trustee(s):

Jason M Rund (TR)

Pro Se

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11:00 AM

2:23-12556 Richard B Scott

Chapter 7

Adv#: 2:23-01370 JRM Construction West LLC v. Scott

#6.00 Cont'd hrg re: Plaintiff's Motion for Summary Judgment or
Partial Summary Adjudication Under FRCP 56
(as Incorporated By FRBP 7056)
fr. 11/5/24, 12/3/24, 2/11/25, 3/18/25

Docket 28

***** VACATED *** REASON: Order approving stip to cont'd hearing to
6/17/25 at 11:00 a.m. [dkt. 65]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Richard B Scott

Represented By
Stephen R Wade

Defendant(s):

Richard B Scott

Represented By
Stephen R Wade

Movant(s):

JRM Construction West LLC

Represented By
Robert P Goe
Charity J Manee

Plaintiff(s):

JRM Construction West LLC

Represented By
Robert P Goe
Charity J Manee

Trustee(s):

Jason M Rund (TR)

Pro Se

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11:00 AM

2:23-12556 Richard B Scott

Chapter 7

Adv#: 2:23-01370 JRM Construction West LLC v. Scott

#7.00 Cont'd Status Conference re: Complaint for Denial of Discharge Pursuant to 11 U.S.C. Section 727(a)(4)(A) fr. 10/17/23, 1/23/24, 4/2/24, 7/9/24, 7/16/24, 8/27/24, 11/19/24, 12/3/24, 2/11/25, 3/18/25

Docket 1

***** VACATED *** REASON: Order approving stip to cont'd s/c to 6/17/25 at 11:00 a.m. [dkt. 65]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Richard B Scott

Represented By
Stephen R Wade

Defendant(s):

Richard B Scott

Represented By
Stephen R Wade

Plaintiff(s):

JRM Construction West LLC

Represented By
Robert P Goe
Charity J Manee

Trustee(s):

Jason M Rund (TR)

Pro Se

**United States Bankruptcy Court
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11:00 AM

2:24-13172 Daisy Noemi Benitez

Chapter 7

#8.00 Cont'd hrg re: Motion to Convert Case From Chapter 7 to 13
fr. 3/18/25, 4/8/25

Docket 33

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Grant this motion if this Court is persuaded to grant Debtor's motion to vacate or revoke her own discharge, which is scheduled concurrently with the hearing on this matter (see Calendar No. 3, 4/8/25 at 11:00 a.m.). Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Tentative Ruling for 3/18/25:

Continue to 4/8/25 at 11:00 a.m., concurrent with Debtor's motion to vacate or revoke her own discharge (dkt. 40, 41). Appearances are not required on 3/18/25.

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CONT... Daisy Noemi Benitez

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If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Party Information

Debtor(s):

Daisy Noemi Benitez

Represented By
Lauren M Foley

Movant(s):

Daisy Noemi Benitez

Represented By
Lauren M Foley
Lauren M Foley
Lauren M Foley

Trustee(s):

John P Pringle (TR)

Represented By
Toan B Chung

**United States Bankruptcy Court
Central District of California
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Hearing Room 1545

11:00 AM

2:24-13172 Daisy Noemi Benitez

Chapter 7

#9.00 Cont'd hrg re: Debtor's Motion to vacate
or revoke the automatic discharge
fr. 4/8/25

Docket 40

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/8/25 this Court was persuaded to continue this matter to today. There is no tentative ruling but the parties should be prepared to address the current status of this matter, and whether this Court should set any briefing schedules, any hearings, or any other procedures.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/8/25:

Conditionally grant the motion, subject to (x) Debtor addressing the feasibility of a chapter 13 plan that takes into account any allowed administrative expenses of the chapter 7 trustee and his counsel, and (y) Debtor stipulating that if she fails to complete a chapter 13 plan her case must be reconverted to chapter 7 rather than dismissed. Appearances required by counsel for Debtor and the Chapter 7 Trustee.

Proposed order(s): Unless otherwise ordered, Debtor is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom,

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11:00 AM

CONT... Daisy Noemi Benitez

Chapter 7

unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): Opposition of Chapter 7 Trustee (dkt. 44), no reply on file

Analysis:

The tentative ruling is to overrule Trustee's opposition, but direct Trustee's counsel to appear and provide an estimate to this Court and Debtor of the total dollar amount of fees and expenses that Trustee will seek for administration of this case through the hearing date, and conditionally grant Debtor's request to vacate her chapter 7 discharge under Rule 60(b)(6) (Fed. R. Civ. P.), made applicable by Rule 9024 (Fed. R. Bankr. P.), subject to the conditions stated at the start of this tentative ruling, as follows.

(a) Standing

Trustee argues that Debtor lacks standing to seek an order revoking her discharge because nothing in the Bankruptcy Code authorizes debtors to seek that relief. Opp. (dkt. 44) p. 3:8-23. The tentative ruling is that, although Trustee appears to be correct that Debtor lacks standing to seek to revoke her chapter 7 discharge under the plain meaning of 11 U.S.C. 727(d), the Trustee does not argue and/or cite any legal authority to persuade this Court that Debtor lacks standing to seek an order vacating the discharge under Rule 60(b) (Fed. R. Civ. P.), made applicable by Rule 9024 (Fed. R. Bankr. P.). Cf. *In re Estrada*, 568 B.R. 533 (Bankr. C.D. Cal. 2017) (Houle, J.) (granting motion by debtor to vacate discharge).

(b) Relief under Rule 60(b)

Next, Trustee argues that a discharge order may not be vacated under Rule 60(b) because it is not analogous to a judgment. Opp. (dkt. 44) pp. 3:24-4:2. The tentative ruling is that this argument is not persuasive.

First, under Rule 9001(7) (Fed. R. Bankr. P.) a "[j]udgment" means any appealable order," and the discharge order is appealable. Therefore, to the extent (if any) that Trustee is relying on terminology ("judgment" v. "order") his

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argument is unpersuasive.

Second, in *In re Cisneros*, the Court of Appeals for the Ninth Circuit (the "Ninth Circuit") rejected an argument that the bankruptcy court could not revoke a discharge pursuant to Rule 60(b)(1) where the discharge order was entered based on a mistake of fact. *In re Cisneros*, 994 F.2d 1462 (9th Cir. 1993). In *Cisneros*, the bankruptcy court granted debtors a chapter 13 discharge on the mistaken belief that they had completed their plan payments. *Id.* at 1464. A creditor later asked the court to vacate the discharge order under Rule 60(b)(1) because its claim was overlooked by the trustee and had not been paid, which the bankruptcy court granted. *Id.* On appeal, the Ninth Circuit rejected the debtors' argument that section 1328(e), which permits revocation of a chapter 13 discharge only for fraud, prohibited the bankruptcy court from vacating a discharge entered by mistake, even in the absence of the debtor's fraud. *Id.* at 1467. The Ninth Circuit rejected that argument and concluded that the plain language of Rules 60(b) (Fed. R. Civ. P.) and 9024 (Fed. R. Bankr. P.) gives bankruptcy courts authority to vacate discharge orders where appropriate grounds exist. *Id.* at 1466; *see also In re Lenox*, 902 F.2d 737, 739-40 (9th Cir. 1990) ("Bankruptcy courts, as courts of equity, have the power to reconsider, modify or vacate their previous orders so long as no intervening rights have become vested in reliance on the orders. This power has been formalized in Bankruptcy Rule 9024 which makes Federal Rule of Civil Procedure 60 applicable to bankruptcy cases") (citations omitted).

Third, although the cases cited by the parties (dkt. 40, pp. 4:22-6:2 & 44, pp. 3:24-4:2) demonstrates that courts are split on whether a debtor can utilize Rule 60(b) to seek to vacate their discharge on grounds other than for purposes of correcting a clerical error or mistake, this Court is not aware of any binding Ninth Circuit authority prohibiting this Court from vacating a discharge under one of the other grounds enumerated in Rule 60(b) and this Court finds the cases cited in Debtor's motion papers (dkt. 40, pp. 4:22-6:2) to be better reasoned, particularly when the request is made in good faith and there is no showing that creditors would be prejudiced.

For the reasons set forth above, the tentative ruling is that this Court is also not persuaded by Trustee's argument that a discharge, once granted, cannot be waived. Opp. (dkt. 44) p. 4:3-9. That is not the situation presented.

(c) Extraordinary circumstances appear to exist that warrant vacating

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Debtor's discharge under Rule 60(b)(6)

Rule 60(b)(6) is an equitable catchall provision that authorizes a court to vacate a final judgment or order for "any reason that justifies relief." A party seeking relief under this rule must establish that "extraordinary circumstances" exist. *Estrada*, 568 B.R. 533, 541 (citations omitted).

The tentative ruling is that extraordinary circumstances might be present in this case to warrant relief under Rule 60(b)(6). First, Trustee did not object to Debtor's homestead exemption until after entry of her chapter 7 discharge, so Debtor did not have an opportunity to seek a waiver of her discharge or pursue other available remedies to avoid a potential sale of her home.

Second, the claims register reflects a total of \$21,610.20 in claims. The tentative ruling is that it would be manifestly unjust to force Debtor to vacate her home so the Trustee can administer the property for the benefit of creditors if Debtor has the financial ability to pay those claims in full through a chapter 13 plan.

Third, the homestead issues that were at the heart of this case are complex and highly fact-dependent, so there was no hint of bad faith in Debtor's course of conduct. She simply attempted to prevail on that issue in a chapter 7 case and then, when that did not work, is now attempting to retain her ownership of the subject property under chapter 13. Much of bankruptcy law is very clear, so it is unusual to have issues that are as uncertain as the one litigated by Debtor, and attempting to litigate issues that are unclear should not result in barring the door to good faith debtors.

The tentative ruling is to direct Debtor to appear to address whether she (x) can afford to fund a chapter plan that will pay existing administrative and general unsecured claims in full and (y) is willing to stipulate to the case being reconverted to chapter 7 if she fails to complete a chapter 13 plan.

(d) Conclusion

For all of the foregoing reasons, the tentative ruling is to conditionally grant the motion and vacate Debtor's discharge, subject to (x) Debtor addressing the feasibility of a chapter 13 plan that takes into account any administrative claims that might be allowed in favor of the chapter 7 trustee and his counsel and pays general unsecured claims in full, and (y) Debtor stipulating that if she fails to complete a chapter 13 plan her case must be reconverted to chapter 7 rather than dismissed.

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Debtor(s):

Daisy Noemi Benitez

Represented By
Lauren M Foley

Movant(s):

Daisy Noemi Benitez

Represented By
Lauren M Foley
Lauren M Foley
Lauren M Foley

Trustee(s):

John P Pringle (TR)

Represented By
Toan B Chung

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2:24-17786 Marisela Montejo

Chapter 7

#10.00 Cont'd hrg re: Trustees Motion for Order Authorizing Trustee to: (1) Operate Real Property at 1825-1829 Tamarind Ave., Los Angeles, California; (2) Use Cash Collateral Rents; (3) Take Certain Actions in the Ordinary Course of Business; (4) Employ Three-Sixty Asset Advisors as Auctioneer and WFS, Inc. dba Tranzon Asset Strategies as Real Estate Broker; and (5) Employ Dmasin Consulting LLC as Field Agent and Ricardo Montejo as Onsite Maintenance and Repairman fr. 4/22/25

Docket 130

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

At the hearing on 4/22/25 this Court was persuaded to continue this matter to today to allow additional time for counsel for Wilshire Quinn Income Fund REIT, LLC ("Secured Creditor") to review the papers and communicate with her client about whether this Court should authorize the Trustee to employ the proposed real estate broker and/or auctioneer. See Interim Order, dkt. 141. Since that time Secured Creditor has filed an opposition (dkt. 148) and Trustee has filed a reply. Dkt. 151.

The tentative ruling is to grant the remainder of Trustee's motion, as modified by Trustee's reply (including the revised budget), except that oral argument is needed on the subject of the proposed buyers' premium. This Court anticipates making a more expansive oral tentative ruling at the start of the hearing, then hearing the parties' arguments, and making a final ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Tentative Ruling for 4/22/25:

Appearances required.

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There is no tentative ruling. This matter was provisionally set for hearing today pursuant to this Court's order shortening time (dkt. 133, "OST"). This Court anticipates hearing any opposition(s) and reply at the hearing and then making an oral ruling. As set forth in the OST, the first issue Trustee is directed to address is whether this Court should shorten time, why notice could not have been provided sooner, and whether the lack of notice has prejudiced any party in interest. In addition, this Court notes that the proposed "Auction Listing Agreement" attached to the motion as Exhibit 11 (dkt. 130, PDF pp. 140-141) contemplates a buyer's premium, but that provision violates this Court's standard employment procedures prohibiting buyer's premiums (see the posted Procedures of Judge Bason, available at www.cacb.uscourts.gov).

Proposed order(s): Unless otherwise ordered, Trustee is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)).

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Party Information

Debtor(s):

Marisela Montejo

Represented By
Eric Bensamochan

Trustee(s):

Sam S Leslie (TR)

Represented By
Eric P Israel

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2:19-18316 Ashley Susan Aarons

Chapter 7

#11.00 Hrg re: Chapter 7 Trustee's Motion to Approve Settlement Between Chapter 7 Trustee, Patch of Land Lending Tree, LLC, FCI Lender Services, Inc, California TD Specialist, and Verus Residential LoanCo, LLC.

Docket 708

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for Calendar No. 14 (5/6/25 at 11:00 a.m.).

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By

Shulman Bastian Friedman & Bui LLP
Richard L Antognini
David R Haberbush
Vanessa M Haberbush
Lane K Bogard

Trustee(s):

David M Goodrich (TR)

Pro Se

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#12.00 Cont'd Evidentiary hrg re: Motion by Asset Recovery Association, Inc. D.B.A. ClaimsXP order (1) Amending the ClaimsXP employment order; (2) Amending the Furtado Employment order; & (3) Disgorging fees already paid to Furtado
fr. 11/28/23, 1/23/24, 4/2/24, 4/30/24, 6/25/24, 8/27/24, 10/22/24, 12/17/24, 2/25/25, 4/22/25

Docket 649

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for Calendar No. 14 (5/6/25 at 11:00 a.m.).

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By

Shulman Bastian Friedman & Bui LLP

Richard L Antognini

David R Haberbusch

Vanessa M Haberbusch

Lane K Bogard

Movant(s):

Asset Recovery Association

Represented By

Jeremy H Rothstein

Trustee(s):

David M Goodrich (TR)

Pro Se

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#13.00 Cont'd hrg re: Chapter 7 Trustee's Motion for Order Authorizing Abandonment of Property of the Estate Pursuant to 11 U.S.C. §554(a) fr. 10/17/23, 11/28/23, 1/23/24, 4/2/24, 4/30/24, 6/25/24, 8/27/24, 10/22/24, 12/17/24, 2/25/25, 4/22/25

Docket 643

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for Calendar No. 14 (5/6/25 at 11:00 a.m.).

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By

Shulman Bastian Friedman & Bui LLP
Richard L Antognini
David R Haberbush
Vanessa M Haberbush
Lane K Bogard

Movant(s):

David M Goodrich (TR)

Pro Se

Trustee(s):

David M Goodrich (TR)

Pro Se

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#14.00 Cont'd preliminary hrg re: Notice of compensation report & compensation report by Asset Recovery Assoc. Inc. D.B.A.Claim SXP
fr. 6/27/23, 8/15/23, 9/19/23, 10/17/23, 11/28/23, 1/23/24, 4/2/24, 4/30/24, 6/25/24, 8/27/24, 10/22/24, 12/17/24, 2/25/25, 4/22/25

Docket 612

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant Trustee's Settlement Motion (dkt. 708), and authorize and direct Trustee, in accordance with the settlement and related compromises involving Claims XP and Furtado, to make adjusted payments of asserted administrative expenses out of the \$150,000.00 assignment of Lenders' lien, in accordance with the settlement, thereby mooting most other matters on calendar, subject to a disputed claims reserve of \$7,500.00 out of the \$150,00.00, on account of Debtor's claimed exemption in personal property, all as set forth below.
Appearances required. (Capitalized terms have the meanings set forth in the parties' filed papers.)

