

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

Tuesday, June 3, 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: 161 023 0742

Password: 946301

Meeting URL: <https://cacb.zoomgov.com/j/1610230742>

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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CONT...

Chapter

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
Central District of California
Los Angeles
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Courtroom 1545 Calendar**

Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:24-10152 Jimmy Alexander

Chapter 13

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

NEWREZ LLC
vs
DEBTOR

Docket 77

***** VACATED *** REASON: Continued to 7/8/25 at 10:00 a.m. per stipulation (dkt. 80) and order thereon.**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Jimmy Alexander

Represented By
Joseph A Weber
Fritz J Firman

Movant(s):

NewRez LLC d/b/a Shellpoint

Represented By
Jacqueline D Serrao

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:24-13820 Francesca Miller

Chapter 13

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

NEWREZ LLC
vs
DEBTOR

Docket 42

***** VACATED *** REASON: Order approving stip to cont'd hearing to
7/8/25 at 10:00 a.m.**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Francesca Miller

Represented By
Matthew D. Resnik

Movant(s):

NewRez LLC d/b/a Shellpoint

Represented By
Jacqueline D Serrao

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, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-12801 Sara D Lemus

Chapter 7

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

MERCEDES-BENZ FINANCIAL SERVICES
USA LLC
vs
DEBTOR

Docket 10

Tentative Ruling:

Grant as set forth below.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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

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

CONT...

Sara D Lemus

Chapter 7

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):

Sara D Lemus

Pro Se

Movant(s):

Mercedes-Benz Financial Services

Represented By
Sheryl K Ith

Trustee(s):

Jason M Rund (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-13962 Jill Collins

Chapter 13

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

ROBERT P. MOSIER
vs
DEBTOR

Docket 9

Tentative Ruling:

Grant.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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).

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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10:00 AM

CONT... Jill Collins

Chapter 13

Relief notwithstanding *future* bankruptcy cases

Grant the following relief pursuant to the legal analysis in *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:

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 two years 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.

Note: Per the Posted Procedures of Judge Bason (available at www.cacb.uscourts.gov) this Court's order will state that the Court "does not make" a finding that Debtor was involved in the "scheme" referenced in section 362(d)(4), unless there is sufficient evidence that Debtor was involved and Debtor is given clear notice that the movant seeks an express finding that Debtor was involved. The tentative ruling in this particular case is that there is sufficient evidence and notice.

Note: Movant ("Receiver") seeks in rem relief pursuant to 11 U.S.C. 362(d)(4). That section applies, by its terms, only to "a creditor whose claim is secured by an interest in [the] real property," and although it is possible that Receiver has a lien by virtue of receiver's certificates or otherwise, the record does not include any evidence of any such lien. Cf. R/S Motion (dkt. 9) Ex. 1 (Order appointing Receiver) (providing for payment of fees and expenses, but not expressly providing for liens); *and see generally, e.g., City of Sierra Madre v. SunTrust Mtg., Inc.*, 32 Cal.App.5th 648, 658-61 (2019) (recognizing historical primacy of receivers' liens).

Nevertheless, the tentative ruling is that it is possible and appropriate to grant *in rem* relief pursuant to alternative authority, as set forth above.

Effective date of relief

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CONT...

Jill Collins

Chapter 13

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):

Jill Collins

Pro Se

Movant(s):

Robert P. Mosier, State Court

Represented By
Robert P Goe

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-12960 SR INNOVATIONS LLC

Chapter 7

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

NEXUS MANAGEMENT LLC
vs
DEBTOR

Docket 16

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 matter(s) addressed here 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... SR INNOVATIONS LLC

Chapter 7

Relief notwithstanding *future* bankruptcy cases

Deny, without prejudice to any other types of relief granted herein (or previously granted).

The motion requests "*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)). The tentative ruling is to deny that request for lack of sufficient cause shown: there is no evidence of the type typically required for such relief, such as multiple bankruptcy filings or unauthorized transfers combined with a scheme to delay, hinder or defraud creditors.

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):

SR INNOVATIONS LLC

Represented By
David L Shin

Movant(s):

Nexus Management LLC

Represented By
Dariush Alamdari

Trustee(s):

Brad D Krasnoff (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:24-14106 Richard Anthony Houstman and Michele Ann Houstman

Chapter 13

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

NEWREZ LLC
vs
DEBTOR

Docket 34

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

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Richard Anthony Houstman

Represented By
Michael E Clark
Barry E Borowitz

Joint Debtor(s):

Michele Ann Houstman

Represented By
Michael E Clark
Barry E Borowitz

Movant(s):

NewRez LLC d/b/a Shellpoint

Represented By
Dane W Exnowski
Fanny Zhang Wan
Kinnera Bhoopal

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:24-20467 Barbara Hightower

Chapter 13

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

PHH MORTGAGE CORPORATION
vs
DEBTOR

Docket 30

Tentative Ruling:

Tentative Ruling for 6/3/25:

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. There is no tentative ruling, but the parties should be prepared to address (a) the status of the sale contemplated by Debtor and/or (b) whether they will agree to the terms of an adequate protection order (see Debtor's response, dkt. 34).

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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Central District of California
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10:00 AM

CONT... Barbara Hightower

Chapter 13

Debtor(s):

Barbara Hightower

Represented By
Joshua Sternberg

Movant(s):

PHH Mortgage Corporation

Represented By
David Coats
Sean C Ferry

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-11669 Mary Elizabeth Glynn

Chapter 13

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

PRIME/PARK LABREA TITLEHOLDER, LLC
vs
DEBTOR

Docket 20

Tentative Ruling:

Tentative Ruling for 6/3/25:

Appearances required.

At the hearing on 4/22/25, this Court was persuaded to continue this matter to today. This Court has reviewed the supplemental papers filed by Movant (dkt. 48-51) and Debtor's reply (dkt. 57). The parties are directed to address at the commencement of the hearing whether they have worked out any resolution of this matter. If not, this Court anticipates providing an oral tentative ruling, hearing any additional arguments, and then 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.

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.

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Central District of California
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10:00 AM

CONT... Mary Elizabeth Glynn

Chapter 13

Key documents reviewed (in addition to motion papers): Debtor's response (dkt. 26)

Debtor's ability to cure arrearages

The parties should be prepared to address (a) Debtor's ability to become current on the arrearages owed under the pre-petition Unlawful Detainer Stipulation (R/S Motion (dkt. 20-4) Ex. 4), (b) whether the parties are willing to agree to an adequate protection order, and (c) whether Debtor's alleged failure to make the payments required under the Unlawful Detainer Stipulation has terminated Debtor's rights under the lease.

11 U.S.C. 362(b) is inapplicable

Deny the request for an order confirming that no stay is in effect under 11 U.S.C. 362(b). Movant has not established an exception to the automatic stay under 11 U.S.C. 362(b) because although the Motion references 11 U.S.C. 362(b)(22) and 11 USC 362(l), the elements of those sections have not been established because Movant has not obtained a prepetition judgment for possession against Debtor. The document which Movant characterizes as a prepetition judgment for possession is in fact a stipulation that provides that "[j]udgment shall be entered ... only upon default by defendant [Debtor] in the performance of any obligations required by this stipulation." R/S Motion (dkt. 20-4) Ex. 4, para. 4. Movant acknowledges that an actual judgment for possession has *not* been issued. See Peremitko Decl. (dkt. 21) para. 8 (p. 2:20–21) ("Movant/Plaintiff is unable to proceed with having Judgment entered").

Party Information

Debtor(s):

Mary Elizabeth Glynn

Represented By
Juanita V Miller

Movant(s):

Prime/Park LaBrea Titleholder, LLC

Represented By
Allison Kathleen Higley

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, June 3, 2025

Hearing Room 1545

10:00 AM

CONT... Mary Elizabeth Glynn

Chapter 13

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

Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-11195 Marco Antonio Hernandez

Chapter 7

#9.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 5/27/25

U.S. BANK TRUST NATIONAL ASSOC
vs
DEBTOR

Docket 45

Tentative Ruling:

Grant as set forth below.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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): Debtor's limited opposition (dkt. 51)

Termination

Terminate the automatic stay under 11 U.S.C. 362(d)(1) and (d)(4).

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

**United States Bankruptcy Court
Central District of California
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CONT... Marco Antonio Hernandez

Chapter 7

present record. See *In re Ervin* (Case No. 14-bk-18204-NB, docket no. 311).

Relief notwithstanding future bankruptcy cases

Grant the following relief pursuant to 11 U.S.C. 362(d)(4) and the legal analysis in *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:

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 two years 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.

Note: Per the Posted Procedures of Judge Bason (available at www.cacb.uscourts.gov) this Court's order will state that the Court "does not make" a finding that Debtor was involved in the "scheme" referenced in section 362(d)(4), unless there is sufficient evidence that Debtor was involved and Debtor is given clear notice that the movant seeks an express finding that Debtor was involved. The tentative ruling in this particular case is that there is not sufficient evidence and notice.

No prejudice to Debtor intended. Based on the record, it appears that this might be a "hijacked" case, and that Debtor might be innocent of any involvement. See e.g., *In re Vazquez*, 580 B.R. 526 (Bankr. C.D. Cal. 2017) (describing hijacking); *In re Dorsey*, 476 B.R. 261 (Bankr. C.D. Cal. 2012) (same). In a hijacking case, the Debtor faces the legitimate concern of being subject to a 180-day bar and other adverse consequences if, for example, Debtor later requests and obtains a voluntary dismissal and subsequently needs to file another bankruptcy petition. See, e.g., 11 U.S.C. 109(g)(2), 362(b)(21)(A). There is authority that section 109 "eligibility issues" are nonjurisdictional, can be waived, forfeited, or subject to estoppel, and should not be applied if that would produce an "illogical, unjust, or capricious result, or when the benefit of dismissal would inure to a bad faith creditor." *In re Leaffy*, 489 B.R. 545, 550-51 (9th Cir. BAP 2012) (citing cases including under 109(g)(2)). See also *In re Mendez*, 367 B.R. 109, 116-17 (9th Cir. BAP

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CONT... Marco Antonio Hernandez

Chapter 7

2007); *In re Luna*, 122 B.R. 575, 577 (9th Cir. BAP 1991); *Dorsey*, 476 B.R. 261, 270. The same principles apply to any other adverse consequences from a hijacking. Accordingly, the tentative ruling is to condition the relief from the automatic stay granted in this tentative ruling such that no adverse consequences apply to Debtor from the hijacking, including under 11 U.S.C. 109(g)(2) or 362(b)(21)(A). Note: None of the foregoing will shield Debtor if it turns out that Debtor was not, in fact, innocent of any involvement in the apparent hijacking or other abusive scheme.