Proposed order(s): Unless otherwise ordered, Trustee is directed to lodge proposed order(s) on the each of the matter(s) addressed in this Tentative Ruling via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling to the order granting the Settlement Motion, thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative

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(1) Current issues

(a) The parties

A description of the parties involved in the matters set forth below is set forth in this Court's 1/23/24 tentative ruling. See dkt. 673, Ex. 1, PDF pp. 14-18.

(b) Settlement motion (dkt. 708); Opposition by Debtor and Debtor's father, Julius Aarons (dkt. 712-13); Lenders' Reply (dkt. 718); Trustee Reply (dkt. 719)

(i) Background

Debtor has impeded the progress of this bankruptcy case and vastly increased its expense, which has led to Trustee's appointment, conversion of this case to chapter 7, and ultimately the administrative insolvency of this case. Dkt. 464. Debtor settled with Lenders and that settlement was incorporated into Debtor's confirmed Plan. Dkt. 390. But Debtor still attempted, post-confirmation, to sue Lenders on account of some claims that had been settled. See 2:22-ap-01008-NB & 2:23-ap-01414-NB. That litigation was unsuccessful. *Id.*

Undeterred, Debtor and her father, Julius Aarons, continued their attempts to sue Lenders (see 2:22-ap-01104-NB) and assert supposed post-settlement wrongdoing that, they claim, is not sufficiently rooted in the pre-settlement past to be barred. See, e.g., dkt. 652 & 712. Lenders and Trustee believe, however, that at least some if not all of the purported claims belong to the bankruptcy estate.

Meanwhile, when Debtor was acting as a chapter 11 debtor in possession, she caused the problems that Trustee is now attempting to settle. Debtor retained Claims XP and Furtado to resolve her insurance claims on a contingency basis, with assurances that they had worked together in the past. But Debtor did not clarify or disclose that Claims XP and Furtado would each assert a very substantial contingency fee, rather than charging a single, moderate fee - i.e., that the bankruptcy estate would receive little or potentially nothing out of any insurance recovery. Dkt. 651 & 657. Compounding that problem, Debtor failed to disclose this issue to Trustee or other parties in interest or this Court, and Trustee only discovered this problem after a Court-authorized distribution to Furtado. Dkt. 673.

Based on the administrative insolvency of the bankruptcy estate, and the

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unlikelihood of any recovery from the Property to pay unsecured creditors, Trustee filed a motion to abandon property of the estate (dkt. 643). But this Court declined to grant that motion on the record presented, and directed mediation, which eventually resulted in the proposed settlement.

Trustee proposes to take an assignment of \$150,000.00 out of Lenders' first priority lien, free and clear of any claim of exemption by Debtor (or any other asserted interests), in exchange for releases to Lenders for the POL Litigation, the BAP Appeal, and the 9th Circuit Appeal. Settlement Motion (dkt. 708) p. 4:1-22. Trustee will then pay and adjust administrative expenses, including his own fees and the voluntarily reduced claims of Claims XP and Furtado.

(ii) Debtor's claimed exemption

The Settlement Motion asserts that Debtor's exemption does not apply to the \$150,000.00 settlement amount, because any exemption is subordinate to Lenders' lien. Settlement Motion (dkt. 708) p. 6:4-24. Debtor objects that part of the insurance proceeds are attributable to the loss of her personal property, and she claims that Lenders' lien does not extend to personal property (Opp. (dkt. 712) pp. 3:22-4:25), which she asserts is "\$46,904.88 ... or put differently greater than 10% of the total value of the [\$429,999.76] Insurance Proceeds." *Id.* p. 4:5-7.

Lenders reply that, because Debtor does not specify the items of personal property at issue, some may be fixtures. Lenders' Reply (dkt. 718) p. 3:17-19. Trustee agrees, and adds that Debtor has only claimed an exemption of \$7,500.00 in any personal property, so that would be her maximum recovery. Trustee Reply (dkt. 719) p. 2:21-28 & n.1.

The tentative ruling is that Lenders and Trustee are correct and that Debtor (i) is limited to a maximum of \$7,500.00 and (ii) the burden is on Debtor to specify the items of personal property covered by insurance that are not fixtures and to calculate in detail the proportion of insurance proceeds attributable to such property (*e.g.*, hypothetically if the total insurance proceeds attributable to personal property were \$49,940.88 - say \$50,000.00 for ease of calculation - and if 1/5 of the personal property by value were fixtures then the maximum Debtor could seek would be \$40,000.00 - *i.e.*, $4/5 \times \$50,000.00 = \$40,000.00$; but that would be capped at the \$7,500.00 claimed exemption).

The tentative ruling is to set **a deadline of 5/13/25** for Debtor to file a declaration making the foregoing specification of each item of personal property

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and doing the above calculations (even if the dollar amount allegedly would be far greater than the \$7,500.00, because the record should still reflect her actual calculations). The tentative ruling is to set **a deadline of 5/20/25** for any response and **5/27/25 for any reply** and for Trustee and Debtor to **lodge proposed orders** finalizing any distribution to Debtor (this Court anticipates ruling without a hearing, but can always set a hearing if it appears that one is necessary or appropriate, taking into account that the cost of litigation inevitably will be large in proportion to the \$7,500.00, and therefore that a hearing is unlikely).

(iii) Purported lien rights of Julius Aarons (as trustee of living trust)

Julius Aarons asserts without citation to any legal authority or evidence that "because [Lenders] conducted a non-judicial foreclosure sale [their] right to a deficiency was extinguished" (Opp., dkt. 712, p. 3:8-9) and that a determination of the validity of that assertion "should not be made in the context of approval of the [Settlement] Motion but rather should be made in the context of an adversary proceeding pursuant to Federal Rule of Bankruptcy Procedure 7001(2)[*] and (9) [*] or an action in the Superior Court of the State of California." Opp. (dkt. 712) p. 3:9-12. [*Rule 7001 recently has been reorganized and this Court believes Mr. Aarons is referring to Rule 7001(b) ("a proceeding to determine the validity, priority, or extent of a lien ...") and Rule 7001(i) related declaratory judgment).]

As a preliminary matter, Trustee points out that "there is no evidence that Mr. Aarons' lien attaches to personal property." Trustee Reply (dkt. 719) p. 3:8-9. As to Mr. Aarons' purported lien against real property, this Court understands that it is a junior lien on the same real property that was foreclosed. See Obj. dkt. 712, Ex. 4, at PDF pp. 18 & 25 of 33). Based on these facts, the tentative ruling is that Mr. Aarons lacks standing to object that the proposed settlement would negatively affect his (non-existent) lien rights in real property or his (non-existent) lien rights in personal property. (This Court has an independent duty to consider issues of standing. See *In re Sisk*, 962 F.3d 1133, 1141 (9th Cir. 2020).)

Alternatively, assuming for purposes of discussion that Mr. Aarons has standing to assert that Lenders' deficiency claim was wiped out, the tentative ruling is that it is not enough for any person to say without legal or factual authority that they conceivably might have lien rights superior to another party, and then force the commencement of an adversary proceeding by uttering the

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words "validity, extent, or priority of a lien." The tentative ruling is that there is at least a minimal burden on the party asserting that an adversary proceeding is required to cite some legal and factual authority that it has a surviving lien that would have priority over other asserted lien rights.

Alternatively, even if the burden were on Lenders and Trustee to cite contrary authority, they have done so. They cite authority that any anti-deficiency statutes do not bar recovery out of the proceeds of insurance (which makes sense: the insurance is replacement for the collateral, not a personal liability). See Lenders' Reply (dkt. 718) p. 3:5-15; Trustee Reply (dkt. 719) p. 3:10-22.

For each of the foregoing alternative reasons, the tentative ruling is to overrule Mr. Aarons' objection to the Settlement Motion.

(c) Disgorgement motion of ClaimsXP (dkt. 651), Furtado Firm's evidentiary objections (dkt. 654-656) & opposition (dkt. 657), ClaimsXP's reply (dkt. 658 & 660), Debtor Decl. (dkt. 659), Furtado Decl. (dkt. 661), Scheduling Order (dkt. 673)

If this Court is persuaded to adopt its tentative ruling granting the Settlement Motion (see Part "1(b)," above), the tentative ruling is to deny this motion as moot.

(d) Notice/application for compensation of ClaimsXP (dkt. 612); Order setting initial hearing and permitting only limited additional papers (dkt. 618); Notice of hearing (dkt. 622); Oppositions of Verus (dkt. 613), Totaro Firm (dkt. 614, 615), Bastian Firm (dkt. 617), and Trustee (dkt. 626); ClaimsXP's reply (dkt. 627)

If this Court is persuaded to adopt its tentative ruling granting the Settlement Motion (see Part "1(b)," above), the tentative ruling is to deny this motion as moot.

(e) Furtado Firm's motion to strike (dkt. 662)

If this Court is persuaded to adopt its tentative ruling granting the Settlement Motion (see Part "1(b)," above), the tentative ruling is to deny this motion as moot.

(f) Trustee's motion to abandon (dkt. 643 & 644), Oppositions of Verus (dkt. 646), ClaimsXP (dkt. 647), and Debtor (dkt. 652, untimely filed), Trustee's

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reply (dkt. 648), Stipulation/order continuing hearing (dkt. 664 & 666)

If this Court is persuaded to adopt its tentative ruling granting the Settlement Motion (see Part "1(b)," above), the tentative ruling is to deny this motion as moot.

(2) Deadlines/dates

This case was filed on 7/17/19 and converted to chapter 7 on 10/18/2021 (dkt. 464). The tentative ruling is to take all matters off calendar as set forth above.

Tentative Ruling for 4/22/25:

Continue all matters on for today to 5/6/25 at 11:00 a.m., concurrent with the Trustee's motion to approve settlement (dkt. 708), in view of this Court's review of the Trustee's latest status report (dkt. 711). No written status report is required. Appearances are not required on 4/22/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

[INTERIM TENTATIVE RULINGS OMITTED]

See generally:

- (1) Disgorgement motion of ClaimsXP (dkt. 651), Furtado Firm's evidentiary objections (dkt. 654-656) & opposition (dkt. 657), ClaimsXP's reply (dkt. 658 & 660), Debtor Decl. (dkt. 659), Furtado Decl. (dkt. 661), Scheduling Order (dkt. 673);
- (2) Notice/application for compensation of ClaimsXP (dkt. 612); Order setting initial hearing and permitting only limited additional papers (dkt. 618); Notice of hearing (dkt. 622); Oppositions of Verus (dkt. 613), Totaro Firm (dkt. 614, 615), Bastian Firm (dkt. 617), and Trustee (dkt. 626); ClaimsXP's reply (dkt. 627);
- (3) Furtado Firm's motion to strike (dkt. 662);
- (4) Trustee's motion to abandon (dkt. 643 & 644), Oppositions of Verus (dkt. 646), ClaimsXP (dkt. 647), and Debtor (dkt. 652, untimely filed), Trustee's reply (dkt. 648), Stipulation/order continuing hearing (dkt. 664 & 666)

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[PRIOR TENTATIVE RULINGS OMITTED (see dkt. 673, Ex. 1, at PDF pp. 14-18 for a description of key parties etc.)]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By

Shulman Bastian Friedman & Bui LLP

Richard L Antognini

David R Haberbush

Vanessa M Haberbush

Lane K Bogard

Movant(s):

Asset Recovery Association

Represented By

Jeremy H Rothstein

Trustee(s):

David M Goodrich (TR)

Pro Se

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#15.00 Cont'd hrg re: Motion to Partially Strike Omnibus Reply
by ClaimsXP and Strike Declaration of Debtor Ashley Aarons
fr. 11/28/23, 1/23/24, 4/2/24, 4/30/24, 6/25/24, 8/27/24,
10/22/24, 12/17/24, 2/25/25, 4/22/25

Docket 662

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for Calendar No. 14 (5/6/25 at 11:00 a.m.).

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Ashley Susan Aarons

Represented By

Shulman Bastian Friedman & Bui LLP
Richard L Antognini
David R Haberbush
Vanessa M Haberbush
Lane K Bogard

Movant(s):

Furtado Law PC

Pro Se

Trustee(s):

David M Goodrich (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

11:00 AM

2:24-14190 Davon Jermell White

Chapter 7

#16.00 Status conference re: Chapter 7 case

Docket 152

Tentative Ruling:

Appearances required by Debtor, his bankruptcy counsel and the Chapter 7 Trustee. The United States Trustee is invited to appear, as are any other party in interest.

There is no tentative ruling. The parties are directed to address whether there are any dates or deadlines affected by the dismissal of this case that need to be set, reset, extended, or otherwise addressed.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Party Information

Debtor(s):

Davon Jermell White

Represented By
Stella A Havkin

Trustee(s):

CASE REOP/CONV/OR CLOSED

Pro Se

Jason M Rund (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:25-12772 Yihe Forbes LLC

Chapter 11

#1.00 Status conference re: Chapter 11 case

Docket 1

***** VACATED *** REASON: This matter is scheduled to be heard on
05/20/25 at 1:00 p.m.**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:25-12672 National Development Fund, LLC

Chapter 11

#2.00 Status conference re: Chapter 11 case

Docket 1

Tentative Ruling:

Appearances required by counsel for Debtor and by Debtor's principal.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

(a) Scheduling

The tentative ruling is that, as a matter of calendar management, it is appropriate to reschedule the motion of the receiver for relief from the automatic stay (dkt. 25) from 2:00 p.m. to 1:00 p.m. on 5/20/25, to be concurrent with Debtor's financing motion (dkt. 15). The tentative ruling is to set a **deadline of 5/8/25** for the receiver to serve notice of the new hearing time via U.S. mail and file a proof of service.

(b) Tardy status report

This Court's order setting this principal status conference (dkt. 5 "Procedures Order") required Debtor to file a case status report on Local Form F 2081-1.1.C11.STATUS.RPT, serve it on all parties in interest, and file a proof of service at least 14 days before this status conference, but it was not filed and served until 4/23/25 (*i.e.* 1 day late). Debtor and Debtor's counsel are cautioned that failure to comply with deadlines set by this Court in future may result in adverse consequences.

(c) Budget motion

Debtor's status report incorrectly states that the "Procedures of Judge Bason" (available at www.cacb.uscourts.gov, the "Posted Procedures") do not

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CONT...

National Development Fund, LLC

Chapter 11

require a budget motion. Status report (dkt. 12) at paragraph B.2. (p. 3). In fact, the Posted Procedures require a budget motion, unless that requirement is excused by this Court. Debtor represents that it does not hold or generate any cash, so the tentative ruling is to excuse the requirement to file a budget motion with a caution to counsel not to misstate this Court's Posted Procedures in future.

(2) Dates/procedures. This case was filed on 3/31/25.

- (a) Bar date: 6/15/25 (DO NOT SERVE notice yet - court will prepare an order after the status conference).
- (b) Procedures Order: dkt. 5 (timely served, dkt. 9)
- (c) Plan/Disclosure Statement: file by 6/30/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.
- (d) Continued status conference: 5/20/25 at 1:00 p.m., concurrent with other matters. No written status report required.

Party Information

Debtor(s):

National Development Fund, LLC

Represented By
Jeremy Faith

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:21-10956 LAX In-Flite Services, LLC

Chapter 11

#3.00 Hrg re: Motion for order approving class
action notice and funding procedures

Docket 350

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 4, 5/6/25
at 1:00 p.m.).

Party Information

Debtor(s):

LAX In-Flite Services, LLC

Represented By
Jeremy H Rothstein
Yi Sun Kim
James R Felton

Movant(s):

LAX In-Flite Services, LLC

Represented By
Jeremy H Rothstein
Jeremy H Rothstein
Yi Sun Kim
Yi Sun Kim
James R Felton
James R Felton

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:21-10956 LAX In-Flite Services, LLC

Chapter 11

#4.00 Cont'd Status Conference re: Post confirmation
fr. 02/25/21, 03/02/21, 4/6/21, 4/27/21, 5/11/21,
5/19/21, 5/26/21, 6/15/21, 6/29/21, 7/6/21, 7/20/21,
8/31/21, 9/28/21, 10/26/21, 11/9/21, 12/14/21, 12/21/21,
2/15/22, 3/1/22, 03/29/22 4/12/22, 5/10/22, 5/31/22,
8/9/22, 8/23/22, 10/11/22, 10/25/22, 11/15/22, 2/21/23
5/30/23, 12/19/23, 4/9/24, 8/6/24, 9/10/24, 12/17/24,
4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant the Procedures Motion (dkt. 350) and continue the status conference as set forth below. Appearances are not required on 4/8/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

(a) Motion for order approving class action notice and funding procedures (dkt. 350-353, "Procedures Motion"), no opposition on file
Grant.

Proposed order(s): Unless otherwise ordered, Debtor is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7

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1:00 PM

CONT...

LAX In-Flite Services, LLC

Chapter 11

days after the hearing date (per LBR 9021-1(b)(1)(B)).

(2) Deadlines/dates

This case was filed on 2/5/21, and Debtor's plan was confirmed on 8/23/22 (dkt. 302). The tentative ruling is to set a further continued Post-Confirmation Status Conference for 10/7/25 at 1:00 p.m., with a post-confirmation status report due by 9/23/25.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

LAX In-Flite Services, LLC

Represented By
Jeremy H Rothstein
Yi Sun Kim
James R Felton

Trustee(s):

John-Patrick McGinnis Fritz (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:25-10593 Eugenio Alfredo Gonzalez

Chapter 11

#5.00 Hrg re: Motion in Individual Ch 11 Case for Order Pursuant to 11 U.S.C. Sec. 363 Setting Budget for Interim Use of Estate Property as Defined in 11 U.S.C. Sec. 1115

Docket 27

Tentative Ruling:

Please see the tentative ruling for Calendar No. 7 (5/6/25 at 1:00 p.m.).

Party Information

Debtor(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

Movant(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Hearing Room 1545

1:00 PM

2:25-10593 Eugenio Alfredo Gonzalez

Chapter 11

#6.00 Cont'd hrg re: Motion in Individual Chapter 11 Case
for Order Authorizing Use of Cash Collateral
fr. 2/25/25

Docket 17

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant the cash collateral motion (dkt. 17) on a final basis, on the same terms and conditions as set forth in the Interim Cash Collateral Order (dkt. 37) issued on 2/28/25, based upon this Court's review of Debtor's responses (dkt. 50) to questions posed by this Court in connection with the interim cash collateral hearing. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Key documents reviewed (in addition to motion papers): Pacific Premier Bank ("Premier") reservation of rights and request for extension/continuance (dkt. 22, the "Limited Opp."), Notice of final hearing (dkt. 29), Interim Cash Collateral Order (dkt. 37), Debtor's supplement responding to this Court's questions (dkt. 50); no further opposition on file

Note: This Court is somewhat concerned with some aspects of the cash collateral budget, as set forth in the tentative ruling for the status conference (calendar no. 7 on 5/6/25 at 1:00 p.m.). But the tentative ruling is that those concerns are more properly addressed in connection with other proceedings, not in connection with this cash collateral motion.

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Tuesday, May 6, 2025

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CONT...

Eugenio Alfredo Gonzalez

Chapter 11

Proposed order(s): Unless otherwise ordered, Debtor is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

Movant(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:25-10593 Eugenio Alfredo Gonzalez

Chapter 11

#7.00 Cont'd Status Conference re: Chapter 11 Case
fr. 2/25/25, 3/4/25, 3/18/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required by counsel for Debtor.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

(a) Budget Motion (dkt. 27), Opposition filed by QBN Capital, LLC (dkt. 45), Debtor's Reply (dkt. 71)

As required by the Posted Procedures of Judge Bason (available at www.cacb.uscourts.gov), Debtor has filed a budget motion under 11 U.S.C. 363(c). QBN Capital, LLC ("Creditor") objects to the following expenses as "unreasonably excessive" and not "sufficiently justified" (Opposition (dkt. 45) ¶ 3 (p. 1)):

- (i) Lease payments totaling \$4,249.00 per month for two Mercedes vehicles, driven by Debtor and his spouse (one of the vehicles has a lease payment of \$1,675.04 per month; the other vehicle has a lease payment of \$2,899.15 per month).
- (ii) Monthly mortgage payment of \$16,249.97.
- (iii) A payment of \$5,500.00 per month to independent contractor Gerardo Trujillo, and a payment of \$2,730.00 per month to independent contractor George Garcia. Both Messrs. Trujillo and Garcia are handymen who maintain Debtor's nine investment properties.

The tentative ruling is to overrule Creditor's objection. To be clear, (A) this

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CONT...

Eugenio Alfredo Gonzalez

Chapter 11

Court finds it troubling for any debtor in bankruptcy to appear to be "living high on the hog" with a luxury home and fancy cars while not timely and fully paying all creditors; and similarly in connection with Debtor's collateral motion (B) it appears that Debtor might be spending money on a vacation home that is difficult to rent and therefore the vacation home is being subsidized by income from other properties that could be used to pay creditors (see Supp. to Cash Collat. Mtn., dkt. 50, p. 2:5-16); (C) Debtor has not provided details of the specific management services performed (e.g., the number of hours per week devoted to management) or evidence of market rates for comparable management services (*id.*, pp. 2:21-3:7), which is especially concerning because Debtor's management of the rental properties apparently was not good enough to avoid bankruptcy; and (D) it is not entirely clear that payments to co-owners of various rental properties are mandated under binding contracts with those co-owners, nor is it entirely clear that those payments have priority over payments to Debtor's creditors (*id.* p. 3:15-22). All of these concerns might be grounds for discovery of more of the facts and circumstances and also, perhaps, some form of relief in favor of creditors - e.g., spending money on a vacation home rather than selling or abandoning it might or might not support a finding of "gross mismanagement" of this bankruptcy estate (11 U.S.C. 1112(b)(4)(B)), or might be relevant in connection with whether to confirm any proposed chapter 11 plan.

But the tentative ruling is that these concerns are not properly before this Court in connection with the narrow and specific focus of any budget motion. In this Court's view, the purpose of a budget motion is (x) to assure transparency (e.g., flagging exactly the types of issues noted above, which might be areas for further inquiry/discovery by creditors) and (Y) an opportunity for parties in interest to object to expenditures that might not truly be in the "ordinary course" even though a debtor might characterize them as "ordinary course" (and therefore not requiring disclosure or approval under 11 U.S.C. 363(c)(1)).

With these general principles in mind, this Court turns to the specific items to which Creditor objects.

(i) Leases of luxury vehicles

Although Creditor appears to be correct that lease payments of \$4,249.00 per month for two luxury Mercedes vehicles is a very high monthly payment, without any apparent benefit to creditors, the tentative ruling is that Debtor has provided sufficient evidence that these payments are "ordinary course," and

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CONT...

Eugenio Alfredo Gonzalez

Chapter 11

therefore, solely for purposes of this Budget Motion, Creditors' objection must be overruled. See Gonzalez Decl. (dkt. 71) ¶ 3 (p. 8) ("The auto payments reflected in the Budget are the same car payments for my and my wife's cars that I have been making each month for the last several years while the leases have been in place.").

But it is worth emphasizing, again, that the appropriateness of the vehicle lease payments could become relevant in the context of plan confirmation. *Cf. In re Welsh*, 711 F.3d 1120 (9th Cir. 2013) (examining whether secured debt payments on vehicles and an Airstream trailer proposed in a chapter 13 plan required a determination that the plan was not proposed in good faith).

(ii) Mortgage on luxury home

Debtor asserts that the property on which he makes the mortgage payments has approximately \$1.8 million in equity. Reply (dkt. 71) p. 5:14–16. The tentative ruling is that Debtor is correct that by "continuing to make his mortgage payments, [he] is preserving this equity for the benefit of the estate, rather than letting the equity erode due to missed payments, additional interest, default interest, late charge and attorneys' fees that would be added to the mortgage debt if payments were not made." Reply (dkt. 71) p. 5:17–20.

The tentative ruling is that, although it is possible that creditors would be better served by selling the property, or some other option, rather than continuing to pay such a large dollar amount on the mortgage each month, that is an issue that is beyond the scope of these proceedings on the Budget Motion. All rights are reserved for Creditor, Debtor, and any other party in interest to address this issue in connection with any other proceedings, as appropriate.

(iii) Maintenance

As noted above, Messrs. Trujillo and Garcia are handymen who maintain Debtor's nine investment properties. This Court recognizes that (A) it is conceivable that their rates are above market, or that they also perform services beyond maintenance of the rental properties (e.g., maintenance at Debtor's personal residence), or that Debtor's expenditures on their services are troubling for any other reason. But, again, the tentative ruling is that Debtor has presented sufficient evidence that these are "ordinary course" payments, and any issues such as the ones just noted are beyond the limited scope of these proceedings on the Budget Motion.

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CONT... Eugenio Alfredo Gonzalez

Chapter 11

In conclusion, the tentative ruling is to grant the Budget Motion. But that should not be interpreted as any sort of endorsement of the expenditures at issue, or as any indication of how this Court might rule on such expenditures in any different context. Debtor is cautioned that, although bankruptcy relief provides an opportunity to obtain a "breathing spell," restructure finances, and discharge many types of debts, the *quid pro quo* is generally transparency and truly acting as a trustee for the benefit of creditors, with appropriate consideration of the best interests of creditors.

Proposed order(s): Unless otherwise ordered, Debtor is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

(b) Difficulties encountered by Debtor in opening DIP accounts

According to the most recent status report, Debtor has approached nine different financial institutions in an attempt to open DIP bank accounts, but has been refused by all nine institutions. Status Report (dkt. 72) p. 2:11–19.

At the hearing, Debtor is directed to provide an update regarding his efforts to open DIP accounts.

(c) Limited objection of QBN Capital, LLC and FEM Ventures LLC ("Creditors") to Debtor's schedules and Statement of Financial Affairs (dkt. 61)

Creditors assert that Debtor's schedules and Statement of Financial Affairs are "misleading and materially incomplete" because Debtor has scheduled an ownership interest in various properties but failed to disclose that title to those properties are "held in the name of Teresa Gonzalez, who is not a debtor in this case." Ltd. Obj. (dkt. 61) p. 3:5–8 and 2:25–26. Creditors filed the Limited Objection (dkt. 61) to preserve their rights to (A) conduct a Rule 2004 Examination of Debtor and Teresa Gonzalez, (B) seek discovery regarding the properties and related transfers, and (C) file an adversary proceeding or other action challenging Debtor's interest in the properties. Ltd. Obj. (dkt. 61) p. 3:20–25.

The tentative ruling is that (x) Creditors' rights are reserved to the extent

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CONT... Eugenio Alfredo Gonzalez

Chapter 11

requested in the Limited Objection (dkt. 61), but (y) that it is not necessary for this Court to rule upon any of the allegations set forth in the Limited Objection (dkt. 61) at this time.

(d) Cash collateral motion (dkt. 22), Reservation of rights and request for extension/continuance filed by Pacific Premier Bank (dkt. 22), Notice of final hearing (dkt. 29), Interim Cash Collateral Order (dkt. 37), No opposition on file

Grant for the reasons set forth in the tentative ruling for Cal. No. 6 (5/6/25 at 1:00 p.m.).

(2) Dates/procedures. This case was filed on 1/27/25.

(a) Bar date: 4/30/25 (timely served, dkt. 47).

(b) Procedures Order: dkt. 3 (served on creditors, dkt. 9)

(c) Plan/Disclosure Statement: file by 6/13/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: 7/8/25 at 1:00 p.m. *Brief* written status report due by 7/1/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

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2:25-10181 Jamie Mazur

Chapter 11

#8.00 Cont'd hrg re: Motion in Individual Ch 11 Case for Order Pursuant to 11 U.S.C. Sec. 363 Setting Budget for Interim Use of Estate Property as Defined in 11 U.S.C. Sec. 1115 fr. 4/8/25

Docket 31

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant the Budget Motion on a final basis, and approve Debtor's proposed adequate protection payments on a final basis, all as set forth below.

Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

Key documents reviewed (in addition to motion papers): U.S. Bank's Opposition (dkt. 36, 50), California Finance's Opposition (dkt. 37), Debtor's Reply (dkt. 49), Interim Budget Order (dkt. 55), Debtor's supplemental declaration in support of Budget Motion (dkt. 54)

Analysis

Background information is set forth in the adopted tentative ruling issued on 4/8/25 (reproduced below) and will not be restated. (Capitalized terms not defined herein have the meaning set forth in the 4/8/25 adopted tentative ruling.)

As of the preparation of this tentative ruling, U.S. Bank and Finance California ("Creditors") have not filed supplemental objections to the adequate protection payments approved in the Interim Budget Order (dkt. 55) (the deadline for such objections was two weeks prior to this hearing). In his supplemental

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CONT...

Jamie Mazur

Chapter 11

declaration (dkt. 54), Debtor requests continued authorization to use Creditors' cash collateral, and proposes to make adequate protection payments of \$10,000.00/month to U.S. Bank and \$3,000.00/month to Finance California (adequate protection payments in those amounts were approved on an interim basis in the Interim Budget Order (dkt. 55)). As additional adequate protection Debtor is preparing the property for sale, and apparently attempting to maximize value for the benefit of creditors (and himself).

The tentative ruling is to grant the Budget Motion on a final basis, and to approve Debtor's request for authorization to use Creditor's cash collateral on a final basis, on the same terms and conditions previously approved.

Note: The adopted tentative ruling for the 4/8/25 hearing directed U.S. Bank and Finance California to each lodge proposed interim orders granting their requests for adequate protection. As of the preparation of this tentative ruling, no such interim orders have been lodged. The tentative ruling is to **set a deadline of 5/13/25** for U.S. Bank and Finance California to lodge proposed orders with respect to the 4/8/25 hearing.

Proposed order(s): This Court contemplates three orders: (A) an order to be lodged by Debtor granting the Budget Motion on a final basis, (B) an order to be lodged by US Bank granting the request of US Bank for adequate protection on a final basis, and (C) an order to be lodged by Finance California granting the request of Finance California for adequate protection on a final basis. Unless otherwise ordered, those orders must be lodged within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

Tentative Ruling for 4/8/25:

Grant the Budget Motion on an interim basis, subject to the adequate protection provisions set forth below, and set a continued hearing contemporaneous with the continued status conference in this case (see calendar no. 8, for 4/8/25 at 1:00 p.m.). Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov

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CONT... Jamie Mazur

Chapter 11

instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): U.S. Bank's Opposition (dkt. 36), California Finance's Opposition (dkt. 37), Debtor's Reply (dkt. 49).

Analysis

On 2/19/25, Debtor filed an amended budget motion (dkt. 31, the "Budget Motion"). Secured creditors U.S. Bank Trust National Association as Trustee of the Cabana Series V Trust, as serviced by SN Servicing Corporation ("U.S. Bank") and Finance California, a California corporation ("Finance California") both objected to the Budget Motion, citing a lack of adequate protection.