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
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Los Angeles
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10:00 AM

2:24-18075 Jonathan Jones

Chapter 13

#10.00 Cont'd hrg re: Motion for relief from stay [RP]
fr. 3/18/25, 4/8/25, 5/6/25

WEST COAST SERVICING, INC.
vs
DEBTOR

Docket 33

Tentative Ruling:

Tentative Ruling for 6/3/25:

Appearances required.

At the hearing on 5/6/25 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 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.

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CONT... Jonathan Jones

Chapter 13

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 rulings.

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

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10:00 AM

CONT... **Jonathan Jones** **Chapter 13**
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

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
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Hearing Room 1545

10:00 AM

2:24-18036 Vera Tretoshka Kearns

Chapter 13

#11.00 Cont'd hrg re: Motion for relief from stay [PP]
fr. 5/20/25

SCHOOLSFIRST FEDERAL CREDIT UNION
vs
DEBTOR

Docket 29

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

Tentative Ruling:

Party Information

Debtor(s):

Vera Tretoshka Kearns

Represented By
H. Jasmine Papian

Movant(s):

SchoolsFirst Federal Credit Union

Represented By
Paul V Reza

Trustee(s):

Kathy A Dockery (TR)

Pro Se

**United States Bankruptcy Court
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Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

10:00 AM

2:25-13048 RD William Whittington

Chapter 7

#12.00 Cont'd hrg re: Motion for relief from stay [PP]
fr. 5/20/25

HFC ACCEPTANCE, LLC
vs
DEBTOR

Docket 29

***** VACATED *** REASON: Resolved by stipulation (dkt. 35) and order
thereon**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

RD William Whittington

Represented By
Matthew D. Resnik

Movant(s):

HFC Acceptance, LLC d/b/a

Represented By
Brian J. Hembd

Trustee(s):

John P Pringle (TR)

Pro Se

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Hearing Room 1545

11:00 AM

2:24-10815 Shantee Shantel Okpaikwo

Chapter 7

#1.00 Hrg re: Motion for an injunction under 11 U.S.C. section 110(j)(3) for failure to comply with a court order

Docket 35

Tentative Ruling:

Grant.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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).

Party Information

Debtor(s):

Shantee Shantel Okpaikwo

Pro Se

Movant(s):

United States Trustee (LA)

Represented By
Ron Maroko

Trustee(s):

Timothy Yoo (TR)

Pro Se

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CONT... Shanee Shantel Okpaikwo

Chapter 7

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Hearing Room 1545

11:00 AM

2:23-15048 Jorge E. Padilla

Chapter 7

#2.00 Hrg re: Trustee's final report and account;
Application for fees and expenses
[John P. Pringle, Chapter 7 Trustee]

Docket 73

Tentative Ruling:

Approve the final report and allow \$2,750.00 in fees and \$50.47 in expenses, for a total award of \$2,800.47, and authorize and direct payment of the full amounts allowed. 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: Unless otherwise ordered, Applicant is directed to lodge a proposed order on the foregoing matter 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):

Jorge E. Padilla

Represented By
Christopher J Lauria
Christopher J Langley

Trustee(s):

John P Pringle (TR)

Represented By
Michelle A Marchisotto

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11:00 AM

2:23-15048 Jorge E. Padilla

Chapter 7

#3.00 Hrg re: First and Final Application for Compensation for
Legal Services Rendered and Reimbursement of Expenses
Incurred by Attorneys for Chapter 7 Trustee

Docket 70

Tentative Ruling:

Allow \$22,705.00 in fees and \$632.45 in expenses, for a total award of \$23,336.45, and authorize and direct payment of the reduced amount of \$12,367.45 pursuant to Applicant's stipulation with Trustee (dkt. 71).
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: Unless otherwise ordered, Applicant is directed to lodge a proposed order on the foregoing matter 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):

Jorge E. Padilla

Represented By
Christopher J Lauria
Christopher J Langley

Movant(s):

Roquemore, Pringle & Moore, Inc.

Represented By
Michelle A Marchisotto

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11:00 AM

CONT... Jorge E. Padilla

Chapter 7

Trustee(s):

John P Pringle (TR)

Represented By
Michelle A Marchisotto

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

11:00 AM

2:23-18579 Clinical Edify

Chapter 7

#4.00 Hrg re: Motion to Approve Compromise between
Chapter 7 Trustee And Judgment Creditors

Docket 166

Tentative Ruling:

Grant the Rule 9019 Motion (dkt. 166–67) for the reasons set forth below.
Appearances required.

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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): N/A (no opposition on file as of the preparation of this tentative ruling).

Analysis:

The tentative ruling is to approve the proposed settlement agreement because the factors set forth in *In re A&C Properties*, 784 F.2d 1377, 1381 (9th Cir. 1986) have been satisfied. This Court notes that one component of the settlement agreement is that the settling parties have agreed to serve as the stalking horse bidders in an auction of most of the estate's assets. In some instances, a settlement agreement containing a sale component must be analyzed both under 11 U.S.C. 363 and Rule 6004 (Fed. R. Bankr. P.). See, e.g., *In re Mickey Thompson Ent. Grp., Inc.*, 292 B.R. 415, 421 (9th Cir. BAP 2003) ("We agree with the Third Circuit that the disposition by way of 'compromise' of a claim that is an asset of the estate is the equivalent of a

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CONT... Clinical Edify

Chapter 7

sale of the intangible property represented by the claim, which transaction simultaneously implicates the ‘sale’ provisions under section 363 as implemented by Rule 6004 and the ‘compromise’ procedure of Rule 9019(a).”). The settlement agreement before this Court does not appear to be one requiring analysis under both sections 363 and Rule 6004, because no causes of action belonging to the estate are being sold – instead, the compromise pertains to claims being asserted *against the estate* by the settling parties. See, e.g., *In re Lahijani*, 325 B.R. 282, 284 (B.A.P. 9th Cir. BAP 2005) (stating that it is the “*sale of* avoiding actions [that] may simultaneously implicate § 363 ‘sale’ analysis and ‘compromise’ analysis under Federal Rule of Bankruptcy Procedure 9019(a).”) (emphasis added). Put another way, the claims being settled are more appropriately viewed as *liabilities* of the estate, not *assets* of the estate. However, the tentative ruling is that, assuming solely for purposes of discussion that the settlement agreement somehow is subject to analysis under both section 363 and Rule 9019(a) (which it does not appear to be), approval of the settlement is nonetheless appropriate because no person has suggested that they would be prepared to purchase from Trustee the right to defend against the claims asserted by the settling parties.

Party Information

Debtor(s):

Clinical Edify

Pro Se

Movant(s):

Howard M Ehrenberg (TR)

Represented By
Steve Burnell
Mark S Horoupian

Trustee(s):

Howard M Ehrenberg (TR)

Represented By
Steve Burnell
Mark S Horoupian

**United States Bankruptcy Court
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Tuesday, June 3, 2025

Hearing Room 1545

11:00 AM

2:23-18579 Clinical Edify

Chapter 7

#5.00 Hrg re: Motion To Sell Substantially All Of The Estates
Assets, Free And Clear Of All Interests, And Related Relief

Docket 168

Tentative Ruling:

Appearances required. Grant the motion (dkt. 168-73) and approve the proposed sale, subject to (a) any overbids at the hearing and (b) submission of sufficient "good faith" declarations prior to submission of any proposed order approving the sale. See "Procedures of Judge Bason" (available at www.cacb.uscourts.gov) (search for "363(m)").

Proposed order(s): Unless otherwise ordered, Movant is directed to lodge proposed order(s) on the matter(s) addressed here 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): N/A (no opposition on file as of the preparation of this tentative ruling).

Party Information

Debtor(s):

Clinical Edify

Pro Se

Movant(s):

Howard M Ehrenberg (TR)

Represented By
Steve Burnell
Mark S Horoupian

**United States Bankruptcy Court
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11:00 AM

CONT... Clinical Edify

Chapter 7

Trustee(s):

Howard M Ehrenberg (TR)

Represented By
Steve Burnell
Mark S Horoupian

**United States Bankruptcy Court
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Tuesday, June 3, 2025

Hearing Room 1545

11:00 AM

2:24-13431 FAME Housing Corporation

Chapter 7

#6.00 Cont'd Status Conference re: Chapter 7 Case
fr. 6/25/24, 7/16/24, 8/27/24, 10/8/24, 11/19/24,
12/03/24, 12/10/24, 12/17/24, 1/21/25, 2/11/25,
3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue as set forth below. Appearances are not required on 6/3/25. (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 filed documents and records in this bankruptcy case and has no issues to raise *sua sponte*.

(2) Dates/procedures. This case was filed on 5/1/24. The Chapter 7 Trustee is temporarily operating the businesses of the three related debtors. See Order (dkt. 61) *and* 11 U.S.C. 721.

(a) Continued status conference: 7/15/25 at 11:00 a.m. No written status report is required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

FAME Housing Corporation

Represented By

**United States Bankruptcy Court
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11:00 AM

CONT... FAME Housing Corporation

Chapter 7

Gerald Edwin Rush II

Trustee(s):

John J Menchaca (TR)

Represented By
John N Tedford IV

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:24-18737 Jason Thomas Dent

Chapter 7

#7.00 Cont'd Preliminary hrg regarding certain disputes of Creditor Americredit Financial Services Inc. dba GM Financial as to that certain order and notice on reaffirmation agreement entered on March 17, 2025 [dkt. no. 40] fr. 4/22/25

Docket 42

***** VACATED *** REASON: Per stipulation (dkt. 59).**

Tentative Ruling:

Party Information

Debtor(s):

Jason Thomas Dent

Represented By
Charles J Brash

Trustee(s):

David M Goodrich (TR)

Pro Se

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:25-12001 Pacific Art Publishing LLC

Chapter 7

#8.00 Cont'd Status conference re: Chapter 7 Involuntary Petition
fr. 5/20/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 8/19/25 at 11:00 a.m., with a deadline of 8/5/25 for Jed Encelia Inc. ("Petitioning Creditor") to file a brief written status report, and a caution to Petitioning Creditor that failure in future to file status reports as directed by this Court may result in adverse consequences (although Debtor has filed status reports, Petitioning Creditor did not, as directed by this Court's 5/20/25 order (dkt. 22)). Appearances are not required on 6/3/25. (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.")

Note: As reflected on the docket (dkt. 17-22), the 5/20/25 hearing was continued to today based on the very unfortunate hospitalization of the alleged Debtor's counsel. Now Debtor reports (dkt. 25) the sad news that its counsel has passed. This Court expresses its deep condolences.

Additional note: This Court believes it is appropriate to caution Debtor that it might suffer adverse consequences if it does not arrange for either a consensual resolution with Petitioning Creditor or alternatively substitute counsel. Similarly, this Court believes it is appropriate to caution Petitioning Creditor that it, too, could suffer adverse consequences if it does not appear in proper prosecution of this matter, or if the involuntary petition was filed out of compliance with 11 U.S.C. 303. All of that said, this Court hopes that the parties can resolve their disputes consensually.

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.

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11:00 AM

CONT... Pacific Art Publishing LLC

Chapter 7

Key documents reviewed: Debtor's status report (dkt. 23)

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Pacific Art Publishing LLC

Represented By
Charles E Brumfield

**United States Bankruptcy Court
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Tuesday, June 3, 2025

Hearing Room 1545

11:00 AM

2:19-18316 Ashley Susan Aarons

Chapter 7

#9.00 Cont'd 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.
fr. 5/6/25

Docket 708

Tentative Ruling:

Tentative Ruling for 6/3/25:

Please see the tentative ruling for Calendar No. 11 (6/3/25 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

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:19-18316 Ashley Susan Aarons

Chapter 7

#10.00 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, 5/6/25

Docket 649

Tentative Ruling:

Tentative Ruling for 6/3/25:

Please see the tentative ruling for Calendar No. 11 (6/3/25 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):

Asset Recovery Association

Represented By

Jeremy H Rothstein

Trustee(s):

David M Goodrich (TR)

Pro Se

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:19-18316 Ashley Susan Aarons

Chapter 7

#11.00 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, 5/6/25

Docket 612

Tentative Ruling:

Tentative Ruling 6/3/25:

Grant Trustee's Settlement Motion (dkt. 708), for the reasons stated in the Tentative Ruling for 5/6/25 (reproduced below), subject to paying Debtor \$7,500.00 out of the \$150,000.00 settlement proceeds, as set forth in more detail below. (Capitalized terms have the meanings set forth below or in the parties' filed papers.) 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, 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 (including the tentative ruling for the 5/6/25 hearing, reproduced below) 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 Rulings.

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11:00 AM

CONT... Ashley Susan Aarons

Chapter 7

(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); interlocutory Order overruling Julius Aarons' opposition (dkt. 720); Debtor's declaration re personal property exemption (dkt. 723); Trustee's response (dkt. 725); Julius Aarons' motion for reconsideration (dkt. 728); Order denying Julius Aarons' motion for reconsideration (dkt. TBD)

This Court already heard arguments at the hearing on 5/6/25. This Court took part of this matter under submission, continued the hearing, issued its order overruling Julius Aarons' opposition, reviewed Debtor's declaration regarding any personal property she alleged to be subject to her claims of exemption, reviewed Trustee's response acquiescing in \$7,500.00 of those claims (the maximum dollar amount permissible, under this Court's adopted tentative ruling for the 5/6/25 hearing), and is issuing a written order denying the motion of Julius Aarons for reconsideration. Thus, the tentative ruling is that there is nothing left for oral argument.

Accordingly, the tentative ruling is to grant the Settlement Motion 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 mooted most other matters on calendar, after paying Debtor \$7,500.00 out of the \$150,000.00, on account of Debtor's claimed exemption in personal property.

(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)

Deny this motion as moot, in view of the approved settlement.

(d) Notice/application for compensation of ClaimsXP (dkt. 612); Order

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Hearing Room 1545

11:00 AM

CONT...

Ashley Susan Aarons

Chapter 7

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)

Deny this motion as moot, in view of the approved settlement.

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

Deny this motion as moot, in view of the approved settlement.

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

Deny this motion as moot, in view of the approved settlement.

(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 not to set any further hearings at this time, consistent with the tentative rulings on all matters set forth above.

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.

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

Tuesday, June 3, 2025

Hearing Room 1545

11:00 AM

CONT... Ashley Susan Aarons

Chapter 7

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) 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

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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 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

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CONT...

Ashley Susan Aarons

Chapter 7

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 x \$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 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

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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 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.

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(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 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

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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)

[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 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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2:19-18316 Ashley Susan Aarons

Chapter 7

#12.00 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, 5/6/25

Docket 662

Tentative Ruling:

Tentative Ruling for 6/3/25:

Please see the tentative ruling for Calendar No. 11 (6/3/25 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

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2:19-18316 Ashley Susan Aarons

Chapter 7

#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, 5/6/25

Docket 643

Tentative Ruling:

Tentative Ruling for 6/3/25:

Please see the tentative ruling for Calendar No. 11 (6/3/25 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

**United States Bankruptcy Court
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Hearing Room 1545

11:00 AM

2:25-11429 Mohammed Ehtesham Ansari

Chapter 13

#14.00 Combined hrg re: (A) Debtor's request to convert case to Subchapter V of Chapter 11 and (B) Creditors' request to dismiss case with either a 180-day bar or a permanent bar to being a debtor in bankruptcy

Docket 0

Tentative Ruling:

Grant Debtor's request to convert his Chapter 13 case to Subchapter V of Chapter 11 and deny Secured Creditors' request that the case be dismissed with a bar to being a debtor in bankruptcy. 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: Order setting combined hearing on (A) Debtor's request to convert case to Subchapter V of Chapter 11 and (B) Creditors' request to dismiss case with either a 180-day bar or a permanent bar to being a debtor in bankruptcy (dkt. 55), Debtor's motion to convert (dkt. 44), American Continental Bank's objection to motion to convert and request for dismissal (dkt. 45), Simon Decl. in support of objection (dkt. 46), Joinder of Danco, Inc. to American Continental Bank's objection (dkt. 48), Debtor's reply (dkt. 51) and signature page (dkt. 54)

The tentative ruling is to grant Debtor's request to convert his chapter 13 case to Subchapter V of Chapter 11, and to deny the requests of secured creditors American Continental Bank ("American Continental") and Danco, Inc. ("Danco," and together with American Continental, "Secured Creditors") to dismiss Debtor's case with either a 180-day bar or a permanent bar to

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CONT... Mohammed Ehtesham Ansari

Chapter 13

being a debtor in bankruptcy.

Secured Creditors are correct that Debtor did not adhere to his "duty to prepare schedules carefully, completely, and accurately." *Cusano v. Klein*, 264 F.3d 936, 946 (9th Cir. 2001) (citation omitted). Among other omissions, he failed to schedule Secured Creditors' claims; failed to amend his schedules; and failed to provide for the treatment of Secured Creditors in his Plan. American Continental Obj. (dkt. 45) p. 6:1–12. Debtor also did not seek authorization to convert to Subchapter V of Chapter 11 until the confirmation hearing – a delay of nearly three months from the filing of the case on 2/21/25. His only explanation for this substantial delay is that the case was filed as a emergency petition and that his initial counsel was required to withdraw as a result of a potential conflict of interest. Motion to Convert (dkt. 44) p. 3:15–19.

This Court does not excuse Debtor's many failures and omissions. Nonetheless, the tentative ruling is that denying Debtor's request for conversion as a sanction for these delays, failures, and omissions would be too harsh a remedy, and that there are alternative remedies that can be imposed, especially if Debtor continues this pattern of behavior in future.

This Court notes that Debtor is the principal of RHDM Oil, Inc., which also has a Chapter 11 case pending before this Court (Case No. 2:25-bk-11337-NB). The success of RHDM Oil's case is inextricably linked to the success of Debtor's case, so denying Debtor's request for conversion would most likely derail RHDM Oil's case as well.

Debtor is cautioned that any future violations of the Bankruptcy Code, Rules, or other requirements, or lack of diligent prosecution of this case, is very likely to lead to adverse consequences. Those adverse consequences could include, for example: dismissal, dismissal with a bar, removing Debtor as a debtor in possession and expanding the Subchapter V Trustee's powers, imposing sanctions, granting relief from the automatic stay to creditors who have been hindered and delayed, denial of confirmation of any proposed chapter 11 plan, or other remedies. In connection with any of those things, Debtor's history of noncompliance will be taken into account.

Proposed order(s): Unless otherwise ordered, Debtor is directed to lodge (x) a proposed order converting the case and (y) a proposed order denying Secured Creditors' requests for dismissal via LOU within 7 days after the hearing date (per LBR 9021-1(b)(1)(B)) and attach a

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CONT...

Mohammed Ehtesham Ansari

Chapter 13

copy of this tentative ruling, thereby incorporating it as this Court's actual ruling.

Party Information

Debtor(s):

Mohammed Ehtesham Ansari

Represented By
Andrew S Bisom
Joseph A Weber
Fritz J Firman

Trustee(s):

Kathy A Dockery (TR)

Pro Se

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1:00 PM

2:25-10237 KB3 2275 Century LLC

Chapter 11

Adv#: 2:25-01065 KB3 2275 Century LLC v. Leal et al

- #1.00** Status conference re: First amended complaint for:
(1) Determination of validity, priority, or extent of lien;
(2) Disallowance of claim; (3) Turnover of property; (4)
Equitable subordination; (5) Fraudulent transfer; (6)
Breach of contract; (7) Fraud/misrepresentation; (8)
Breach of fiduciary duty; (9) Unjust enrichment; (10)
Wrongful foreclosure; (11) Unfair business practices;
(12) Breach of implied covenant of good faith and fair
dealing; (13) Quiet title; (14) Cancellation of instruments
(1) Accounting

Docket 1

Tentative Ruling:

Terminate this Adversary Proceeding, or alternatively continue it with directions to Plaintiff/Debtor, as set forth below. 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 documents and records in this adversary proceeding.

(a) Plaintiff/Debtor's failure to obtain a summons with respect to the First Amended Complaint (adv. dkt. 4); and apparent duplication of State Court proceedings

Plaintiff/Debtor filed a First Amended Complaint as-of-right on 4/8/25 (adv. dkt. 4), but as of the preparation of this tentative ruling Plaintiff/Debtor has **not** obtained a summons with respect to the First Amended Complaint. As a result of this omission, this Court lacks jurisdiction over defendants. See

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CONT... KB3 2275 Century LLC

Chapter 11

Benny v. Pipes, 799 F.2d 489, 492 (9th Cir. 1986), *amended*, 807 F.2d 1514 (9th Cir. 1987) ("A federal court is without personal jurisdiction over a defendant unless the defendant has been served in accordance with Fed. R. Civ. P. 4."). This Court has "an independent obligation" to determine its jurisdiction, "even in the absence of a challenge from any party" *Arbaugh v. Y&H Corp.*, 546 U.S. 500, 514 (2006).

That said, this Adversary Proceeding appears to be duplicative of State Court proceedings and the tentative ruling is that it should not proceed. At the last Status Conference in this proceeding (and in the bankruptcy case in chief) Debtor's bankruptcy counsel and special counsel reported that a State Court had granted a temporary restraining order against foreclosure. This suggests that the State Court is presiding over proceedings involving the same nucleus of operative facts.

Should Plaintiff/Debtor voluntarily dismiss this Adversary Proceeding without prejudice? Should this Bankruptcy Court abstain, or stay or dismiss this Adversary Proceeding, or otherwise defer to the State Court proceedings?