Debtor has not filed a cash collateral motion based on the fact that, previously, Debtor was not collecting rents. See Reply (dkt. 49) p. 3:14-23; Stat.Rpt. (dkt. 21) p. 3, item B.1. But now Debtor anticipates collecting regular monthly rents, and Debtor does not dispute that the funds to be generated by its property qualify as cash collateral in which US Bank and Finance California have an interest. See Reply (dkt. 49) p. 2:17-3:13 (contending that the payments contemplated in the Budget Motion, as well as the value of the property, provide adequate protection to the secured creditors).

The tentative ruling is to address the cash collateral/adequate protection issues in connection with the Budget Motion for the following reasons. On the one hand, a budget motion and a cash collateral motion are different. The purpose of requiring a budget motion is to assure (i) transparency and (ii) an opportunity for parties in interest to object to expenditures that a debtor might characterize as "ordinary course" (and therefore not requiring disclosure or approval under 11 U.S.C. 363(c)(1)), but that creditors might characterize as out of the ordinary course. In contrast, the purpose of a cash collateral motion is to obtain approval for the use of cash collateral, which cannot be used even for "ordinary course" expenditures without approval (by the secured creditors or this Court). 11 U.S.C. 363(c)(2). In other words, Debtor's Budget Motion typically is not a cash collateral motion.

On the other hand, it is appropriate for US Bank and Finance California to use their responses to the Budget Motion as an appropriate time to demand adequate protection of their interests, as a condition for approval of the budget. Under 11 U.S.C. 363(e), "at any time, on request of an entity that has an interest

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in property" proposed to be used, sold, or leased by a debtor in possession (per 11 U.S.C. 1101(1)), this Court "shall" prohibit or condition the bankruptcy estate's use, sale, or lease of property "as is necessary to provide adequate protection" to such entities.

Alternatively, the tentative ruling is to treat the Budget Motion as implicitly incorporating Debtor's request for authority to use cash collateral, pursuant to this Court's obligation "to secure the just, speedy, and inexpensive determination of every case and proceeding." Rule 1001 (Fed. R. Bankr. P.). Alternatively, the tentative ruling is to entertain an oral motion by Debtor for such authorization, at the hearing and without further notice (per Rule 4001(b) and, to the extent applicable, per Rule 9006(c), Fed. R. Bankr. P.), because (x) it appears that interim authorization is necessary to avoid immediate and irreparable harm including paying utilities and other necessary expenses; (y) doing so will not prejudice any parties in interest and, to the contrary, will preserve value and facilitate interim adequate protection payments; and (z) at the continued hearing this Court can make a final determination, after appropriate briefing, about whether any different or additional protection is required.

Turning to the merits, there is some confusion about the dollar amounts. Because the motion was filed using the standard form for budget motions (as opposed to the standard form for cash collateral motions), it is somewhat unclear what monthly payments Debtor proposes to make to secured creditors. In his reply papers, Debtor has clarified that he intends to make monthly adequate protection payments of \$15,000.00 to U.S. Bank. Reply (dkt. 49) p. 2:17–18. U.S. Bank was under the impression that Debtor intended to pay it only \$100.00 per month, and requested that Debtor be required at a minimum to make payments equal to the non-default post-petition rate of interest, or \$4,562.50 per month. U.S. Bank Opp. (dkt. 36) p. 4:20–24.) (The Budget Motion is inconsistent as to the exact amount of the proposed monthly adequate protection payments to U.S. Bank. *Cf.* Mazur Decl. ¶ 2 (dkt. 49) (stating that monthly payments will be \$15,500.00) with Mazur Decl. ¶ 4 (dkt. 49) (stating that monthly payments will be \$15,000.00. This Court assumes that the lower figure is the correct one, because it correlates with income generated by a lease of the property that Debtor recently executed. Debtor is directed to confirm the correct figure at the hearing.)

Debtor has also clarified that he intends to make monthly adequate protection payments of \$3,000.00 to Finance California. Reply (dkt. 49) p.

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2:22–24. (Finance California's position as to the sufficiency of the proposed \$3,000.00 monthly adequate protection payment is unclear; its opposition papers do not specify the amount of adequate protection payments to which it believes it is entitled.)

The tentative ruling is that the payments proposed by Debtor adequately protect secured creditors' interests in their collateral, at least on an interim basis. Therefore, the tentative ruling is to grant the Budget Motion on an interim basis, subject to the adequate protection payments proposed by Debtor and further subject to the conditions set forth in the next section of this tentative ruling, below.

For the continued hearing, the tentative ruling is to set a **deadline of two weeks prior** to that hearing for US Bank and Finance California to file and serve any supplemental opposition and request for additional or different adequate protection. The tentative ruling is that Debtor's reply must be filed and served **one week prior** to that continued hearing.

In addition, the tentative ruling is that the foregoing procedures will moot the need for Debtor to file and serve a separate motion seeking authorization for the use of US Bank's and Finance California's cash collateral, especially given the expense of such a separate (and apparently redundant) cash collateral motion. If any party in interest disagrees, they are directed to raise their disagreement at this hearing.

Proposed order(s): This Court contemplates three orders: (A) an interim order to be lodged by Debtor temporarily granting the Budget Motion, (B) an interim order to be lodged by US Bank temporarily granting the request of US Bank for adequate protection, and (C) an interim order lodged by Finance California temporarily granting the request of Finance California for adequate protection. Unless otherwise ordered, those orders must be lodged within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

Judge Bason's standard conditions for use of cash collateral and/or postpetition financing (by creditors holding prepetition claims)

(1) Written order [for cash collateral]

(a) Form. Use local form

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F2081-2.1.ORDER.CASH.COLLATERAL or the equivalent. Attach a copy of this tentative ruling as an exhibit, thereby adopting it as the written ruling of this Court, subject to any changes ordered at the hearing. Do not repeat the terms set forth in the motion or any stipulation. Incorporate those terms by reference (including the docket number of the document), subject to any modification by this Court.

(b) Timing. Lodge the proposed order within 7 days after the hearing. See LBR 9021-1(b)(1)(B).

(2) Minimum adequate protection

In addition to the postpetition security interests that are automatically provided pursuant to 11 U.S.C. 552 (e.g., in traceable proceeds and profits), and subject to any more comprehensive protection that may be approved, Debtor shall provide at least the following protection to any creditor with a security interest in the subject property (pursuant to 11 U.S.C. 361-364, as applicable):

(a) Insurance. For all collateral of a type that typically is insured (e.g., real property and improvements), Debtor is directed to maintain insurance in a dollar amount at least equal to Debtor's good faith estimate of the value of such creditor's interest in the collateral, and such insurance shall name such creditor as an additional insured. Debtor is directed to remain current on payments for such insurance.

(b) Taxes. Debtor is directed to remain current on payments on account of postpetition real estate taxes (to the extent that real estate is part of the collateral).

(c) Disclosures/access. Debtor is directed to provide, upon such creditor's reasonable request, periodic accountings of the foregoing insurance and tax obligations and payments, as well as postpetition proceeds, products, offspring, or profits from the collateral, including gross revenues and expenses and a calculation of net revenues. Debtor is directed to provide appropriate documentation of those accountings, and access for purposes of inspection or appraisal.

(3) Grant of, and limitation on, postpetition liens

The tentative ruling is to grant postpetition liens to any creditors holding secured claims by granting replacement liens, but such liens shall be limited to the same validity, priority, and amount as prepetition liens. As used herein, the

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"validity, priority, and amount" or any similar phrase that may be used by the parties or this Court is deemed to include the following:

(a) Extent. Such liens shall be limited to the *type* of collateral in which the creditor held a security interest as of the petition date. For example, if prepetition liens extended to inventory and accounts receivable but not equipment then postpetition liens are likewise limited (unless otherwise expressly provided by order of this Court). In addition, postpetition liens shall not extend to any avoidance actions or the proceeds thereof, any claim or recoveries under 11 U.S.C. 506(c), any "carveout" under 11 U.S.C. 552, or any claim or recoveries under 11 U.S.C. 724(a).

(b) Priority. Such liens shall be limited to the same *priority* as the security interest held by the creditor as of the petition date.

(c) Dollar amount. Such liens shall be limited to the dollar amount needed to protect the creditor against diminution in the *value* of the secured claims as of the petition date.

(d) Enforceability. Such liens shall be limited to the extent that the creditor's security interests were duly *perfected* and *valid* as of the petition date, and to the extent that they are *unavoidable*.

(e) Automatic postpetition perfection. Any *automatic* perfection of such liens shall be subject to any applicable limitations regarding the Court's authority, jurisdiction, or due process.

(4) Automatic disapproval of insufficiently disclosed provisions

Any provision of the type listed in FRBP 4001(c)(1)(B) or in local form F4001-2 (e.g., cross-collateralization) or any waiver of the "equities of the case" exception in 11 U.S.C. 552(b)(2) shall be deemed automatically disapproved and excepted from any order granting the motion, notwithstanding any other provision of such order, unless either: (a) such provision is specifically and prominently disclosed in the motion papers in a checklist (such as local form F4001-2), or alternatively (b) such provision is specifically identified in any proposed order granting the motion, using terminology of the type used in FRBP 4001(c)(1)(B) or local form F4001-2 (e.g., any "cross-collateralization" that is not specifically identified as such is deemed to be disapproved).

(5) Disputes

In the event of any disputes regarding the rulings in this order, the parties

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are directed to meet and confer and, if they cannot resolve their disputes consensually, contact Judge Bason's chambers to arrange a mutually convenient time for either a telephonic or in-person hearing to address such disputes.

Party Information

Debtor(s):

Jamie Mazur

Represented By
Michael Jay Berger

Movant(s):

Jamie Mazur

Represented By
Michael Jay Berger

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2:25-10181 Jamie Mazur

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#9.00 Cont'd Status Conference re: Chapter 11 Case
fr. 2/11/25, 3/18/25, 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Grant the Budget Motion on a final basis; approve Debtor's proposed adequate protection payments on a final basis; and continue the status conference, all as set forth below. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

(a) Amended Budget Motion (dkt. 31), U.S. Bank's Opposition (dkt. 36, 50), California Finance's Opposition (dkt. 37), Debtor's Reply (dkt. 49), Interim Budget Order (dkt. 55), Debtor's supplemental declaration in support of Budget Motion (dkt. 54)

Grant the Budget Motion on a final basis, and approve Debtor's proposed adequate protection payments on a final basis, all as set forth in the tentative ruling for Cal. No. 8 (5/6/25 at 1:00 p.m.).

(2) Dates/procedures. This case was filed on 1/10/25.

- (a) Bar date: 3/31/25 (Bar Date Order (dkt. 24) timely served, dkt. 30).
- (b) Procedures Order: dkt. 4 (timely served, dkt. 9)
- (c) Plan/Disclosure Statement: file by 7/31/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.
- (d) Continued status conference: 7/15/25 at 1:00 p.m. *Brief* written status

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report due 7/1/25.

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[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Jamie Mazur

Represented By
Michael Jay Berger

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2:23-10990 Leslie Klein

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#10.00 Hrg re: Motion for relief from stay [RP]

NEWREZ, LLC
vs
DEBTOR

Docket 174

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 11, 5/6/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Movant(s):

NewRez LLC d/b/a Shellpoint

Represented By
Kirsten Martinez

Trustee(s):

Bradley D. Sharp (TR)

Represented By
Jeffrey W Dulberg
Jeffrey N Pomerantz
John W Lucas
Jeffrey P Nolan
Pachulski Stang Ziehl & Jones LLP

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#11.00 Cont'd Status Conference re: Chapter 11 Case
fr. 4/8/25, 4/22/25, 05/01/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

(a) Motion for relief from the automatic stay (dkt. 174, "R/S Motion"), Stipulations/Orders continuing hearing (dkt. 187, 188, 456, 458, 627, 633, 714, 716, 744, 802, 804, 869, 871, 907, 909)

This matter has been continued several times by the parties. There is no tentative ruling but the parties are directed to appear to address the status of this motion and whether this Court should take the matter off-calendar without prejudice to Movant filing and serving a notice in future to put this back on calendar on regular notice on one of Judge Bason's available self-calendar dates (available at www.cacb.uscourts.gov).

(b) Sharp v. Life Capital Group, LLC et al (Adv. No. 2:25-ap-01020-NB, the "Life Capital Action")

Please see the tentative rulings for Calendar Nos. 13-15 on today's calendar.

(2) Dates/procedures. This case was filed on 2/22/23 as a Subchapter V case. The petition was amended to remove the Subchapter V election and proceed as a chapter 11 case on 3/8/23. See dkt. 33, 37 & 43. On 5/17/23 this Court

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directed the appointment of a chapter 11 trustee (dkt. 142) and on 5/24/23 the U.S. Trustee appointed Bradley D. Sharp as trustee. Dkt. 151, 154, 155 & 156.

- (a) Bar date: 5/3/23 (see dkts. 10, 12 & 18)
- (b) Procedures Order: dkt. 950 (timely served, dkt. 953)
- (c) Plan/Disclosure Statement: file by 7/15/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.
- (d) Continued status conference: 5/20/25 at 1:00 p.m., concurrent with other matters. No written status report required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Leslie Klein

Pro Se

Trustee(s):

Bradley D. Sharp (TR)

Represented By

Jeffrey W Dulberg

Jeffrey N Pomerantz

John W Lucas

Jeffrey P Nolan

Pachulski Stang Ziehl & Jones LLP

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Adv#: 2:23-01152 Menlo, co-trustee of the Franklin Menlo Irrevocabl v. Klein

#12.00 Cont'd status conference re: Complaint for non-dischargeability of debt, and denial of discharge under bankruptcy code section 523, 727 fr. 4/8/25

Docket 1

***** VACATED *** REASON: Continued to 9/23/25 at 2:00 p.m.**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Leslie Klein	Pro Se
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Defendant(s):

Leslie Klein	Pro Se
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Plaintiff(s):

Franklin Menlo, co-trustee of the	Represented By Paul P Young Nikko Salvatore Stevens Armen Manasserian
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Trustee(s):

Bradley D. Sharp (TR)	Represented By Jeffrey W Dulberg Jeffrey N Pomerantz John W Lucas Jeffrey P Nolan Pachulski Stang Ziehl & Jones LLP
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Adv#: 2:25-01020 Sharp v. Life Capital Group, LLC et al

#13.00 Hrg re: Motion To Compel Arbitration Before The
Rabbinical Council Of California And For A Stay

Docket 26

Tentative Ruling:

Decline at this time to grant the motions to compel arbitration (adv. dkt. 26 & 28, each an "Arbitration Motion," and together, the "Arbitration Motions") and continue this hearing to provide Plaintiff/Trustee an opportunity to conduct discovery. Appearances required.

Proposed order(s): Unless otherwise ordered, Plaintiff/Trustee is directed to lodge proposed order(s) on each of the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): Notice of citation to unpublished authority (adv. dkt. 27); Omnibus opposition of Plaintiff/Trustee (adv. dkt. 40); Defendants' replies (adv. dkt. 42-44)

Analysis:

(1) Factual Background

(a) Life Capital and the LLC Agreement

Life Capital Group, LLC ("Life Capital") is a California limited liability corporation that was formed on or about April 8, 2011. Arbitration Motion (adv. dkt. 26) p. 5:20-21. Life Capital is governed by a limited liability company

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operating agreement (the "LLC Agreement"). *Id.* p. 6:3-6. As set forth in the LLC Agreement, Debtor holds a 50% membership interest in Life Capital and Shlomo Rechnitz holds the other 50% membership interest. *Id.* p. 5:21-23. Jonathan Polter is Life Capital's manager and has served in that capacity since approximately 2011. *Id.* p. 6:1-2.

The LLC Agreement contains an arbitration clause that provides:

Section 12.1 Rabbinical Council. If any dispute arises between the Members regarding this Agreement or any provision hereof, that dispute shall be resolved through a binding arbitration proceeding to be conducted in the State of California in accordance with the commercial arbitration rules of the Rabbinical Council of California. [Arbitration Motion (adv. dkt. 26), Ex. 1, PDF p. 54].