If, on the other hand, Plaintiff/Debtor believes that it is proper to prosecute this Adversary Proceeding, and if this Court is persuaded not to terminate this Adversary Proceeding *sua sponte*, then the tentative ruling is (A) to **set a deadline of 6/13/25** for Plaintiff Debtor to (i) obtain another summons (also known as an "alias summons") from the Clerk of the Court and (ii) serve the alias summons and First Amended Complaint (adv. dkt. 4) upon each of the defendants and file a proof of service.

This Court further notes that Plaintiff/Debtor has failed to file a Status Report in connection with this Status Conference, as required by LBR 7016-1(a)(2). Plaintiff/Debtor is cautioned that failure to diligently prosecute this action may result in adverse consequences.

(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

[Intentionally omitted in view of this Court's lack of jurisdiction over

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CONT... KB3 2275 Century LLC
defendants.]

Chapter 11

(b) Mediation

[Intentionally omitted in view of this Court's lack of jurisdiction over defendants.]

(c) Deadlines

This adversary proceeding has been pending since 3/28/25.

In view of this Court's lack of jurisdiction over defendants, the tentative ruling is that it would be premature to set any deadlines, other than a continued status conference, as set forth below.

Joint Status Report: 7/22/25 (*if* this Adversary Proceeding is not dismissed or otherwise terminated or stayed).

Continued status conference: 8/5/25 at 1:00 p.m. (*if* this Adversary Proceeding is not dismissed or otherwise terminated or stayed).

Party Information

Debtor(s):

KB3 2275 Century LLC

Represented By
Onyinye N Anyama
Sedoo Manu

Defendant(s):

Jorge Tobias Leal

Pro Se

THE JORGE TOBIAS LEAL

Pro Se

Cresencio Garcia

Pro Se

MARIA D GARCIA

Pro Se

Daniel L Barraza

Pro Se

Veronia R Barraza

Pro Se

PETER MEHRIAN

Pro Se

Plaintiff(s):

KB3 2275 Century LLC

Represented By

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KB3 2275 Century LLC

Sedoo Manu

Chapter 11

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2:25-10237 KB3 2275 Century LLC

Chapter 11

#2.00 Cont'd Status conference re: Chapter 11 case
fr. 2/11/25, 2/25/25, 4/8/25, 5/20/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

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) Special litigation counsel's attempts to challenge the validity of Creditors' security interest (Adv. No. 2:25-ap-01065-NB)

Cresencio Garcia and Maria D. Garcia, Daniel L. Barraza and Veronia R. Barraza, and Jorge Tobias Leal, in his capacity as trustee of the Family Trust dated 12/14/2004 ("Creditors") assert a second-position security interest against Debtor's primary real property asset, which is located at 2275 Century Hill, Los Angeles, CA 90067 (the "Property"). R/S Motion (dkt. 47) pp. 7 & 11–12; Cash Collateral Opp. (dkt. 48) PDF pp. 5–63. On 4/9/25, upon Creditors' motion, this Court terminated the automatic stay with respect to the Property, to enable Creditors to pursue their state-law remedies against the Property (including foreclosure). R/S Order (dkt. 63). On 5/8/25, this Court authorized Debtor to employ special litigation counsel to challenge the validity of Creditors' security interest. Dkt. 72.

For the reasons set forth in the tentative ruling for Cal. No. 1 (6/3/25 at 1:00 p.m.), it appears that this Adversary Proceeding duplicates State Court proceedings, and this Court questions whether this Adversary Proceeding should be dismissed or otherwise terminated, or stayed.

(b) Monthly Operating Report ("MOR") for April, 2025 (dkt. 74)

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KB3 2275 Century LLC

Chapter 11

Debtor's latest MOR appears to include some basic errors and omissions. This Court has not reviewed Debtor's earlier MORs, but expects that they probably include similar errors and omissions.

First, Debtor appears to have filled out the wrong portion of the form. Debtor is not an individual. But Debtor has filed a MOR that includes Part 8, entitled "Individual Chapter 11 Debtors (Only)." In addition, that portion of the MOR includes income "from self-employment." See MOR (dkt. 74) p. 9, Part 8.b.

Second, the MOR lacks meaningful disclosures. The MOR lists gross income from "all other sources" of \$22,463. There does not appear to be any breakdown or disclosure of those "sources."

The tentative ruling is to direct Debtor's counsel to have an in-person meeting with Debtor's principal, at counsel's office, at a time that is convenient for the Office of the United States Trustee to participate by telephone or video, to go over, in detail, how to fill out MORs. The tentative ruling is to set a **deadline of 6/20/25** for Debtor to file corrected MORs for all months.

(2) Dates/procedures. This case was filed on 1/13/25.

(a) Bar date: 4/10/25 (Bar Date Order (dkt. 22) timely served, dkt. 24)

(b) Procedures Order: dkt. 4 (timely served, dkt. 7)

(c) Plan/Disclosure Statement: file by 7/11/25 (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 6/24/25.

Tentative Ruling for 5/20/25:

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) Future of this case

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KB3 2275 Century LLC

Chapter 11

Cresencio Garcia and Maria D. Garcia, Daniel L. Barraza and Veronia R. Barraza, and Jorge Tobias Leal, in his capacity as trustee of the Family Trust dated 12/14/2004 ("Creditors") assert a second-position security interest against Debtor's primary real property asset, which is located at 2275 Century Hill, Los Angeles, CA 90067 (the "Property"). R/S Motion (dkt. 47) pp. 7 & 11–12; Cash Collateral Opp. (dkt. 48) PDF pp. 5–63. On 4/9/25, upon Creditors' motion, this Court terminated the automatic stay with respect to the Property, to enable Creditors to pursue their state-law remedies against the Property (including foreclosure). R/S Order (dkt. 63).

On 5/8/25, this Court authorized Debtor to employ special litigation counsel to challenge the validity of Creditors' security interest. Dkt. 72.

Debtor is directed to address (A) the status of Creditors' attempts to foreclose upon the Property, (B) the status of special litigation counsel's attempts to challenge the validity of Creditors' security interest, and (C) whether there are compelling reasons for this case to remain in chapter 11.

(2) Dates/procedures. This case was filed on 1/13/25.

- (a) Bar date: 4/10/25 (Bar Date Order (dkt. 22) timely served, dkt. 24)
- (b) Procedures Order: dkt. 4 (timely served, dkt. 7)
- (c) Plan/Disclosure Statement: file by 7/11/25 (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 6/24/25.

Tentative Ruling for 4/8/25:

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) R/S Motion (dkt. 47), Debtor's Opposition (dkt. 54), Reply (dkt. 57)
Grant as set forth in the tentative ruling for Cal. No. 15 (4/8/25 at 1:00 p.m.).

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(b) Amended Cash Collateral Motion (dkt. 27), Notice of continued hearing (dkt. 32), Interim Cash Collateral Order (dkt. 39), Opposition (dkt. 48), No reply on file

Grant in part and deny in part as set forth in the tentative ruling for Cal. No. 17 (4/8/25 at 1:00 p.m.).

(c) Budget Motion (dkt. 25), Notice (dkt. 44), No opposition on file
Grant.

Proposed order(s): Unless otherwise ordered, and except as to the R/S Motion, 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)).

(d) Future of this case

Provided this Court maintains its tentative ruling to grant relief from the automatic stay with respect to Debtor's primary real property asset, Debtor is directed to address the future of this case. Are there compelling reasons for this case to remain in chapter 11 if the property is lost to foreclosure?

(2) Dates/procedures. This case was filed on 1/13/25.

(a) Bar date: 4/10/25 (dkt. 22) (timely served, dkt. 24)

(b) Procedures Order: dkt. 4 (timely served, dkt. 7)

(c) Plan/Disclosure Statement: file by 7/11/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: If this case is not dismissed, the tentative ruling is to continue this status conference to 5/20/25 at 1:00 p.m. No written status report required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

KB3 2275 Century LLC

Represented By
Onyinye N Anyama
Sedoo Manu

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2:25-10181 Jamie Mazur

Chapter 11

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

U.S. BANK TRUST NATIONAL ASSOC
vs
DEBTOR

Docket 58

Tentative Ruling:

Continue U.S. Bank's R/S Motion (dkt. 58) for the reasons set forth below.
Appearances are not required on 6/3/25. (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): Debtor's opposition (dkt. 75) and Debtor's appraisal (dkt. 78)

(1) Background

Debtor filed a voluntary chapter 11 petition on 1/10/25. Debtor's principal asset is his primary residence, located at 1811 Bel Air Road, Los Angeles, CA 90077 (the "Property"). Debtor intends "to sell the Property and use the proceeds to pay my creditors." Mazur Decl. (dkt. 75, PDF pp. 5–7) ¶ 4 (p. 1:11–13). On 5/19/25, Debtor filed an application to employ a real estate broker to market the Property. See dkt. 72–73 & 79.

At an earlier stage in this case, this Court has directed Debtor to make adequate protection payments of (A) \$10,000.00 per month to U.S. Bank Trust, N.A. ("U.S. Bank") (see 5/16/25 order (dkt. 70)) and (B) \$3,000.00 per month to Finance California (see 5/8/25 order (dkt. 60)). The record does not reflect whether Debtor has made the adequate protection in accordance with

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Jamie Mazur

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this Court's orders, nor is it clear that the property has generated any rental income beyond the first month, or that Debtor otherwise has the capacity to make adequate protection payments. See Mazur Decl. (dkt. 75, PDF pp. 5–7) ¶ 8 (p. 2:15–19) (noting that Debtor has been ordered to make adequate protection payments but failing to specify whether those payments have in fact been made).

U.S. Bank moves for relief from the automatic stay with respect to the Property (see dkt. 58); Debtor opposes the R/S Motion (see dkt. 75).

(2) Analysis

Based on an appraisal conducted by Peter B. Burness, Debtor values the Property at \$4,500,000.00. See Burness Decl. (dkt. 78) ¶ 6 (p. 2:27–3:29) (declaration of real estate broker Peter Burness authenticating his opinion of value). U.S. Bank contends that the Property is worth only \$2,500,000.00, but submits only an unauthenticated "competitive marketing analysis" purportedly conducted by Ashleigh Rader in support of this valuation. See R/S Motion (dkt. 58) Ex. 4 (PDF pp. 55–58). If Debtor's valuation of the Property is accurate, U.S. Bank would be protected by an equity cushion of approximately 43.35%. Mazur Decl. (dkt. 75, PDF pp. 5–7) ¶ 3 (p. 1:9–10).

Debtor "has the burden of proof on the issue of adequate protection" 11 U.S.C. 364(p). For purposes of this hearing only, the tentative ruling is that Debtor has carried that burden, given that U.S. Bank has not submitted any admissible evidence as to the Property's value and, alternatively, because the analysis on which U.S. Bank relies does not carry as much weight as the appraisal on which Debtor relies. In addition, and alternatively, even if the Property is worth substantially less than Debtor asserts (including below the dollar amount owed to U.S. Bank), there is no evidence indicating that the Property is declining in value. (True, there is always some risk that any collateral will decline in value; but balancing the probability of a large equity cushion against the probability of little or no equity cushion plus a decline in value, the tentative ruling is that for present purposes Debtor has met his burden to show adequate protection even after factoring in any uncertainties as to current and future value.) In addition, and alternatively, Debtor's efforts to sell the property through a sale under 11 U.S.C. 363(b) and (f) are likely to generate a higher sale price, in a faster time, than U.S. Bank could achieve if it were granted relief from the automatic stay. Debtor's

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progress (or lack of progress) will be relevant both to "adequate protection" (11 U.S.C. 362(d)(1)) and to this Court's determination of whether there is a "reasonable possibility of a successful reorganization within a reasonable time" if there were to be a lack of equity in the Property (11 U.S.C. 362(d)(2)). See *In re Timbers*, 484 U.S. 365, 375–76 (1988).

For all of the foregoing reasons it appears on the present record that U.S. Bank is adequately protected, provided that Debtor continues diligently to pursue a sale of the property. Therefore, the tentative ruling is to continue the hearing on the R/S Motion to **7/15/25 at 1:00 p.m.** to provide Debtor an opportunity to proceed with marketing the Property for sale. The parties are not required to file any additional papers in connection with the continued hearing; but, should there be any additional matters which the parties wish to bring to this Court's attention, the deadline for them to file papers is **7/8/25**.

Note: If U.S. Bank does not contest this tentative ruling that will be deemed consent to the continuance notwithstanding 11 U.S.C. 362(e). If, on the other hand, U.S. Bank insists on a ruling now, rather than a continuance, then the tentative ruling on the present record is to deny its motion (without prejudice).

Party Information

Debtor(s):

Jamie Mazur

Represented By
Michael Jay Berger

Movant(s):

U.S. Bank Trust National

Represented By
Shannon A Doyle

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2:25-10181 Jamie Mazur

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#4.00 Cont'd Status Conference re: Chapter 11 Case
fr. 2/11/25, 3/18/25, 4/8/25, 5/6/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue the status conference as set forth below. Appearances are not required on 6/3/25. (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) U.S. Bank's R/S Motion (dkt. 58), Debtor's opposition (dkt. 75), Debtor's appraisal (dkt. 78)

Please see the tentative ruling for Cal. No. 3 (6/3/25 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: 6/17/25 at 1:00 p.m., concurrent with other matters. No written status report required.

[PRIOR TENTATIVE RULING(S) OMITTED]

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CONT... Jamie Mazur

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Debtor(s):

Jamie Mazur

Represented By
Michael Jay Berger

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2:25-10593 Eugenio Alfredo Gonzalez

Chapter 11

#5.00 Hrg re: Motion to extend debtor's exclusive period
to file and obtain acceptance of debtor's plan under
11 U.S.C. section 1121(D)

Docket 73

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 6,
6/3/25 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

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2:25-10593 Eugenio Alfredo Gonzalez

Chapter 11

#6.00 Cont'd Status Conference re: Chapter 11 Case
fr. 2/25/25, 3/4/25, 3/18/25, 5/6/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Grant Debtor's motion to extend his chapter 11 plan exclusivity periods and continue the status conference, all as set forth below. Appearances are not required on 6/3/25. (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) Debtor's motion to extend chapter 11 plan exclusivity periods (dkt. 73), no opposition on file

Grant Debtor's motion (A) to extend the exclusive period to file a chapter 11 plan from 5/27/25 to and including 11/25/25, and (B) to extend the exclusive period to obtain acceptances of a chapter 11 plan from 7/27/25 to and including 1/23/26.

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)).

(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 11/25/25 (DO NOT SERVE -

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Eugenio Alfredo Gonzalez

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except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: 7/8/25 at 1:00 p.m. No written status report required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Eugenio Alfredo Gonzalez

Represented By
Leslie A Cohen

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2:25-12772 Yihe Forbes LLC

Chapter 11

#7.00 Hrg re: (A) Motion for Relief from the automatic stay under 11 U.S.C. section 362 (Real Property), and (B) Relief from turnover under 11 U.S.C. section 543 by pre-petition receiver or other custodian

CITY OF CHELSEA, MASSACHUSETTS
vs
DEBTOR

Docket 40

Tentative Ruling:

Grant as set forth below. 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, 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): Debtor's opposition (dkt. 52); City of Chelsea's reply (dkt. 60)

Analysis:

(1) Background

In 2019 Debtor obtained approval for development of the property it owned at 1 Forbes Street and 354, 405 and 413 Crescent Avenue in Chelsea, Massachusetts (collectively, the "Nuisance Property"). Opp. (dkt.

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52) p. 2:16-19. In 2021, Debtor asserts, the property was "appraised at \$27,500,000 by CBRE." *Id.* p. 2:20. But Debtor alleges that its development efforts "were quashed by the COVID-19 pandemic" (*id.* p. 2:23), that many permits expired, and that when the pandemic lifted the City of Chelsea was "slow if not reluctant to issue new permits." *Id.* p. 2:25-26.

Movant, the City of Chelsea which obtained from the Massachusetts State Court the appointment of a receiver for the Nuisance Property, asserts that one reason why the permits could not be renewed, and why the property value has greatly declined, is that, according to a CBRE appraisal dated 8/2/24, "the zoning code has since been changed stating 'the site for a planned development shall have a minimum of two contiguous acres above the high-water line' [and this] means only approximately 8.34 acres of the total 17.42-acre site is considered developable." Reply (dkt. 60) p. 4:26-28 at n. 1 (citations to evidence omitted). According to the City of Chelsea, Debtor has "based its inflated valuation projections on a housing density that is no longer permitted." *Id.* p. 4:23-25 at n. 1.

Meanwhile, Debtor concedes that during the lengthy process of attempting to develop the property it grew "frustrated" and "[a]s a result" of all of the foregoing and lack of financing the Nuisance Property "fell into a deteriorating state of disrepair." Opp. (dkt. 52) pp. 2:27-3:2. On 9/9/24 Shanghai Commercial Bank Limited (who was subsequently replaced by the City of Chelsea as Plaintiff) filed a petition (the "Nuisance Action") for appointment of a receiver to address long-standing health and safety issues afflicting the Nuisance Property based on, among other things, hazardous waste, blocked entry or escape routes for the public and safety personnel, and collapsed and dilapidated buildings. Treadway Decl. (dkt. 42), Ex. 1, PDF pp. 5-12. On 11/18/24, a nine alarm fire burned through some of the buildings which impacted the surrounding neighborhood and interrupted commuter rail service. *Id.*, Ex. 2, PDF pp. 89-90.

On 11/22/24 the State Court appointed L. Alexandra Hogan to serve as Receiver of the Nuisance Property (Treadway Decl., (dkt. 42), Ex. 3, PDF pp. 92-105) after determining that the Nuisance Property is "a dilapidated former industrial property covering about 18 acres that fails to meet the minimum standards of decency for human habitation," "has serious Code violations which pose a serious risk to the health, safety and wellbeing of abutters and residents of the community," and "creates a continuing high risk of fire damage and personal injury." *Id.* PDF pp. 92-93.

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Following her appointment, Receiver engaged several contractors to secure the Nuisance Property from trespassers, but security challenges remain. R/S Motion (dkt. 40), Ex. D, PDF pp. 136-144. On 2/18/25 Receiver accepted an offer from the Massachusetts Audubon Society to purchase the Nuisance Property for \$8.38 million (Treadway Decl. (dkt. 42), Ex. E, PDF p. 219) and filed a motion seeking State Court approval of the sale. *Id.*, Ex. 5, PDF pp. 122-139. Debtor opposed the sale on the grounds that Receiver had not properly marketed the Nuisance Property and was, allegedly, accepting an offer significantly lower than the fair market value of the property and significantly lower than three competing offers (or at least expressions of interest) ranging from \$13 million to \$20 million. Opp. (dkt. 52), pp. 4:20-5:7. On 3/25/25, the State Court overruled Debtor's opposition and approved the proposed sale of the Nuisance Property. *Id.*, Ex. 6, PDF pp. 141-142. That order provides:

This is an area where a judge has significant discretion. After review of submissions on this motion, arguments of counsel as well as related parties and the most recent status report of the receiver, I am exercising that discretion. The City of Chelsea should not be forced to pay to protect this property. It is troubling that the taxpayers are forced on a daily basis to subsidize the private parties that own this property. The defendants have repeatedly claimed that a confirmed buyer will appear. None have to this point. What is needed in this matter is a certain and soon outcome. The property remains dilapidated, a danger to the public and the environment. This offer will repay the taxpayers of Chelsea, clean up the property and provide a reasonable development for the site. Defendants have had ample opportunity to suggest a viable alternative but have failed to do so. The receiver is to be commended for her efforts in keeping the property as safe as possible and in finding an actual buyer. [*Id.* (emphasis in original)]

(2) The City of Chelsea's arguments

The City of Chelsea argues that the automatic stay does not apply pursuant to 11 U.S.C. 362(b)(4) because Receiver is continuing enforcement of "police and regulatory powers" of a government (the City of Chelsea). R/S MPA (dkt. 41) pp. 12:14-16:9. Alternatively, City of Chelsea seeks relief from the automatic stay for "cause" under 11 U.S.C. 362(d)(1) in view of the

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ongoing health and safety risks and Debtor's history of failing to take remedial action. *Id.* p. 16:10-18:1. For the same reasons, the City of Chelsea seeks to be excused from turnover under 11 U.S.C. 543(d)(1). *Id.*

Alternatively, the City of Chelsea requests that this Court abstain and dismiss this bankruptcy case under 11 U.S.C. 305(a) and 1112(b) because this bankruptcy case, she asserts, is essentially a two-party dispute where Debtor has sought refuge in this Bankruptcy Court to avoid and unwind the State Court's orders. R/S Motion (dkt. 40), p. 2 & R/S MPA (dkt. 41), pp. 18:4-19:28. The City of Chelsea argues that abstention and dismissal would be in the best interests of creditors and Debtor because most of Debtor's creditors appear to be related, or insiders, and because Debtor is not authorized to conduct business in California and has no real connection to this venue. *Id.* at p. 18:5-19. The City of Chelsea also argues that dismissal is appropriate because of Debtor's "gross mismanagement of the estate" (1112(b)(4)(B)), including failure to pay property taxes, and "failure to maintain appropriate insurance that poses a risk to the estate or to the public" (1112(b)(4)(C)). *Id.* p. 19:17-28.