(b) The Original Klein Action

On 6/7/22, Debtor filed a complaint (the "Original Klein Complaint") against Life Capital, Rechnitz, Polter, and others in Los Angeles County Superior Court (the "State Court"). Arbitration Motion (adv. dkt. 26), Ex. 6, PDF pp. 90-136. In that action (the "Original Klein Action"), Debtor sought to recover proceeds of certain matured life insurance policies pursuant to the terms of the LLC Agreement. *Id.* On 10/25/22, the State Court granted the defendants' motion to compel arbitration under the Rabbinical Council of California's procedures. *Id.*, p. 7:3-6 & Ex. 4, PDF pp. 84-86.

On 12/5/22, Debtor, Rechnitz, Life Capital and Polter reached a settlement of Debtor's claims and executed a confidential settlement agreement (the "Settlement Agreement") in which the parties agreed on the terms and conditions concerning the distribution of proceeds from certain life insurance policies. Arbitration Motion (adv. dkt. 26), p. 13:8-10, Ex. 3, PDF pp. 75-82. Pursuant to the terms of the Settlement Agreement, Debtor dismissed the Original Klein Complaint with prejudice on 12/28/22. *Id.* p. 13:10-12 & Ex. 5, PDF p. 88. The Settlement Agreement contained an arbitration clause that is substantially similar to, if not broader than, the arbitration clause contained in the LLC Agreement. *Id.* p. 13:13-20 & Ex. 3, PDF p. 77.

(c) The Bankruptcy Case

On 2/22/23, less than three months after executing the Settlement Agreement, Debtor filed this chapter 11 Bankruptcy Case. On 5/17/23 Judge

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Sandra Klein (who previously presided over this case) issued an order directing the appointment of a chapter 11 trustee. Dkt. 142.

(d) The Life Capital Action

On 1/23/25 Plaintiff/Trustee commenced this adversary proceeding in this Bankruptcy Court (Adv. No. 2:25-ap-01020-NB) (the "Life Capital Action") against Life Capital, Mr. Polter, Shlomo Rechnitz, Yisroel Zev Rechnitz ("Steve Rechnitz") and other parties (collectively, the "Defendants"), seeking to avoid and recover certain alleged fraudulent and preferential transfers effectuated by Debtor's pre-petition release of his rights and entitlements to distributions from the proceeds of life insurance policies governed by the terms and conditions of the LLC Agreement pursuant to the Settlement Agreement.

Plaintiff/Trustee's complaint ("Complaint") includes twelve claims for relief seeking (x) to avoid the Settlement Agreement as a constructive fraudulent transfer, (y) to avoid and recover certain transfers of an interest in the Debtor's property as preferences, and (z) for breach of contract and an accounting. Adv. dkt. 1.

(e) Motions to Compel Arbitration

Defendants Life Capital, Mr. Polter, Shlomo Rechnitz and Steve Rechnitz seek to compel arbitration of Plaintiff/Trustee's claims before the Rabbinical Council of California in accordance with the arbitration provisions contained in the LLC Agreement and Settlement Agreement. They argue that although many of Plaintiff/Trustee's claims are styled as avoidance claims, they are derivative of the breach of contract claims Debtor asserted in the Original Klein Action and are therefore non-core claims that must be compelled to arbitration. Arbitration Motion (adv. dkt. 26), pp. 16:19-22, p. 17:18-25 & pp. 20:15-21:23. Alternatively, Defendants argue that even if this Court determines that the claims are statutorily "core" (28 U.S.C. 157(b)), there is a Congressional policy strongly favoring enforcement of contractual arbitration provisions, and compelling the parties to participate in arbitration would not conflict with the underlying purposes of the Bankruptcy Code because Defendants are not creditors of the bankruptcy estate and have not filed proofs of claim. *Id.* pp. 18:3-19:20. They also argue that compelling arbitration would promote the policies of the Bankruptcy Code because it would avoid piecemeal litigation and the need for them to litigate their disputes before a third tribunal (*i.e.*, this Bankruptcy Court, in addition to the

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State Court and the Rabbinical Council). *Id.* pp. 19:22-20:14.

Defendant Steve Rechnitz, who is not a party to the LLC Agreement or Settlement Agreement, separately argues that Plaintiff/Trustee's claims against him should be arbitrated because Plaintiff/Trustee should be equitably estopped from seeking to obtain the benefit of those agreements while simultaneously opposing enforcement of the arbitration provisions contained within them. Arbitration Motion (adv. dkt. 28), pp. 4:14-7:2.

Plaintiff/Trustee argues that his claims are statutorily core or derivative of core claims, and this Court should exercise its discretion not to compel arbitration because doing so would conflict with the purpose and policies of the Bankruptcy Code in this case. Opp. (adv. dkt. 40) pp. 7:1-8:15. Specifically, Plaintiff/Trustee contends that enforcing arbitration will compromise his claims to the detriment of the estate and creditors and argues that this Bankruptcy Court is the proper forum to determine and centralize and resolve all bankruptcy-related issues. *Id.*, pp. 8:16-12:24. Plaintiff/Trustee also argues that he cannot be compelled to arbitrate his claims (x) under 11 U.S.C. 544(b) or California Civil Code section 3439.04 because Plaintiff/Trustee stands in the shoes of *creditors*, who are not signatories to the arbitration provisions, and (y) against Steve Rechnitz because he too was not a party to the LLC Agreement or Settlement Agreement. *Id.* pp. 10:18-11:2 & 16:22-17:12.

In reply, Defendants argue that, despite Plaintiff/Trustee's attempts to characterize the claims as predominately core, the breach of contract dispute is a threshold issue that must be determined before any forum can determine whether sufficient grounds exist to avoid any alleged fraudulent and/or preferential transfers. Replies (adv. dkt. 42) p. 5:15-20 & (adv. dkt. 43), pp. 3:4-6, 13:1-14. Defendants also contend that Plaintiff/Trustee has not carried his burden to show that compelling the parties to arbitration would inherently conflict with the purposes of the Bankruptcy Code because he offers only vague and unsupported arguments that the estate or its creditors would be harmed. Replies (adv. dkt. 42) p. 2:18-20 & (adv. dkt. 43) p. 8:11-9:19.

(2) Request for judicial notice

Defendants Life Capital and Jonathan Polter request that this Court take judicial notice of (i) the Original Klein Complaint, (ii) the docket in the Original Klein Action; (iii) the request for dismissal filed in that action; (iv) a minute order dated 10/25/22 entered in that action; (v) the motion to compel arbitration filed in

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that action; and (vi) a declaration filed in support that motion to compel in that action. Arbitration Motion (adv. dkt. 26), p. 32 & Ex. 2, 4-8.

The tentative ruling is to grant the request and take judicial notice of the fact that these pleadings were filed in the Original Klein Action, the fact that they focus on alleged contractual disputes, and the fact that arbitration was compelled by the State Court (without objection), because those are all undisputed matters of public record. See *Lee v. City of L.A.*, 250 F.3d 668, 688-89 (9th Cir. 2001) ("[u]nder Fed. R. Evid. 201, a court may take judicial notice of 'matters of public record'").

(3) Legal standards

The Federal Arbitration Act ("FAA"), 9 U.S.C. section 1 *et seq.*, establishes a "liberal federal policy favoring arbitration agreements." *In re Thorpe Insulation Co.*, 671 F.3d 1011, 1021 (9th Cir. 2012) (quoting *Moses H. Cone Mem'l Hosp. v. Mercury Constr. Corp.*, 460 U.S. 1, 24 (1983)). The FAA "provides that agreements to arbitrate 'shall be valid, irrevocable, and enforceable, save upon such grounds as exist at law or in equity for the revocation of any contract,' and that a court must stay a proceeding if it is satisfied that an issue in the proceeding is arbitrable under such agreement." *Id.* (quoting 9 U.S.C. section 2-3). Notwithstanding the foregoing, "[l]ike any statutory directive, the [FAA's] mandate may be overridden by a contrary congressional command." *Shearson/American Express, Inc. v. McMahon*, 482 U.S. 220, 226 (1987). In view of these Congressional policy considerations, the party opposing enforcement of an arbitration agreement bears the burden of demonstrating that the arbitration agreement should not be enforced. *Id.* at 227.

The Supreme Court has constructed a framework under which courts can analyze how the FAA and a particular statute interact. *In re Eber*, 687 F.3d 1123, 1129 (9th Cir. 2012) (citing *McMahon*, 482 U.S. 220, 226-227). To determine if Congress intended to override the FAA's policy favoring arbitration in a particular statute, courts must examine: (1) the text of the statute; (2) its legislative history; and (3) whether an inherent conflict between arbitration and the underlying purposes of the statute exist." *Id.*

In *Thorpe* the Ninth Circuit first addressed whether Congress intended to make an exception to the FAA for claims arising in bankruptcy proceedings and, as to the first two *McMahon* factors, concluded that "[n]either the text nor the legislative history of the Bankruptcy Code reflects a congressional intent to

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preclude arbitration in the bankruptcy setting." 671 F.3d 1011, 1020-21.

The Ninth Circuit then considered the third *McMahon* factor – whether there is an inherent conflict between arbitration and the underlying purposes of the Bankruptcy Code. *Thorpe*, 671 F.3d 1011, 1021. As a threshold matter, the court noted that other circuits addressing the issue considered the distinction between core and noncore proceedings. *Id.* The court noted:

In non-core proceedings, the bankruptcy court generally does not have discretion to deny enforcement of a valid prepetition arbitration agreement. In core proceedings, by contrast, the bankruptcy court, at least when it sees a conflict with bankruptcy law, has discretion to deny enforcement of an arbitration agreement. The rationale for the core/noncore distinction ... is that non-core proceedings are unlikely to present a conflict sufficient to override by implication the presumption in favor of arbitration, whereas core proceedings implicate more pressing bankruptcy concerns. [*Thorpe*, 671 F.3d 1011, 1020-21 (citations omitted)].

The Ninth Circuit concluded that although the core versus noncore distinction was relevant, it was not alone dispositive. *Thorpe*, 671 F.3d 1011, 1021. Rather, the Court ruled that "even in a core proceeding, the *McMahon* standard must be met – that is, a bankruptcy court has discretion to decline to enforce an otherwise applicable arbitration provision only if arbitration would conflict with the underlying purposes of the Bankruptcy Code." *Id.*

Therefore, when considering whether to compel arbitration, bankruptcy courts must consider whether the claims for relief in a complaint are core or noncore, and whether compelling arbitration would conflict with the underlying purposes of the Bankruptcy Code. *Thorpe*, 671 F.3d 1011, 1020-21. If the disputes at issue are core proceedings, arbitration may be denied if enforcement conflicts with underlying purposes of the Bankruptcy Code. *Id.* at 1021. Conversely, if the disputes involve noncore proceedings, existing case law weighs in favor of compelling arbitration. *Id.* "If both core and noncore matters are present, the court must determine whether bankruptcy issues predominate." *In re Huffman*, 486 B.R. 343 (Bankr. S.D. Miss. 2013) (citing *In re Gandy*, 299 F.3d 489, 497 (5th Cir. 2002)).

(4) The tentative ruling is that Plaintiff/Trustee's claims appear to be predominantly core

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A core proceeding is one that invokes a substantive right created by federal bankruptcy law or a proceeding that could not exist outside of bankruptcy. *In re Eastport Assocs.*, 935 F.2d 1071, 1076 (9th Cir. 1991). Section 157(b)(2) of title 28 of the United States Code includes a non-exclusive list of core proceedings.

The tentative ruling is that Claims 1, 2, and 3 are statutorily core because they seek avoidance and recovery of constructively fraudulent transfers under 11 U.S.C. sections 548 and 550 and also section 544, incorporating California Civil Code section 3439.07. See 28 U.S.C. section 157(b)(2)(H) ("proceedings to determine, avoid, or recover fraudulent conveyances").

The tentative ruling is that Claim 4 is also core. That claim seeks to enforce the obligation of parties to "deliver to the trustee, and account for," property that the trustee may use, sell, or lease (11 U.S.C. 542(a), emphasis added), and Plaintiff/Trustee asserts that this encompasses an obligation to provide an accounting of "the capital contributions made by Rechnitz and the Debtor, the premiums and other costs there were paid for each of the [Life Capital] Policies by Rechnitz and the Debtor, and Rechnitz's and the Debtor's respective entitlements to the proceeds of the [Life Capital] Policies, each on a policy-by-policy basis." Plaintiff/Trustee's Complaint (adv. dkt. 1) p. 10:26-11:2. See 28 U.S.C. section 157(b)(2)(E) (turnover) & (O) (other proceedings affecting liquidation of assets etc.).

Defendants argue that an accounting is a remedy, not a claim for relief, citing *Schaffer Family Investors, LLC v. Sonnier*, 120 F. Supp. 3d 1028, 1049 (C.D. Cal. 2015). But the tentative ruling is that – whether or not an accounting outside of the Bankruptcy Code is merely a remedy – within the context of 11 U.S.C. 542(a) an accounting is part of the substantive claim for relief. Alternatively, the tentative ruling is that if there is no such claim then it does not add any weight to Defendants' argument that the claims in Plaintiff/Trustee's Complaint are predominantly non-core.

The tentative ruling is that Claim 5 asserts a claim for breach of contract, which Plaintiff/Trustee does not dispute is governed by California law and is therefore noncore. See Opp (adv. dkt. 40), p. 5:13-17.

The tentative ruling is that Claim 6 seeks an injunction, which is a remedy, not a claim for relief. See e.g., *Jensen v. Quality Loan Serv. Corp.*, 702 F. Supp. 2d 1183, 1201 (E.D. Cal. 2010).

The tentative ruling is that Claims 7, 8, 9, 10, 11 and 12 are statutorily

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core because they seek avoidance and recovery of preferential transfers under 11 U.S.C. sections 547 and 550. See 28 U.S.C. section 157(b)(2)(F) (preferences).

The tentative ruling is that bankruptcy issues largely predominate the parties' dispute, so this Court has discretion to determine whether compelling arbitration would conflict with the underlying purposes of the Bankruptcy Code. *Thorpe*, 671 F.3d 1011, 1020-21. Alternatively, the tentative ruling is that even if contractual disputes might, in future, turn out to underlie all of Plaintiff/Trustee's claims and in that sense *potentially* predominate at some point, it is premature to reach any such conclusion (x) without first having persuasive disclosure by Defendants of evidence that there were substantial and good faith disputes about the terms or enforceability of the LLC Agreement, of such a value that they could amount to "reasonably equivalent value" for the Settlement Agreement, and (y) without an opportunity for Trustee to investigate, using all of the powers and tools available in bankruptcy, all as set forth below.

(5) Preliminary fraudulent transfer and preference issues

This Court believes that it may help, in considering the issues in the following section of this tentative ruling, to keep in mind some examples. As a preliminary matter, this Court notes that there is precedent for settlement agreements to be avoided as constructively fraudulent, or as an actual fraud on creditors, and payments under settlement agreements can constitute avoidable preferential payments.

For example, this Court takes judicial notice that in the divorce context one spouse might have much better knowledge or substantial leverage over the other spouse, and it is not uncommon for the less knowledgeable or more desperate spouse to agree to a transfer of assets for much less than reasonably equivalent value. Alternatively, spouses might have roughly equal willingness and ability to fight each other *ad nauseum*, but they might still decide that, as between paying their creditors or collusively dividing assets among themselves in such a way as to defraud creditors, they can put aside their differences long enough to accomplish the latter.

Plaintiff/Trustee appears to believe that similar dynamics may be at play with the Defendants in entering into the Settlement Agreement. In any event, whatever the motivations, settlement agreements can be avoidable, regardless of whether they were entered into innocently or collusively. See, e.g., *Mejia v.*

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Reed, 3 Cal.Rptr.3d 390, 393 (Cal. Sup. Ct. 2003) ("the provisions of the UFTA apply to marital settlement agreements").