(3) Debtor's arguments

Debtor does not dispute that the State Court's appointment of Receiver was a valid exercise of police power, but argues that the contemplated sale of the property, without proper due diligence, has resulted in a grossly inadequate offer, and has transformed the proceedings from a valid exercise of police or regulatory action (*i.e.*, remediating the health and safety issues) to an action primarily involving protection of the government's pecuniary interests (*i.e.*, to recover funds lent to remediate the property and control the future ownership over the property). Opp. (dkt. 52), pp. 1:2-6 & 6:19-8:23. Debtor argues that the proceedings in the Massachusetts courts do not adequately take into consideration the interests of all other creditors, whereas this bankruptcy case will do so.

Debtor argues that the proper venue for any sale is in this Bankruptcy Court and Debtor has a pending application to employ a broker to market the property for sale in the hopes of locating a buyer in the next 90-120 days who is willing to pay up to \$27 million or more for the property. *Id.* p. 1:6-17. Debtor proposes to pay the Receiver \$20,000.00 monthly adequate protection payments to defray ongoing expenses until the property can be sold. *Id.* p. 1:12-14.

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Debtor also highlights that it has appealed the State Court's order approving the Receiver's proposed sale. Opp. (dkt. 52), p. 5:7-8. Solely for purposes of this tentative ruling, this Bankruptcy Court presumes that, based on the appeal and/or the due diligence period to which the Audubon Society is entitled, Receiver might not be able to proceed with the State Court approved sale at this time, and perhaps during the entire period in which Debtor proposes to market and sell the Nuisance Property.

Finally, Debtor argues that the City of Chelsea has failed to establish that abstention or dismissal of this case is appropriate, has failed to address the applicable grounds for abstention under Ninth Circuit authority, and that none of the factors favor abstention in this case. Opp. (dkt. 52), pp. 13:10-15:24.

This Bankruptcy Court notes that the State Court has ruled that the automatic stay does not apply. See Treadway Decl. (dkt. 56) Ex. 1 (at PDF pp. 6-10). This Bankruptcy Court has an independent duty to examine whether the automatic stay applies and therefore, although this Court has reviewed the thoughtful decision of the State Court, this Court must make its own determination. See *In re Gruntz*, 202 F.3d 1074 (9th Cir. 2000).

(4) Discussion

(a) Summary nature of proceedings

In determining whether or not to grant relief from the automatic stay, this Court is mindful of the fact that these proceedings are summary in nature. See, e.g., *In re Veal*, 450 B.R. 897, 914 (9th Cir. BAP 2011) (citing authorities). This summary nature is necessary and appropriate because, if parties were required to litigate the issues to a final judgment after a complete trial in this bankruptcy forum, the lift-stay proceedings would have to duplicate much or all of the underlying State Court proceedings.

That would be a "Catch 22": parties seeking or opposing relief from the automatic stay, in order to litigate issues in State Court, would have to first litigate them in the Bankruptcy Court. At that point there would no longer be any reason to go back to the State Court. There would also be expense, delay, a risk of inconsistent judgments, a lack of comity, and other adverse consequences.

In any event, regardless of all the strong policy reasons why these proceedings are summary in nature, that is the law. Accordingly, the following discussion includes tentative findings of fact and conclusions of law based on

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the record presently before this Bankruptcy Court, unimpeded by the fact that there has been no trial or the type of discovery and pretrial proceedings that would be necessary in other contexts.

(b) Section 362(b)(4) applies

Section 362(b)(4) excepts from the automatic stay any actions and proceedings to enforce the police or regulatory powers of a governmental unit. 11 U.S.C. 362(b)(4). To determine whether an action is excepted from the automatic stay as a police or regulatory power action or something different, such as a collection action, courts have developed two tests to judge the government's actions: the pecuniary purpose test and the public policy test. *Collier on Bankruptcy*, ¶ 362.05 (16th ed. 2025) (citing *In re Berg*, 230 F.3d 1165 (9th Cir. 2000)). "Satisfaction of either test will suffice to exempt the action from the reach of the automatic stay." *City & County of San Francisco v. PG&E Corp.*, 433 F.3d 1115, 1124 (9th Cir. 2006).

Under the pecuniary purpose test, "the court determines whether the government action relates primarily to the protection of the government's pecuniary interest in the debtor's property or to matters of public safety and welfare." *In re Berg*, 230 F.3d 1165, 1167. "If the government action is pursued solely to advance a pecuniary interest of the governmental unit, the stay will be imposed." *Id.* "If the suit primarily seeks to protect the public safety and welfare, the automatic stay does not apply." *City & County of San Francisco*, 433 F.3d 1115, 1124.

Under the public policy test, courts must determine whether the government action effectuates public policy or adjudicates private rights. *In re Berg*, 230 F.3d 1165, 1167. The former is excepted from the automatic stay while the latter is not.

The tentative ruling is that section 362(b)(4) applies under both the pecuniary purpose test and the public policy test. Despite Debtor's allegations, there is no evidence that Receiver is acting for a pecuniary purpose instead of an overriding concern about public safety and welfare. Both the City of Chelsea and Receiver will be paid regardless of who purchases the Nuisance Property, so the prospect of payment has not been shown to have any effect on Receiver's willingness throughout this process to accept whatever is the highest and best offer. Any pecuniary recovery is simply a byproduct of the receivership.

In addition, Receiver is not involved in any adjudication of private

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rights. The entire action in which Receiver has been appointed is one of effectuating public policies of abating nuisances at the Nuisance Property, either by Receiver or by a new owner who will pick up where Receiver leaves off.

The tentative ruling is that the evidence in support of these factual findings is overwhelming. For example, State Court charged the Receiver with rehabilitating the Nuisance Property after determining that the property is "a dilapidated former industrial property covering about 18 acres that fails to meet the minimum standards of decency for human habitation," "has serious Code violations which pose a serious risk to the health, safety and wellbeing of abutters and residents of the community," and "creates a continuing high risk of fire damage and personal injury." Treadway Decl. (dkt. 42), Ex. 3, PDF pp. 92-93; *see also* Receiver's report dated 5/19/25, Reply (dkt. 60), Ex. F at PDF pp. 16-21.

Debtor concedes that the Nuisance Property remains a public health and safety risk requiring Receiver to incur significant monthly expense to secure the property from public access. Opp. (dkt. 52), p. 6:12-14. Debtor also concedes that (x) it has already had an opportunity to challenge the propriety of Receiver's proposed sale, and (y) the State Court overruled its objection and approved the proposed sale (which Debtor has appealed) after determining that the alternative offers were too speculative, uncertain, or unlikely to be able to close a transaction in a reasonable time and that Debtor had been given sufficient time to locate a buyer of its own and had been unable to. *Id.* pp. 4:20-5:8 & Reply (dkt. 60), p. 2:23-25.

Notwithstanding the State Court's rejection of Debtor's arguments, Debtor seeks a "second bite at the apple" and requests that this Bankruptcy Court permit Receiver to remain in place to continue remediation efforts, presumably under the continued authority of the State Court, but require Receiver to relinquish control over the marketing and sale of the Nuisance Property to Debtor. Opp (dkt. 52), p. 9:11-22. Debtor also argues that although the stay does not apply to Receiver's efforts to remediate and secure a dangerous property from third parties pursuant to section 362(b)(4), the stay does apply to the process of selling the property (and recovering funds lent and/or incurred to accomplish such remediation). *Id.* pp. 8:3-9:22. The tentative ruling is to reject these arguments for the following reasons.

(i) Demolition, securing the property from public access, and

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securing a sale of the Nuisance Property are part and parcel of the police and regulatory function

The tentative ruling is that demolition, securing the property from public access, sale preparation, and the marketing and conduct of the sale are part and parcel of abating a public nuisance. Invariably those things involve public safety and health concerns, such as having to take care to demolish structures consistent with environmental concerns (*e.g.*, asbestos), and avoiding injuries to workers and passersby. They also involve making judgment calls about how much abatement is necessary and appropriate so as to balance health and safety concerns with, *e.g.*, the need to obtain a new owner expeditiously so that full remediation can be accomplished.

In practical terms, demolition involves noise, dust, the potential for driving rodents to disperse, disabling electrical systems, taking other precautions against starting a fire or an unplanned building collapse, clearing away debris that could be dangerous or a haven for rodents, clearing away asbestos and other toxic substances that could leach into the soil, etc. Similar health and safety judgment calls are inherent in deciding when to sell and to whom, as well as negotiating terms to minimize and/or eliminate the possibility of future health and safety concerns.

(ii) Alternatively, Debtor's cited authority does not support carving out part of Receiver's functions

Debtor relies on two cases and a summary from Collier in support of its argument that Receiver's efforts to remediate the Nuisance Property are excepted from the automatic stay under section 362(b)(4), but any effort to exercise control over property of the estate – including to sell the property – are stayed. Opp. (dkt. 52), p. 11:3-15. But neither of the cases Debtor relies on involve a State Court receivership aimed at addressing serious health and safety risks and the City of Chelsea has cited authority rejecting Debtor's arguments. Reply (dkt. 60), p. 8:1-22.

The tentative ruling is that, even if it were possible, theoretically, to carve out some aspects of what Receiver is doing (*i.e.*, the sale process), there is no authority of which this Bankruptcy Court is aware to divide proceedings that are *overwhelmingly* police and regulatory in nature into slivers and then analyze each sliver separately. The tentative ruling is that such an approach would not only be impossible in most if not all situations (for the reasons stated in the immediately preceding paragraphs) but would

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embroil the parties and bankruptcy courts in expensive, time consuming, and wasteful litigation in a fruitless attempt to allocate each aspect of any proceeding between the police and regulatory function and arguably different functions.

(iii) Alternatively, any discretion that this Court theoretically might have to carve out portions of the State Court proceedings should be restrained, so as to minimize interference with those proceedings

Alternatively, even supposing for the sake of discussion that this Bankruptcy Court had the authority to carve out portions of the receivership proceedings, and that carving out slivers of those proceedings were possible, the tentative ruling is that this Court should not exercise its discretion in a way that would supplant the State Court's judgment, by effectively removing the Receiver from an important part of her duties before her work is complete.

All of the foregoing reasons are particularly pertinent on this record, given (w) the urgent need to eliminate existing health and safety risks, (x) years of Debtor's inaction to remediate the health and safety issues at the Nuisance Property, (y) Debtor's forum shopping by filing this bankruptcy case days after the State Court considered and rejected its allegations that Receiver failed to properly market the Nuisance Property, and (z) the very substantial uncertainty about whether Debtor could secure a higher and better offer to purchase the Nuisance Property and close escrow in the next 90-120 day, and all the reasons to expect that Debtor could not do so (primarily the change in zoning; the contingencies in higher offers on obtaining zoning exemptions; the State Court's findings about Debtor's lack of realistic sale proposals in the past).