Of course, Defendants are correct that *if* Debtor was owed less than (or equal to) whatever he received under the Settlement Agreement then presumably he received reasonably equivalent value and "there will be no [constructively fraudulent transfer] claims to pursue." Arbitration Motion (adv. dkt. 26) p. 20:9-13. But that assumes the conclusion, and it is not at all clear to this Court that the arbitrators would consent to adjudicate "reasonably equivalent value" or any other elements of Plaintiff/Trustee's claims in the Complaint.

For that matter, it is not entirely clear to this Court whether Defendants want the arbitrators to decide all of Plaintiff/Trustee's claims, including for example the claims under 11 U.S.C. 547 (preference) and section 548 (fraudulent transfer), or if instead they want to bifurcate this adversary proceeding, and have the arbitration determine some aspects of the contractual disputes - perhaps the merits of the claims and defenses under the LLC Agreement, or perhaps the settlement value or range of values for such claims.

In any event, at least unless there are very substantial and good faith contractual issues that would have enough settlement value to be "reasonably equivalent value" for the millions of dollars that appear to be at issue in the Settlement Agreement, the Complaint overwhelmingly raises bankruptcy issues. The Complaint also seeks to enforce the vital bankruptcy policies underlying the avoidance of fraudulent and preferential transfers, including equal treatment among similarly situated creditors and the avoidance of favoritism.

That brings the issue back to this Court's exercise of its discretion, based on whether arbitration would conflict with the underlying purposes of the Bankruptcy Code.

(6) Compelling arbitration at this time would conflict, at the very least, with the underlying transparency and investigatory purposes of the Bankruptcy Code

The tentative ruling is that compelling arbitration at this time would, at a minimum, conflict with two fundamental principles of bankruptcy: (x) transparency, which is a goal permeating the Bankruptcy Code and Rules (see, e.g., 11 U.S.C. 102(1) (notice and opportunity to be heard) & 521 (disclosures by debtors)), and (y) investigation – specifically, Plaintiff/Trustee's duty to "investigate the acts, conduct, assets, liabilities and financial condition of the debtor ... and any other matter relevant to the case or to the formulation of a plan"

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(11 U.S.C. 1106(a)(3)). In addition, as noted above, it is not entirely clear whether Defendants are envisioning that the arbitrators would or would not decide every element under 11 U.S.C. 547, 548, etc., but either alternative appears to raise conflicts with the Bankruptcy Code: either the arbitrators' role would be extremely limited and yet cause all of the disruption of bifurcating these proceedings, contrary to the Code's purpose of consolidating and streamlining proceedings, or else the arbitrators' role would be broader and they would decide issues that are not within the expertise of the arbitrators and are within the expertise of this Bankruptcy Court (11 U.S.C. 547, 548, etc.), which is, after all, why Congress established specialized bankruptcy courts.

Moreover, Defendants skip over the step of analyzing whether there is anything to arbitrate. The Settlement Agreement purportedly resolved some sort of contractual dispute regarding the LLC Agreement; but glaringly absent from their papers is **any description** about the nature of that dispute. Proper distributions of insurance policy proceeds under the LLC Agreement appear to be extremely simple:

- (a) Rechnitz' initial capital contribution was \$3.8 million.
(See LLC Agreement section 3.1 & Ex. A (adv. dkt. 26, at PDF p. 39).)
- (b) Debtor's initial capital contribution was whatever had been paid for the insurance policies that were contributed to Life Capital (possibly \$1,833,226.00, although the papers are unclear).
(See *id.* and Schedule A-1 to LLC Agreement (column entitled "2011/12") (adv. dkt. 40, at PDF pp. 57-60).)
- (c) Any proceeds from the insurance policies would be distributed:
 - (i) **first to Rechnitz in repayment of his capital contributions** plus 12% interest (the "Rechnitz Amount").
(See *id.*, section 4.3(a) & definitions (adv. dkt. 26 at PDF pp. 41 & 60).)
 - (ii) **second to Debtor in repayment of his capital contributions** plus 12% interest (after repayment of roughly \$2.6 million in loans) (the "Klein Amount").
(See *id.*, & Schedule C (adv. dkt. 26 at PDF pp. 41, 59, 60 & 65).)
 - (iii) **third, 50/50 between Rechnitz and Debtor.**
(See *id.* section 4.1(c) (adv. dkt. 26 at PDF p. 41).)

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The Original Klein Complaint alleged that distributions had already been made, without Debtor's knowledge or consent, of \$8 million (Holtzman policy), \$1.5 million (Bernstein policy), and \$3.5 million (Berke policy), with another pending distribution of \$10 million (Gardner policy) – a total of \$23 million. Yet, according to that complaint, not only did defendants Rechnitz and Polter fail and refuse to provide Debtor with any of those proceeds, but they "essentially locked him out of [Life Capital]" and "never accounted" for the disposition of these proceeds. See Original Klein Complaint pp. 6:14-8:27 (Ex. 6 to Arbitration Motion, adv. dkt. 26, at PDF pp. 95-97 of 202).

Debtor and the other Defendants apparently resolved whatever disputes they had about these things in the Settlement Agreement. But (w) no papers were filed in the Original Klein Action that would shed light on the nature and merits of any defenses to the Original Klein Complaint (or at least no such papers are in the record before this Court); (x) the Settlement Agreement is confidential and almost entirely redacted, so it sheds no light at all about whether there were any meritorious defenses to the Original Klein Complaint (see Settlement Agreement, Ex. 3 to Arbitration Motion, adv. dkt. 26, at PDF pp. 74-82); (y) Debtor filed his bankruptcy petition less than three months after executing the Settlement Agreement; and (z) Debtor did not disclose the Settlement Agreement on his Schedules and SOFA. See Complaint (adv. dkt. 1), pp. 5:12-14, 8:27-28 & Arbitration Motion (adv. dkt. 26), Ex. 3, PDF pp. 75-82.

All of these facts and circumstances justify Plaintiff/Trustee's suspicions that the Settlement Agreement might have been a constructively or actually fraudulent transfer, including that it might have been a collusive ruse by which Debtor and the other Defendants could divide millions of dollar among themselves and seek to obscure whether there was any reasonably equivalent value for their transfers. In addition, even if the Settlement Agreement itself is not a constructive or actual fraudulent transfer, any transfers pursuant to the Settlement Agreement appear on their face to be possibly preferential.

There are no assurances that arbitration would shed any more light on these matters - there is no indication that any proceedings would be open to Plaintiff/Trustee and to creditors generally. Nor are there any assurances that Plaintiff/Trustee would be recognized by the arbitrators as having any standing to appear on behalf of creditors (who are non-parties to the LLC Agreement and the Settlement Agreement) or that Plaintiff/Trustee would have the broad investigatory powers and tools that are available in bankruptcy.

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So far as this Court can discern, from the scant information before it, any disputes under the LLC Agreement should have been resolved by a simple spreadsheet, which the Manager (Defendant Polter) should have been maintaining all along, backed up by sufficient bank records and other supporting documents to verify alleged contributions and withdrawals. The necessary calculations appear to be only addition (for any capital contributions subsequent to the date of the LLC Agreement), subtraction (for any distributions), and multiplication (for 12% interest). Nothing would appear, at least without more explanation and evidence, to warrant any difficulty in litigation or settlement, let alone millions of dollars in insurance proceeds that Debtor apparently surrendered to the other Defendants in "settlement" of alleged (but unspecified) "contractual disputes."

In keeping with this apparently simple nature of the parties' disputes, the Original Klein Complaint seeks an accounting and an inspection of books and records. That appears proper on its face. The LLC Agreement provides, for example, that the Company "shall maintain a record" of the respective capital contributions of Debtor and Defendant Rechnitz, and the Manager, Polter, "shall update" that record "from time to time to reflect changes in such information." See LLC Agreement, p. 2, section 3.1 (Ex. 1 to Arbitration Motion, adv. dkt. 26, at PDF p. 39 of 202).

On what basis did Defendants fail or refuse to provide these things? If they had maintained those books and records, it should have been easy to turn them over, and if not then they would appear to be in breach of the agreement and a forensic accountant presumably could have done the math.

If Defendants' position is that the LLC Agreement actually gives Debtor only very limited access to books and records, that is all the more reason why the bankruptcy discovery powers might be necessary, either within this adversary proceeding or, if Defendants were to assert that some of their books and records are outside of the existing scope of this litigation, then under the very broad sweep of Rule 2004 (Fed. R. Bankr. P.). In contrast, Defendants fail to offer any information about how the arbitration proceedings would provide transparency or investigative tools for Plaintiff/Trustee (assuming for the sake of discussion that he would even be recognized as having standing to participate in those proceedings).

The bottom line is that, on the present record, Defendants have failed to support their assertion that Plaintiff/Trustee's claims rest on substantial and good

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faith contract disputes, let alone any that might have sufficient merit to amount to "reasonably equivalent value" or that would otherwise support cognizable defenses to Plaintiff/Trustee's claims, so it is not clear that there is anything material to arbitrate. Alternatively, whatever the undisclosed nature of the parties' alleged contractual disputes, it would undermine the critical Bankruptcy Code policies of transparency and full investigation to send this matter to arbitration, at least until Plaintiff/Trustee is able to make up for Defendants' lack of transparency by using the bankruptcy powers and tools for investigation.

Alternatively, as noted at the start of this section, the tentative ruling is that compelling arbitration would conflict with other critical policies of the Bankruptcy Code. Granting such relief to Defendants either would bifurcate these proceedings between this Court and the arbitration panel, or it would delegate to the arbitration panel matters that are within the expertise of this specialized Bankruptcy Court.

Notwithstanding all of the foregoing, it is conceivable that, once Plaintiff/Trustee has been able to complete his investigation, it will turn out that there are substantial, good faith contractual disputes that might have a value reasonably equivalent to what Debtor gave up in the Settlement Agreement, and that can be adjudicated by the arbitration panel without unduly conflicting with the policies of the Bankruptcy Code. Therefore, in an exercise of caution, the tentative ruling is not to deny the Arbitration Motions outright but instead to continue them, to see the results of the investigation by Plaintiff/Trustee.

(7) There is no equitable estoppel bar to Plaintiff/Trustee's Complaint

The tentative ruling is that Plaintiff/Trustee is not attempting to "have it both ways" on any issue. The overwhelming weight of the Complaint is seeking to enforce the Bankruptcy Code. As such, he is not standing in Debtor's shoes and simultaneously seeking to enforce part of the LLC Agreement and Settlement Agreement while disavowing another part (arbitration). Rather, he is standing in creditors' shoes and attempting to enforce bankruptcy powers to avoid fraudulent and preferential transfers.

(8) Conclusion

For the reasons set forth above, the tentative ruling is to decline to grant the Arbitration Motions on the present record, and to continue these matters for several months, so that Plaintiff/Trustee can conduct discovery. The tentative

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ruling is to set a **continued hearing on 9/23/25 at 2:00 p.m., with a joint status report due 9/9/25**, and no additional briefing is invited or permitted on the arbitration issues. This Court can determine at the continued hearing whether any additional briefing or other procedures are needed before a final ruling on the Arbitration Motions.

Party Information

Debtor(s):

Leslie Klein

Pro Se

Defendant(s):

Life Capital Group, LLC

Represented By
Michael G D'Alba

Shlomo Y. Rechnitz

Represented By
Matthew A Lesnick

Yisroel Zev Rechnitz

Represented By
Matthew A Lesnick

Chaim Manela

Represented By
Matthew D. Resnik
M. Jonathan Hayes

Jonathan Polter

Represented By
Michael G D'Alba

Security Life Of Denver Life

Pro Se

Movant(s):

Life Capital Group, LLC

Represented By
Michael G D'Alba

Jonathan Polter

Represented By
Michael G D'Alba

Plaintiff(s):

Bradley D. Sharp

Represented By
John W Lucas

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Jeffrey W Dulberg

Trustee(s):

Bradley D. Sharp (TR)

Represented By

Jeffrey W Dulberg

Jeffrey N Pomerantz

John W Lucas

Jeffrey P Nolan

Pachulski Stang Ziehl & Jones LLP

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2:23-10990 Leslie Klein

Chapter 11

Adv#: 2:25-01020 Sharp v. Life Capital Group, LLC et al

#14.00 Hrg re: Motion to Compel Arbitration Before the Rabbinical Council of California and for a Stay; Joinder in Defendants Life Capital Group, LLC and Jonathan Polter's Motion to Compel Arbitration and for a Stay

Docket 28

Tentative Ruling:

Please see the tentative ruling for Calendar No. 13 (5/6/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Defendant(s):

Life Capital Group, LLC

Represented By
Michael G D'Alba

Shlomo Y. Rechnitz

Represented By
Matthew A Lesnick

Yisroel Zev Rechnitz

Represented By
Matthew A Lesnick

Chaim Manela

Represented By
Matthew D. Resnik
M. Jonathan Hayes

Jonathan Polter

Represented By
Michael G D'Alba

Security Life Of Denver Life

Pro Se

Movant(s):

Shlomo Y. Rechnitz

Represented By
Matthew A Lesnick

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CONT... **Leslie Klein**
Yisroel Zev Rechnitz

Represented By
Matthew A Lesnick

Chapter 11

Plaintiff(s):

Bradley D. Sharp

Represented By
John W Lucas
Jeffrey W Dulberg

Trustee(s):

Bradley D. Sharp (TR)

Represented By
Jeffrey W Dulberg
Jeffrey N Pomerantz
John W Lucas
Jeffrey P Nolan
Pachulski Stang Ziehl & Jones LLP

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Adv#: 2:25-01020 Sharp v. Life Capital Group, LLC et al

#15.00 Cont'd Status conference re: Complaint (1) Constructive fraudulent transfer; (2) Constructive fraudulent transfer; (3) Recovery of constructive fraudulent transfers; (4) Accounting; (5) Breach of contract; (6) Injunction; (7) Avoidance of preference- Rechnitz; (8) Recovery of preference-Rechnitz; (9) Avoidance of preference-Y.Rechnitz; (10) Recovery of preference-Y. Rechnitz; (11) Avoidance of preference - Manela; (12) Recovery of preference - Manela
fr. 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 41) and the other filed documents and records in this adversary proceeding.

(a) Motion of Defendants Life Capital Group, LLC ("Life Capital") and Jonathan Polter to compel arbitration (adv. dkt. 26), Motion of Defendants Shlomo Y. Rechnitz and Yisroel Zev Rechnitz to compel arbitration (adv. dkt. 28), Omnibus opposition of Plaintiff/Trustee (adv. dkt. 40), Defendants replies (adv. dkt. 42-44)

Please see the tentative ruling for Calendar 13 on today's calendar (5/6/25 at 1:00 p.m.).

(2) Standard requirements

The following are Judge Bason's standard requirements for status

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conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(a) Venue/jurisdiction/authority

This Court previously ruled that venue is proper and that this Court has jurisdiction (see Tentative Ruling for 4/8/25, copied below) and no party appeared to contest that ruling so any argument that venue is not proper or that this Court lacks jurisdiction has been waived and/or forfeited.

Defendants have indicated that they do not consent to this Court's authority to enter a final order or judgment (adv. dkt. 25, p. 9), so this Court must issue proposed findings of fact and conclusions of law unless an exception applies, such as for dispositive motions that do not require factual findings (e.g., motions to dismiss and/or motions for summary judgment). See *In re AWTR Liquidation, Inc.*, 547 B.R. 831 (Bankr. C.D. Cal. 2016).

(b) Mediation

Is there is any reason why this Court should not order the parties to mediation before one of the volunteer mediators (*not* a Bankruptcy Judge)? The tentative ruling is to set a **deadline of 5/20/25** for the parties to lodge a proposed mediation order (the parties are directed to use the time between now and that deadline to find a mutually agreeable mediator whose schedule can accommodate the needs of this matter; and if the parties cannot even agree on a mediator they may lodge separate orders and Judge Bason will choose among them, or issue his own order).