The tentative ruling is that Debtor's last-ditch attempt to avoid the rulings of the State Court and preserve alleged equity in the Nuisance Property is too little, too late. If the Nuisance Property were worth anywhere near the value Debtor asserts it is worth, Debtor presumably would have taken steps to address the City of Chelsea's numerous citations, either by funding those repairs itself or obtaining outside funding, and/or sold the property on its own. As the State Court found and concluded in its order authorizing Receiver's sale motion:

The defendants have repeatedly claimed that a confirmed buyer will appear. None have to this point. What is needed in this matter is a certain and soon outcome. The property remains dilapidated, a

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danger to the public and the environment. This offer will repay the taxpayers of Chelsea, clean up the property and provide a reasonable development for the site. Defendants have had ample opportunity to suggest a viable alternative but have failed to do so. The receiver is to be commended for her efforts in keeping the property as safe as possible and in finding an actual buyer. [Treadway Decl. (dkt. 42), Ex. 6, PDF pp. 141-142 (emphasis in original)]

(c) Alternatively, "cause" exists under 11 U.S.C. 362(d)(1)

The Bankruptcy Court "shall grant relief from the stay" upon a showing of "cause." 11 U.S.C. 362(d)(1). What constitutes "cause" for purposes of section 362(d)(1) "has no clear definition and is determined on a case-by-case basis." *In re Tucson Estates, Inc.*, 912 F.2d 1162, 1166 (9th Cir.1990).

The tentative ruling is that "cause" exists to terminate the automatic stay in this case. First, even if all the health and safety concerns discussed in connection with section 362(b)(4) did not establish that the automatic stay is inapplicable (which they do), those same health and safety concerns would establish "cause" to grant relief from the automatic stay.

Second, "cause" for relief is established by Debtor's long history of failing to take appropriate steps to remediate or abate the many health and safety concerns at the Nuisance Property and Debtor's inability to locate a buyer prior to filing this bankruptcy case despite having ample time to do so. How could this Court trust that Debtor will succeed at locating a buyer willing to pay \$27 million dollars (or any viable higher and better offer than the Audubon Society's offer) when it failed to do so for a very long time before?

(d) Relief under 11 U.S.C. 543(d)(1) (excusing turnover) is appropriate

Generally, a custodian in possession, including a receiver, is required to deliver all assets within his custody and control to the trustee or the debtor-in-possession following commencement of the case. 11 U.S.C. 543(a). Section 543(d)(1) authorizes this Bankruptcy Court to "excuse compliance with subsections (a), (b), or (c) ... if the interests of creditors and, if the debtor is not insolvent, of equity security holders would be better served by permitting a custodian to continue in possession, custody, or control of such property." 11 U.S.C. 543(d)(1).

For the reasons set forth above, the tentative ruling is that removing

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Receiver from control over the Nuisance Property and its sale would only pose a danger to public health and safety - risking liability (not to mention public welfare) - and increase the costs and delays in the receivership proceedings, all in exchange for no realistic benefits to the bankruptcy estate. Therefore, the tentative ruling is that the interests of creditors would be better served by permitting the Receiver to retain control over the Nuisance Property.

(e) Alternatively, and in addition, dismissal under 11 U.S.C. 305(a)(1) is appropriate

Section 305 authorizes a bankruptcy court to dismiss or suspend a bankruptcy proceeding at any time if "the interests of creditors and the debtor would be better served by dismissal or suspension." 11 U.S.C. 305(a). The test under section 305(a) is not "whether dismissal would give rise to a substantial prejudice to the debtor," nor "whether a balancing process favors dismissal," but rather, "whether both the debtor and the creditors would be 'better served' by a dismissal." *In re Eastman*, 188 B.R. 621, 625 (9th Cir. BAP 1995). In making such a determination, a bankruptcy court must analyze the "totality of the circumstances" and "must make specific and substantiated findings that the interests of the creditors and the debtor will be better served by dismissal or suspension." *In re QDOS, Inc.*, 652 B.R. 543, 547 (Bankr. C.D. Cal. 2023) (citations omitted). Courts in the Ninth Circuit have applied the following seven factor test to determine whether abstention under section 305(a) is appropriate:

- (1) the economy and efficiency of administration;
- (2) whether another forum is available to protect the interests of both parties or there is already a pending proceeding in state court;
- (3) whether federal proceedings are necessary to reach a just and equitable solution;
- (4) whether there is an alternative means of achieving an equitable distribution of assets;
- (5) whether the debtor and the creditors are able to work out a less expensive out-of-court arrangement which better serves all interests in the case;
- (6) whether a non-federal insolvency has proceeded so far in those proceedings that it would be costly and time consuming to start afresh with the federal bankruptcy process; and

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(7) the purpose for which bankruptcy jurisdiction has been sought.
[*In re Morabito*, 2016 Bankr. LEXIS 2207, at *15 (9th Cir. BAP June 6, 2016)]

For the reasons articulated by the City of Chelsea (R/S MPA (dkt. 41), pp. 18:3-19:16) and as set forth above, the tentative ruling is that the interests of creditors and Debtor will be better served by dismissing this case. Although Debtor argues that there is very significant equity in the Nuisance Property, the record in this case does not support that conclusion and meanwhile any equity Debtor does have is diminishing as a result of ongoing expenses incurred by Receiver to carry out her duties. Moreover, delay means greater danger to the public, security personnel who are attempting to secure the property, and first responders, all of which could lead to enormous liabilities to the financial detriment of creditors (not to mention public and private harms). Debtor and creditors will be better served by allowing Receiver to proceed with the State Court approved sale of the Nuisance Property as swiftly as possible.

(f) Alternatively, "cause" exists to dismiss this case under 11 U.S.C. 1112(b)

Section 1112(b) provides for dismissal or conversion of a chapter 11 case for "cause." The statute sets forth a non-exhaustive list of circumstances constituting cause. 11 U.S.C. 1112(b)(4)(A)-(P).

The City of Chelsea argues that "cause" exists to dismiss this case under section 1112(b)(4)(B) (gross mismanagement of the estate), including failure to pay property taxes, and 1112(b)(4)(C) (failure to maintain appropriate insurance that poses a risk to the estate or to the public). Debtor's opposition papers do not address the City of Chelsea's assertion that it is not paying property taxes or maintaining appropriate insurance. Accordingly, in the absence of any assertion to the contrary, the tentative ruling is that "cause" exists to dismiss this case under 1112(b)(4)(B) & (C).

Additionally and alternatively, if this Bankruptcy Court is not persuaded to depart from its findings and conclusions set forth in Part (4)(b)&(c) above, the tentative ruling is also that "cause" exists to dismiss this case under 1112(b)(4)(A) (substantial or continuing loss to or diminution of the estate and the absence of a reasonable likelihood of rehabilitation) because the Nuisance Property is Debtor's sole asset (see Bankruptcy Schedule A/B (dkt. 1), PDF pp. 10-13) and that asset has been falling apart for a long time, with

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no past remediation by Debtor and no solid prospects for future remediation, no assurances of any alternative sale that would be higher and better than the proposed sale to the Audubon Society, and every reason to believe that no such potential sale is likely. Meanwhile, as noted above, the Receiver is incurring ongoing monthly expenses to carry out her duties, and the risks of potentially enormous liabilities are ever present.

(g) Conclusion

The tentative ruling is that section 362(b)(4) applies and, alternatively, "cause" exists to terminate the automatic stay under section 362(d)(1). The tentative ruling is also to excuse Receiver from turning over control of the Nuisance Property under section 543(d)(1). Alternatively, and in addition, the tentative ruling is that the interests of creditors and Debtor will be better served by dismissing this case under section 305(a)(1) and that "cause" exists to dismiss this case under section 1112(b)(4)(A)-(C).

(5) Additional relief

(a) Retroactive relief

The tentative ruling is to grant the request for retroactive annulment of the stay because Debtor has not opposed this specific relief, so any opposition has been waived and/or forfeited. Alternatively, the tentative ruling is that Receiver's and the City of Chelsea's conduct qualifies as an exercise of government regulatory powers under section 362(b)(4). Alternatively, the tentative ruling is that it was reasonable for Receiver and the City of Chelsea to believe that the stay did not apply under section 362(b)(4), which is akin to taking actions before knowing the bankruptcy case had been filed, and Movant would have been entitled to relief from the automatic stay for the reasons set forth above. See *In re Nat'l Enviro. Waste Corp.*, 129 F.3d 1052, 1054-56 (9th Cir. 1997); *In re Fjeldsted*, 293 B.R. 12 (9th Cir. BAP 2003); and see also *In re Merriman*, 616 B.R. 381, 389-90 & n. 6 and 391-95 (9th Cir. BAP 2020) (retroactive relief is permissible, and Fjeldsted factors should not be applied mechanically); *In re Williams*, 323 B.R. 691, 697-702 (9th Cir. BAP 2005) (various issues involving annulment, and application of *Fjeldsted*), *aff'd*, 204 Fed.Appx. 582 (9th Cir. 2006), *overruled on other issues*, *In re Perl*, 811 F.3d 1120 (9th Cir. 2016) (scope of automatic stay).

(b) Relief notwithstanding future bankruptcy cases

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In view of the history of this case and this Bankruptcy Court's tentative ruling that Debtor is forum shopping and filed this case to frustrate Receiver's efforts and get around the State Court's orders, the tentative ruling is to grant the following relief pursuant to the legal analysis in *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:

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 two years 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.

Note: Per the Posted Procedures of Judge Bason (available at www.cacb.uscourts.gov) this Court's order will state that the Court "does not make" a finding that Debtor was involved in the "scheme" referenced in section 362(d)(4), unless there is sufficient evidence that Debtor was involved, and Debtor is given clear notice that the movant seeks an express finding that Debtor was involved. The tentative ruling in this particular case is that there is evidence and notice.

(c) Effective date of relief

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

(d) Co-debtor stay

Any co-debtor stay (which theoretically could apply in the event of any conversion of this case to chapter 13, per 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.

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Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

Movant(s):

City of Chelsea, Massachusetts

Represented By
Gregory M Salvato

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Chapter 11

#8.00 Hrg re: Motion to require receiver to comply
with Bankruptcy Code Section 543

Docket 28

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 11,
6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

Movant(s):

Yihe Forbes LLC

Represented By
Richard T Baum

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#9.00 Hrg re: Application to Employ Hilco Real Estate LLC
as Real Property Consultant and Advisor

Docket 36

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 11,
6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

Movant(s):

Yihe Forbes LLC

Represented By
Richard T Baum

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#10.00 Cont'd hrg re: Application to Employ Richard T. Baum
as Attorney for Debtor-in-Possession
fr. 5/20/25

Docket 19

Tentative Ruling:

Tentative Ruling for 6/3/24:

Please see the tentative ruling for the status conference (Calendar No. 11,
6/3/25 at 1:00 p.m.).