(c) Deadlines

This adversary proceeding has been pending since 1/23/25.

Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

Joinder of parties/amendment of pleadings-deadline: TBD

Discovery cutoff (for completion of discovery): TBD

Expert(s) - deadline for reports: TBD

Expert(s) - discovery cutoff (if different from above): TBD

Dispositive motions to be heard no later than: TBD

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Joint Status Report: 9/9/25

Continued status conference: 9/23/25 at 2:00 p.m.

Lodge Joint Proposed Pretrial Order: TBD

Pretrial conference: TBD

Deliver trial exhibits to other parties and chambers, including direct testimony by declaration unless excused: TBD

Trial commencement: TBD

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Leslie Klein

Pro Se

Defendant(s):

Life Capital Group, LLC

Represented By
Michael G D'Alba

Shlomo Y. Rechnitz

Represented By
Matthew A Lesnick

Yisroel Zev Rechnitz

Represented By
Matthew A Lesnick

Chaim Manela

Represented By
Matthew D. Resnik
M. Jonathan Hayes

Jonathan Polter

Represented By
Michael G D'Alba

Security Life Of Denver Life

Pro Se

Plaintiff(s):

Bradley D. Sharp

Represented By
John W Lucas
Jeffrey W Dulberg

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Trustee(s):

Bradley D. Sharp (TR)

Represented By

Jeffrey W Dulberg

Jeffrey N Pomerantz

John W Lucas

Jeffrey P Nolan

Pachulski Stang Ziehl & Jones LLP

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2:24-19904 Georgia K Bode

Chapter 11

#16.00 Hrg re: Motion for reconsideration and relief
from order entered on March 3, 2025

Docket 57

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 20, 5/6/25
at 1:00 p.m.).

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Movant(s):

Antonio Leon

Represented By
Armen Manasserian

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2:24-19904 Georgia K Bode

Chapter 11

#17.00 Hrg re: Motion to Extend Exclusivity Period for Filing a Chapter 11 Plan and Disclosure Statement Debtors Notice Of Motion And Motion For Entry Of An Order Extending (1) The Exclusivity Periods For Debtor To File A Plan Of Reorganization And Obtain Acceptances Thereof And (2) The Date By Which Debtor Must File A Plan Of Reorganization

Docket 69

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 20, 5/6/25 at 1:00 p.m.).

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Movant(s):

Georgia K Bode

Represented By
David B Zolkin
David B Zolkin
Sean A OKeefe
Sean A OKeefe

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2:24-19904 Georgia K Bode

Chapter 11

#18.00 Cont'd hrg re: Defendant Antonio Leon's Motion for Order Deeming Leon's Valuation Motion and Limited Opposition a Timely Objection to Debtor's Scheduled Exemptions Pursuant to 11 U.S.C. § 105 fr. 4/8/25

Docket 58

Tentative Ruling:

Grant the motion for order deeming pleadings filed by Antonio Leon ("Judgment Creditor") as timely objection to Debtor's scheduled exemptions (dkt. 58, the "Exemption Motion") as set forth below. Appearances required.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

Key documents reviewed (in addition to motion papers): Judgment Creditor's limited opposition to emergency motion for turnover of property of the debtor (Adv. No. 2:24-ap-01273-NB, dkt. 9, the "Turnover Opposition"); Motion for order valuing liens in accounts (*id.*, dkt. 38, "Lien Valuation Motion"); Debtor's opposition (dkt. 77), Judgment Creditor's reply (dkt. 82)

Analysis:

The tentative ruling is to grant the Exemption Motion as follows.

(a) Factual Background

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Hearing Room 1545

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CONT...

Georgia K Bode

Chapter 11

(1) The State Court Action

On 3/21/24, the Los Angeles Superior Court ("State Court") entered a judgment in favor of Judgment Creditor and against Debtor in the amount of \$12,478,222.95 (the "Judgment"). Debtor has appealed the Judgment.

Following entry of the Judgment, Judgment Creditor obtained a writ of execution from the State Court and requested that the Los Angeles Sheriff levy funds and investments in deposit accounts maintained in Debtor and/or her late husband's names at several banks. The banks turned over approximately \$1,338,683.74 (the "Levied Funds") to the levying officer.

On 9/30/24, the State Court ruled that \$384,143.02 of the Levied Funds were exempt and had to be returned to Debtor.

(2) The Bankruptcy Case

On 12/4/24 Debtor filed this bankruptcy case. On 1/6/25 Debtor filed her Bankruptcy Schedule C (Dkt. 32, PDF pp. 11-13, "Schedule C") claiming exemptions in the following accounts (the "Accounts"):

<u>Account Holder</u>	<u>Acct #</u>	<u>Approximate Value</u>
JPMS	6945	\$2,350,000.00
Equitable Life Ins.	9594	\$600,000.00
JMPS	2872	\$1,000,000.00
JPMS	5371	\$670,000.00
JPMS	6950	\$890,000.00
Wells Fargo Bank	2183	\$0.00
Citibank	7373	\$0.00
Citibank	3084	\$3.37
Citibank	5405	\$386.44
Citibank	4993	\$0.00
Prepetition Levied Funds		\$1,338,683.74

On 1/10/25, the section 341(a) meeting of creditors was held and concluded.

(3) The Turnover Adversary

On 12/17/24 Debtor filed a complaint seeking turnover of property and release of the Levied Funds. Adv. No. 2:24-ap-01273-NB ("Turnover Adversary").

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Georgia K Bode

Chapter 11

(A) Emergency Turnover Motion

On 12/18/24 Debtor filed an emergency motion for turnover of funds in certain bank accounts and the portion of the Levied Funds determined to be exempt by the State Court. *Id.*, dkt. 3. Judgment Creditor filed the Limited Opposition (*id.*, dkt. 9) opposing the release of funds beyond the exempt portion on the grounds that "[u]nder California law the [remaining Levied Funds] became [Judgment Creditor's] property upon being levied" and did not constitute property of Debtor's bankruptcy estate. *Id.* p. 5:18-20. Judgment Creditor also requested that the freeze on the remaining bank accounts continue "until the Court determines their exempt status, if any." *Id.* p. 5:23-25.

After the hearing on the emergency turnover motion, this Court entered an order (Turnover Adversary, dkt. 19, "Turnover Order") that, among other things, directed Judgment creditor to file and serve "a motion (e.g., a motion for partial summary judgment or a motion for preliminary injunctive relief, or other form of motion – all rights are reserved regarding the appropriate form of motion or brief) regarding the scope of [Judgment Creditor's] pre-petition levies and of any other basis or argument upon which [he] claims to hold an interest in any accounts of Debtor and/or her late husband" *Id.* pp. 3:26-4:3.

(B) Lien Valuation Motion

On 1/23/25 Judgment Creditor filed the Lien Valuation Motion (Turnover Adversary, dkt. 38) seeking "a determination of the value of the non-exempt portions of [Debtor's] interest in [the Accounts]." *Id.*, p. 3:14-25. Among other things, Judgment Creditor argued that:

Debtor has claimed exemptions for all the accounts in her or her deceased husband's name on her Schedule C in the full amount of the balances. However, many of the claimed exemptions are limited in amount. For example, Debtor seeks to exempt a combined \$1,669,361.63 in JPMS accounts ending in 2872 and 5731 under Cal. Code Civ. Proc. [section] 704.225, which states, '[m]oney in a judgment debtor's deposit account that is not otherwise exempt under this chapter is exempt to the extent necessary for the support of the judgment debtor and the spouse and dependents of the judgment debtor.'

Similarly, Debtor seeks to exempt a combined \$2,951,040.31 in funds in IRAs at JPMS and through Equitable Life Insurance under

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Chapter 11

Cal. Code Civ. Proc. [section] 704.225. However, subsection (e)(1) may limit the amount of exemption ‘ . . . only to the extent necessary to provide for the support of the judgment debtor when the judgment debtor retires and for the support of the spouse and dependents of the judgment debtor, taking into account all resources that are likely to be available for the support of the judgment debtor when the judgment debtor retires.’

Debtor bears the burden of proof to establish the amount of her exemptions. Cal. Code Civ. Proc. [section] 703.580(b) states, ‘[a]t a hearing under this section, the exemption claimant has the burden of proof.’ Moreover, in bankruptcy where state law shifts the burden of proof to the debtor, FRBP 4003(c) does not change that allocation.’ *In re Diaz*, 547 B.R. 329, 337 (B.A.P. 9th Cir. 2016). Thus, the Court should not permit Debtor to summarily claim any accounts as exempt at this stage. Debtor must first meet her burden of proof. [Lien Valuation Motion (adv. dkt. 38), pp. 10:9-11:2]

At the hearing on the Lien Valuation Motion, this Court highlighted that the motion was procedurally improper under Rule 7001(b) (Fed. R. Bankr. P.) and set a deadline for Judgment Creditor to file a motion for leave to amend his answer to assert counterclaims seeking the relief requested in the Lien Valuation Motion. Turnover Action, dkt. 50.

(b) Discussion

(1) Rule 4003(b)

The parties’ dispute concerns the sufficiency of an objection to a debtor’s claimed exemption under Rule 4003(b) (Fed. R. Bankr. P.), which provides:

- (1) [With inapplicable exceptions,] a party in interest may file an objection to a claimed exemption within 30 days after the later of:
- the conclusion of the [section] 341 [11 U.S.C. 341] meeting of creditors;
 - the filing of an amendment to the list; or
 - the filing of a supplemental schedule.
- [Rule 4003(b)(1) (Fed. R. Bankr. P.)]

(2) The parties’ disputes

Judgment Creditor seeks an order deeming the Limited Opposition and/or

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Lien Valuation Motion as a timely filed objection to the exemptions Debtor claimed on Schedule C because those pleadings put Debtor on notice that Judgment Creditor disputed her characterization of the Accounts as fully exempt and Judgment Creditor's failure to file a formal exemption objection puts form over substance and would give Debtor an unfair windfall that would greatly prejudice his ability to collect on the Judgment. Exemption Motion (dkt. 58), pp. 11:17-13:10.

Debtor argues that (x) Rule 4003(b)'s time limitation is to be interpreted literally, (y) Judgment Creditor did not timely file an objection to her claimed exemptions, and (z) neither the Limited Opposition nor the Lien Valuation Motion should be construed as an objection to her exemptions because the Limited Opposition at best refers to a possible future objection (dkt. 77, p. 10:24-26) and the Lien Valuation seeks entirely different relief and is a procedurally nullity in violation of Rules 12 and 13 (Fed. R. Civ. P.). *Id.* pp. 10:13-15:3.

(3) Legal standard

Rule 4003(b) (Fed. R. Bankr. P.) sets forth the procedures for objecting to a claim of exemptions. If no objection is filed within the period proscribed by Rule 4003(b) the debtor's claimed exemption is valid regardless of whether the debtor had a colorable statutory basis for claiming it. *Taylor & Kronz*, 503 U.S. 638, 643-44 (1992). However, "unlike some other bankruptcy rules, [Rule 4003(b)] proscribes no particular form for objections to exemption claims." *In re Lee*, 889 F.3d 639, 644 (9th Cir. 2018) (quoting *In re Spangler*, 212 B.R. 625, 629 (9th Cir. BAP 1997). "It's purpose ... is to provide the debtor with timely notice that the Trustee or other interested party objects to a debtor's claimed exemption." *Id.*

(4) Debtor was on notice of Judgment Creditor's objections to her claimed exemptions

As a preliminary matter, this Court notes that the Limited Opposition was filed before Debtor filed Schedule C and the parties do not sufficiently address whether a pleading filed before property is claimed as exempt can constitute a timely objection to an exemption under Rule 4003(b). But the tentative ruling is that it can.

Alternatively, even if it were could not constitute a timely objection in and of itself, it constituted a timely objection in conjunction with the Lien Valuation Motion, which was filed within the 30-day period after Debtor filed Schedule C, as

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prescribed by Rule 4003(b), and sufficiently put Debtor on notice of the basis for Judgment Creditor's objections to her claimed exemptions. Alternatively, the tentative ruling is that the Lien Valuation Motion by itself was sufficient.

Debtor is correct that neither the Limited Opposition nor the Lien Valuation Motion is styled as an "objection to exemption." But, as noted in *Spenler*, "[t]here are numerous cases where actions taken by a creditor or a trustee were 'deemed' objections under 4003(b), even though no pleading styled 'objection to exemption' was filed." 212 B.R. 625, 630 (citing *In re Breen*, 123 B.R. 357, 360 (9th Cir. BAP 1991) (holding that a trustee's motion for relief from the automatic stay constituted a timely objection to the debtor's claim of exemption of a truck); *In re Young*, 806 F.2d 1303 (5th Cir. 1987) (finding motion by trustee requesting that owner of annuity make all future payments to trustee to be a timely objection); *In re Brawn*, 138 B.R. 327, 333 (Bankr. D. Maine 1992) (finding a response to debtor's motion to avoid a judicial lien "manifested [creditor's] intention to contest [the debtor's] exemption claim and effectively communicated that intention to [the debtor] and the court well within Rule 4003(b)'s thirty day period")).

Debtor also contends that this Court should decline to consider the Lien Valuation Motion because it is a "procedural nullity" filed in violation of Rules 12 and 13 (Fed. R. Civ. P.). Opp. (dkt. 77), pp. 10:13-11:2. But Debtor fails to cite any legal authority in support of that contention and the tentative ruling is that penalizing Judgment Creditor for seeking that relief through a motion rather than through a counterclaim in his answer would appear to be inconsistent with the authorities cited in the parties' papers.

Therefore, the relevant inquiry is whether Debtor was afforded timely notice that Judgment Creditor objected to her claimed exemptions. The tentative ruling is that she was. The Limited Opposition stated that Leon "opposes" turnover to the extent of any exemption "in excess of the \$384,143.02 determined by [the State Court] to be exempt" and proposes that funds be frozen or held in blocked accounts until a determination "to what extent [those funds] are exempt." See Debtor Opp. (dkt. 76) pp. 6:28-7:8 (quoting Limited Opposition).

Similarly, the Lien Valuation Motion seeks "a determination of the value of the non-exempt portions of [Debtor's] interest in [the Accounts]." Turnover Adversary (dkt. 38) p. 3:14-25. Any determination regarding the extent of Judgment Creditor's liens on the non-exempt portions of Debtor's interest in the Accounts is inextricably intertwined with her exemptions and will require this Court to determine what portion of Debtor's interest in the Accounts is exempt.

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Georgia K Bode

Chapter 11

Additionally, the Lien Valuation Motion cites specific grounds upon which Judgment Creditor objects to Debtor's claimed exemptions – he argues that under California law Debtor's entitlement to exempt various accounts is limited to the amount "necessary for Debtor's support." *Id.*, pp. 10:9-11:2. If Debtor were entitled to exempt the entirety of her interests in the Accounts then the Lien Valuation Motion would have been pointless. Although it would have been better for Judgment Creditor to have filed a separate pleading styled as an objection to Debtors' exemptions, under applicable Ninth Circuit authority, he did not need to. *See In re Wharton*, 563 B.R. 289, 296 (9th Cir. BAP 2017).

(c) Conclusion

For the reasons set forth above, the tentative ruling is to grant the Exemption Motion.

The parties are directed to address whether this Court should set an evidentiary hearing and/or establish a briefing scheduled to determine the dollar amount of Debtor's exemptions in the Accounts.

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Movant(s):

Antonio Leon

Represented By
Armen Manassarian

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2:24-19904 Georgia K Bode

Chapter 11

#19.00 Cont'd hrg re: Motion in Individual Ch 11 Case for Order approving budget for the use of the debtor's cash and postpetition income fr. 2/25/25

Docket 31

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for the status conference (Calendar No. 20, 5/6/25 at 1:00 p.m.).

Tentative Ruling for 2/25/25:

Please see the tentative ruling for the status conference (Calendar No. 16, 2/25/25 at 1:00 p.m.).

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Movant(s):

Georgia K Bode

Represented By
David B Zolkin
David B Zolkin
Sean A OKeefe
Sean A OKeefe

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Chapter 11

#20.00 Cont'd Status conference re: Chapter 11 case
fr. 1/7/25, 2/25/25, 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

(a) Motion for reconsideration of March 3, 2025 order (dkt. 53, "LACERA Pension Order") filed by Antonio Leon ("Judgment Creditor") (dkt. 57, "Reconsideration Motion"), Order setting hearing and briefing schedule (dkt. 61), Opposition (dkt. 76), Reply (dkt. 82)

If this Court is persuaded to stick with its tentative ruling is granting the Exemption Motion (see Calendar No. 18 on today's calendar), the tentative ruling is to grant the Reconsideration Motion.

(b) Motion to extend exclusivity periods (dkt. 69), no opposition on file
Grant in part. The tentative ruling is to grant Debtor's request to extend the exclusivity periods for Debtor to (i) file a plan to 8/1/25, and (ii) gain acceptances of the plan to 9/30/25 (the "Exclusivity Periods").

The tentative ruling is to grant in part Debtor's request to extend the 5/30/25 deadline previously set by this Court for Debtor to file (BUT NOT SERVE - except on the U.S. Trustee) a plan and disclosure statement, but only to 8/1/25 to be concurrent with the extended exclusivity period for Debtor to file a plan.

All rights are reserved for Debtor to seek further extensions of the

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CONT... **Georgia K Bode**
foregoing deadlines in future.

Chapter 11

(c) Motion for order deeming pleadings as a timely objection to Debtor's exemptions (dkt. 58, "Exemption Motion"), Order continuing hearing and briefing schedule (dkt. 60), Opposition (dkt. 77), Reply (dkt. 82)

Grant as set forth in Calendar No. 18 on today's calendar.

(d) Budget motion (dkt. 31), Opposition of Judgment Creditor (dkt. 42), Notice of hearing (dkt. 46), Debtor's reply (dkt. 49), Order granting budget motion in part (dkt. 54)

The parties are directed to appear to address whether any final determination on Debtor's budget should be continued until after Debtor's disputes with Judgment Creditor regarding the extent of her claimed exemptions has been resolved because then this Court can address whether any proposed use of non-exempt funds is appropriate.

(f) Turnover Action (Adv. No. 2:24-ap-01273-NB)

Please see the tentative ruling for Calendar No. 18 on today's calendar.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

(2) Dates/procedures. This case was filed on 12/4/24.

(a) Bar date: 4/11/25 (dkt. 33) (timely served, dkt. 36).

(b) Procedures Order: dkt. 6 (not timely served, but served soon after deadline, which gives notice of matters therein, dkt. 10)

(c) Plan/Disclosure Statement: file by 8/1/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: 8/5/25 at 1:00 p.m. Brief status report due 7/22/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

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Chapter 11

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

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2:24-19904 Georgia K Bode

Chapter 11

Adv#: 2:24-01273 Bode v. Luna et al

#21.00 Cont'd hrg re: Motion for Order Valuing Liens in Accounts
fr. 2/25/25

Docket 38

Tentative Ruling:

Tentative Ruling for 5/6/25:

Please see the tentative ruling for the adversary proceeding status conference
(Calendar No. 23, 5/6/25 at 1:00 p.m.).

Tentative Ruling for 2/25/25:

Please see the tentative ruling for the adversary proceeding status conference
(Calendar No. 18, 2/25/25 at 1:00 p.m.).

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Defendant(s):

Robert G Luna

Pro Se

Antonio Leon

Represented By
Armen Manassarian

JPMORGAN CHASE BANK, N.A.

Represented By
Christopher R Fredrich

J.P. Morgan Securities, LLC

Represented By
Christopher R Fredrich

CITIBANK, N.A.

Pro Se

WELLS FARGO BANK, N.A.

Represented By

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Chapter 11

Lisa Yun Pruitt

Movant(s):

Antonio Leon

Represented By
Armen Manasserian

Plaintiff(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

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2:24-19904 Georgia K Bode

Chapter 11

Adv#: 2:24-01273 Bode v. Luna et al

#22.00 Cont'd hrg re: Motion for leave to file an amended answer to assert counterclaim [FRBP 7015 and FRCP 15 (A)(2)] fr. 4/8/25

Docket 59

Tentative Ruling:

Please see the tentative ruling for the adversary proceeding status conference (Calendar No. 23, 5/6/25 at 1:00 p.m.).

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Defendant(s):

Robert G Luna

Pro Se

Antonio Leon

Represented By
Armen Manasserian

JPMORGAN CHASE BANK, N.A.

Represented By
Christopher R Fredrich

J.P. Morgan Securities, LLC

Represented By
Christopher R Fredrich

CITIBANK, N.A.

Pro Se

WELLS FARGO BANK, N.A.

Represented By
Lisa Yun Pruitt

Movant(s):

Antonio Leon

Represented By

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CONT... Georgia K Bode

Armen Manasserian

Chapter 11

Plaintiff(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

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2:24-19904 Georgia K Bode

Chapter 11

Adv#: 2:24-01273 Bode v. Luna et al

#23.00 Cont'd Status Conference re: Complaint for Turnover of
Property and Release of Frozen Accounts
fr. 2/25/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:
Appearances required.

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 65) and the other filed documents and records in this adversary proceeding.

(a) Motion of Defendant/Judgment Creditor for order valuing liens (adv. dkt. 38, "Lien Valuation Motion"), Plaintiff/Debtor's opposition (adv. dkt. 42, 43), Response of JPMS & JPMC (adv. dkt. 44) Judgment Creditor's reply (adv. dkt. 46), Supplemental opposition (dkt. 63) and reply (dkt. 64)

The parties are directed to address how this Court should address the procedural and substantive issues raised by this motion in view of this Court's ruling regarding Judgment Creditor's Exemption Motion (see No. 18 on today's calendar, 5/6/25 at 1:00 p.m.).

(b) Motion for leave to file amended answer to assert counterclaims (adv. dkt. 59), order setting hearing (dkt. 61), no opposition on file

Grant. The tentative ruling is to set a **deadline of 5/13/25** for Judgment Creditor to file the amended answer attached to the motion.

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Georgia K Bode

Chapter 11

Proposed order(s): Unless otherwise ordered, Movants are directed to lodge proposed order(s) on the foregoing matter(s) via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)). A copy of this tentative ruling must be attached to the order regarding the Lien Valuation Motion, thereby incorporating it as this Court's actual ruling (except as it may be modified at the hearing).

(2) Standard requirements

The following are Judge Bason's standard requirements for status conferences. (To the extent that the parties have already addressed these issues in their status report, they need not repeat their positions at the status conference.)

(a) Venue/jurisdiction/authority

Matters of venue, jurisdiction, and authority have been determined and/or waived or forfeited (adv. dkt. 45, p. 4, para. f)

(b) Mediation

See Part (1)(a) above.

(c) Deadlines

This adversary proceeding has been pending since 12/17/24.

Pursuant to LBR 9021-1(b)(1)(B), plaintiff is directed to lodge a proposed order via LOU within 7 days after the status conference, attaching a copy of this tentative ruling or otherwise memorializing the following.

Joinder of parties/amendment of pleadings-deadline: TBD

Discovery cutoff (for *completion* of discovery): TBD

Expert(s) - deadline for reports: TBD

Expert(s) - discovery cutoff (if different from above): TBD

Dispositive motions to be heard no later than: TBD

Joint Status Report: 7/22/25

Continued status conference: 8/5/25 at 1:00 p.m. (contemporaneous with the Status Conference in the bankruptcy case in chief).

Lodge Joint Proposed Pretrial Order: TBD

Pretrial conference: TBD

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Chapter 11

Deliver trial exhibits to other parties and chambers, including direct
testimony by declaration unless excused: TBD
Trial commencement: TBD

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

Defendant(s):

Robert G Luna

Pro Se

Antonio Leon

Represented By
Armen Manassarian

JPMORGAN CHASE BANK, N.A.

Represented By
Christopher R Fredrich

J.P. Morgan Securities, LLC

Represented By
Christopher R Fredrich

CITIBANK, N.A.

Pro Se

WELLS FARGO BANK, N.A.

Represented By
Lisa Yun Pruitt

Plaintiff(s):

Georgia K Bode

Represented By
David B Zolkin
Sean A OKeefe

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2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01071 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#24.00 Cont'd Status conference re: Complaint for: (1) Avoidance of preferential transfer [11 U.S.C. section 547]; (2) Avoidance of actual fraudulent transfers [11 U.S.C. section 548(a)(1)(A)]; (3) Avoidance of constructive fraudulent transfers [11 U.S.C. section 548(a)(1)(B)]; (4) Recovery of avoided transfers [11 U.S.C. section 550]; and (5) Disallowance of claims [11 U.S.C. section 502]
fr. 6/25/24, 8/6/24, 10/22/24, 2/11/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Continue to 6/3/25 at 2:00 p.m., with a status report due by 5/20/25, to provide time for the newly-elected Chapter 7 Trustee (the "Trustee") to familiarize himself with this matter. See Stat. Rpt. (adv. dkt. 31), *and* Case No. 2:22-bk-11471-NB, dkt. 403 (report filed by United States Trustee in Debtor's bankruptcy case-in-chief stating that Jeffrey I. Golden was elected as Trustee). Appearances are not required on 5/6/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Cherry Man Industries, Inc.

Represented By
David S Kupetz
Asa S Hami
Victor A Sahn
Hamid R Rafatjoo
David B Golubchik

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Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Defendant(s):

VERIZON COMMUNICATIONS,

Represented By
Lawrence J Hilton

XO Communications Services, LLC

Represented By
Lawrence J Hilton

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

Trustee(s):

Jeffrey I Golden (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

1:00 PM

2:23-18579 Clinical Edify

Chapter 7

Adv#: 2:24-01087 American Career College, Inc. et al v. Clinical Edify et al

#25.00 Cont'd Status conference re: Complaint to
hold debtor liable on creditors' judgment
fr. 6/4/24, 7/16/24, 9/24/24, 11/19/24, 2/11/25

Docket 1

Tentative Ruling:

Tentative Ruling for 5/6/25:

Continue the status conference as set forth below. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted Tentative Rulings.

(1) Current issues

This Court has reviewed the parties' joint status report (adv. dkt. 12) and the other filed documents and records in this adversary proceeding, and has no issues to raise *sua sponte* at this time. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide sufficient time for the parties to obtain approval of their global settlement agreement. See Status Report (adv. dkt. 12) at p. 4, ¶ G.

(2) Standard requirements

[Intentionally omitted, except as set forth below.]

* * *

(c) Deadlines

This adversary proceeding has been pending since 4/1/24.

Continued status conference: 8/5/25 at 1:00 p.m. (even if this adversary

**United States Bankruptcy Court
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CONT... Clinical Edify

Chapter 7

proceeding is dismissed, to deal with any proper post-dismissal matters). If this adversary proceeding is not dismissed then a *brief* status report is due by 7/29/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Clinical Edify

Pro Se

Defendant(s):

Clinical Edify

Represented By
Steven R Fox

Howard M. Ehrenberg, Chapter 7

Represented By
Mark S Horoupian
Steve Burnell

Plaintiff(s):

American Career College, Inc.

Represented By
Miles D Grant
Alexander J Kessler

West Coast University, Inc.

Represented By
Miles D Grant
Alexander J Kessler

Trustee(s):

Howard M Ehrenberg (TR)

Represented By
Steve Burnell
Mark S Horoupian

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, May 6, 2025

Hearing Room 1545

2:00 PM

2:24-17161 Meghan, Inc.

Chapter 11

#1.00 Hrg re: Second and Final Fee Application for
compensation and reimbursement of expenses
of Michael Jay Berger

Docket 114

Tentative Ruling:

Please see the tentative ruling for Calendar No. 3 (5/6/25 at 2:00 p.m.).

Party Information

Debtor(s):

Meghan, Inc.

Represented By
Michael Jay Berger
Law Offices of Michael Jay Berger

Trustee(s):

Moriah Douglas Flahaut (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

2:00 PM

2:24-17161 Meghan, Inc.

Chapter 11

#2.00 Hrg re: Application for payment of final fees and/or
expenses for Moriah Douglas Flahaut, Subchapter V Trustee

Docket 111

Tentative Ruling:

Please see the tentative ruling for Calendar No. 3 (5/6/25 at 2:00 p.m.).

Party Information

Debtor(s):

Meghan, Inc.

Represented By
Michael Jay Berger
Law Offices of Michael Jay Berger

Trustee(s):

Moriah Douglas Flahaut (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
Courtroom 1545 Calendar**

Tuesday, May 6, 2025

Hearing Room 1545

2:00 PM

2:24-17161 Meghan, Inc.

Chapter 11

#3.00 Status Conference re: Post Confirmation
fr. SK calendar

Docket 1

Tentative Ruling:

Approve the final fee applications filed by Debtor's general bankruptcy counsel and the SubChapter v Trustee, and maintain the previously ordered date for the post-confirmation status conference, all as set forth below. Appearances are not required on 5/6/25. (If you wish to contest the tentative ruling, see the Posted Procedures of Judge Bason, available at www.cacb.uscourts.gov, then search for "tentative rulings.")

If you are making an appearance, you may do so (1) in person in the courtroom, unless the Court has been closed (check the Court's website for public notices), (2) via ZoomGov video, or (3) via ZoomGov telephone. For ZoomGov instructions for all matters on calendar, please see page 1 of the posted tentative rulings.

(1) Current issues

(a) Fee application of Debtor's general bankruptcy counsel (dkt. 114–15), No opposition on file

Allow \$9,954.00 in fees and \$416.05 in expenses sought in connection with this fee application, on a final basis, for a total award of \$10,370.05; approve as final all fees and expenses previously awarded on an interim basis (see dkt. 98); and authorize and direct payment of the full amounts allowed, to the extent not previously paid.

(b) Fee application of Subchapter V Trustee (dkt. 114–15), No opposition on file

Allow \$4,080.00 in fees sought in connection with this fee application (no expenses have been requested), on a final basis, for a total award of \$4,080.00; approve as final all fees and expenses previously awarded on an interim basis (see dkt. 95); and authorize and direct payment of the full amounts allowed, to

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2:00 PM

CONT... **Meghan, Inc.**
the extent not previously paid.

Chapter 11

Proposed orders: Unless otherwise ordered, Applicants are directed to lodge proposed orders on the foregoing matter via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)).

(2) Dates/procedures. This subchapter V case was filed on 9/3/24, and was reassigned from the Hon. Sandra Klein to the Hon. Neil W. Bason on 3/3/25.

(a) Bar date: 11/12/24 per General Order 20-01 (70 days after petition date in Subchapter V cases) (DO NOT SERVE any notice: one has already been sent, see dkt. 19)

(b) Procedures Order: dkt. 3 (issued by Judge Klein)

(c) Plan (dkt. 61): Plan confirmed on 3/5/25 (dkt. 104).

(d) Post-confirmation status conference: 7/15/25 at 1:00 p.m., as previously ordered (dkt. 104). Post-confirmation status report due by 7/1/25.

Party Information

Debtor(s):

Meghan, Inc.

Represented By
Michael Jay Berger
Law Offices of Michael Jay Berger

Movant(s):

Meghan, Inc.

Represented By
Michael Jay Berger
Michael Jay Berger
Law Offices of Michael Jay Berger
Law Offices of Michael Jay Berger

Trustee(s):

Moriah Douglas Flahaut (TR)

Pro Se