Tentative Ruling for 5/20/25:

Please see the tentative ruling for the status conference (Calendar No. 3,
5/20/25 at 1:00 p.m.).

Party Information

Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

Movant(s):

Yihe Forbes LLC

Represented By
Richard T Baum

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#11.00 Cont'd Status Conference re: Chapter 11 Case
fr. 05/06/25, 5/20/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Grant the motion for relief from the automatic stay (Calendar No. 7), deny the turnover motion (dkt. 32), deny the application to employ a real estate broker as moot (dkt. 36-38), conditionally grant the application to employ Debtor's proposed bankruptcy counsel (dkt. 19), and dismiss this case at this status conference, all as set forth below. Appearances are not required, unless a party in interest follows the procedures for contesting the tentative ruling(s) for any of the matters on calendar, in which event all parties to those matters must appear. See "Procedures of Judge Bason" (available at www.cacb.uscourts.gov) (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 of the City of Chelsea for relief from the automatic stay and relief from turnover obligations of Receiver (dkt. 40-43, "R/S Motion"), Debtor's opposition (dkt. 52), City's reply (dkt. 60)

Grant the R/S Motion and dismiss this case as set forth in the tentative ruling for Calendar No. 7 on today's calendar (6/3/25 at 1:00 p.m.).

(b) Debtor's motion for turnover of property (dkt. 28 & 33, "Turnover Motion"), Opposition by City of Chelsea (dkt. 56), Debtor's reply (dkt. 59)

Unless (i) the proper procedures are followed to contest the tentative ruling to grant the R/S Motion and dismiss this case and (ii) this Court is persuaded to depart from that tentative ruling, the tentative ruling is to deny

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the Turnover Motion as moot.

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(c) Application to employ real estate professional (dkt. 36, "Broker Application"), Notice of hearing (dkt. 48), no opposition on file

Unless (i) the proper procedures are followed to contest the tentative ruling to grant the R/S Motion and (ii) this Court is persuaded to depart from that tentative ruling, the tentative ruling is to deny the Broker Application as moot because there would appear to be no point in granting the proposed employment.

(d) Application to employ Richard T. Baum as bankruptcy counsel (dkt. 19, "Employment Application"), Supplemental Baum declaration (dkt. 21), Objection of U.S. Trustee (dkt. 22), Notice of hearing (dkt. 25), Supplemental Baum declaration (dkt. 44), Notice/Order continuing hearing (dkt. 50, 51), Supplemental declarations (dkt. 53 & 54)

Grant the application, provided that (i) Mr. Baum is directed to fill out, execute, and file Local Form F 2014-1 for himself, and then lodge another copy of his proposed order approving his employment (which will serve as a trigger for this Court to review that form F 2014-1 and grant the application) and (ii) in future cases Mr. Baum is cautioned that the "Procedures of Judge Bason" (available at www.cacb.uscourts.gov) require that not only the professional to be employed but also any "Funder" of the professional's fees has to mark-up, fill out, execute, and file a separate form F 2014-1 for themselves (but the tentative ruling is to excuse that additional requirement in this case).

Proposed orders: Unless otherwise ordered, the City of Chelsea is directed to lodge proposed orders on each of the foregoing motions - except for the employment of Mr. Baum as Debtor's bankruptcy counsel, as to which Debtor is directed to lodge a proposed order - all via LOU, and all within 7 days after the hearing date and attach a copy of this tentative ruling, thereby incorporating it as this Court's actual ruling. See LBR 9021-1(b)(1)(B).

(2) Dates/procedures. This case was filed on 4/3/25.

(a) Bar date: N/A (but if this case is not dismissed then the tentative ruling is to set a bar date of 7/30/25, with directions NOT TO

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SERVE any notice - this Court will prepare an order after the status conference).

- (b) Procedures Order: dkt. 2 (not timely served, but eventually served which gives notice of matters therein, dkt. 47)
- (c) Plan/Disclosure Statement: N/A (but if this case is not dismissed then the tentative ruling is to set a deadline of 9/9/25 to file a proposed Plan with directions NOT TO SERVE those documents, except on the U.S. Trustee). See Procedures Order.
- (d) Continued status conference: The tentative ruling is to take this matter off calendar (no further status conference).

Tentative Ruling for 5/20/25:

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) Application to employ Richard T. Baum as bankruptcy counsel (dkt. 19, "Employment Application"), Supplemental Baum declaration (dkt. 21), Objection of U.S. Trustee (dkt. 22), Notice of hearing (dkt. 25), Supplemental Baum declaration (dkt. 44)

The tentative ruling is to deny the Employment Application for the following reasons.

A debtor in possession may employ bankruptcy counsel, provided counsel "do[es] not hold or represent an interest adverse to the estate, and [is] disinterested" 11 U.S.C. 372(a). To serve as debtor's counsel, "counsel must be free of all conflicting interests that might impair the impartiality and neutral judgment that they are expected to exercise ... [and] the presence of an actual conflict of interest renders counsel ineligible and constitutes grounds for disqualification from further service." See *In re Sonicblue, Inc.*, 2007 Bankr. LEXIS 1057, at *29-30 (Bankr. N.D. Cal. Mar. 26, 2007).

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As the U.S. Trustee highlights (dkt. 22, pp. 2:27-3:3) the retainer agreement filed in support of the Employment Application reflects that Mr. Baum currently represents "Yihe Forbes, LLC; Yihe Cambridge Holdings Pty, Ltd; Yihe California Pty Ltd; [and] Ken Yike" (dkt. 19, Ex. 2, p. 1 (PDF p. 16)), all of whom Mr. Baum confirms are related entities (dkt. 44, p. 2:1-10). In response, Mr. Baum states that "other than the initial examination of tax returns and determination of venue, [he has] performed no services for Yihe California or Yihe Cambridge ... [and] does not believe there is a conflict of interest that bars his employment." Dkt. 44, p. 2:20-23. But the tentative ruling is that this is insufficient for each of the following alternative reasons.

(i) Inadequate initial disclosures

Mr. Baum does not address why he failed to prominently disclose his representation of related parties and/or insiders in the Employment Application. Not only is that required by the Code and Rules (see 11 U.S.C. 327 and Rule 2014, Fed. R. Bankr. P.), and standard practice, but it is highlighted in the posted "Procedures of Judge Bason" (the "Procedures") (available at www.cacb.uscourts.gov). Inadequate disclosure is, by itself, grounds for denial of employment. See, e.g., *In re Park-Helena Corp.*, 63 F.3d 877 (9th Cir. 1995).

The disclosure requirements are even more rigorous when the source of a retainer is unknown or turns out to be a third party. Mr. Baum's supplemental declaration (dkt. 44, p. 2:11-20) discloses that Yihe Cambridge funded an \$80,214.00 retainer, which raises additional and serious ethical concerns, and which requires declarations providing comprehensive disclosures addressing the ethical issues as provided in the Procedures. See Cal. Rule of Prof'l Conduct 1.8.6; *In re 9469 Beverly Crest, LLC* (Case No. 2:19-bk-20000-NB, dkt.44).

(ii) Inadequate analysis in employment application

An attorney with Mr. Baum's level of experience and who regularly practices in Chapter 11 should know that simultaneous representation of related parties almost invariably gives rise to conflicts of interest. At the very least, such issues must be fully analyzed rather than summarily dismissed.

For example, it is exceptionally rare for a debtor's principal or sole stockholder (such as Mr. Yihe) not to have received some distributions in the months and years prior to the bankruptcy petition - whether in the form of

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salary, dividends, repayment of purported loans to the entity, or some other form of distribution - and the dollar amounts, characterization, timing, and other aspects of such distributions usually require at least some level of scrutiny. How can an attorney who represents both persons scrutinize and question one of them on behalf of the other?

Another example is that obligations of one person might be paid by its affiliate - which, it turns out, happened here with Mr. Baum's own retainer (as noted above). This type of affiliate transaction gives rise to at least potential conflicts that must be carefully analyzed.

(iii) Inadequate response to UST's objection

Mr. Baum's supplemental declaration (dkt. 44) states that he has performed no services for Yihe California or Yihe Cambridge, but he has not provided evidence that (x) they have released him from his agreement to represent them, or that he has been able to terminate that agreement unilaterally, (y) they have provided waivers of conflicts that might have arisen from his knowledge gained through his attorney-client relationship with them, and (z) he and they have done whatever else they might need to do in order for Mr. Baum to qualify for employment (e.g., refunds of attorney fees?). Moreover, Mr. Baum says nothing about whether he has terminated or will terminate his representation of Mr. Yihe, and obtain a conflict waiver from him.

Nor is Mr. Baum's declaration accompanied by a reply brief that analyzes whether, even if he were to go through the motions of belatedly doing the foregoing things, any of this would retroactively cure his prior noncompliance, or prospectively be consistent with his obligation to be "disinterested" and free of all interests that might impede his independent judgment and zealous representation of Debtor as a debtor in possession acting as a trustee for the benefit of creditors. The tentative ruling is that the lack of any such analysis is a waiver and forfeiture of any grounds to overcome the UST's objection.

(iv) Conclusion as to Baum employment

For all of the foregoing reasons, the tentative ruling is that Mr. Baum is disqualified from representing Debtor. Debtor is directed to address what arrangements Debtor will make to obtain new bankruptcy counsel.

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Note: The Employment Application refers to employment of Mr. Baum "and any personnel who become affiliated with him (after approval by the court)" Dkt. 19, p. 7:25-26. For future reference (*i.e.*, in future cases, or in this case if this Court is persuaded to depart from the foregoing tentative ruling), this Court presumes that this allusion to court approval means that Mr. Baum will not have any attorneys work on this case who are not "[r]egular associate[s]" within the meaning of Rule 9001(a)(10) (Fed. R. Bankr. P.), and whose resumes have been provided prior to any employment, unless and until (x) full disclosure using Local Form F 2014-1 and (y) supplemental approval by this Court. To be clear, this means that special attention must be paid to potential and actual conflicts arising from attorneys who work on a temporary basis, and might work for other firms and/or for themselves.

(b) Missing proof of service of Procedures Order

This Court's order setting principal status conference and setting various procedures (the "Procedures Order," dkt. 2) required Debtor to serve that order on all parties in interest and file a proof of service at least 14 days before the principal status conference. As of the preparation of this tentative ruling, no proof of service has been filed.

This Court notes that Debtor moved to continue the principal status conference (dkt. 5), and served the order (dkt. 8) granting that request (dkt. 9), but that is not the same thing as serving the Procedures Order itself, which contains more information/notice than the date of the principal status conference.

The tentative ruling is to set a **deadline of 5/22/25** for Debtor to file and serve a Notice, with a copy of the Procedures Order attached as an exhibit, informing all parties in interest that "Debtor failed to serve the Procedures Order on all parties in interest as directed by the Bankruptcy Court, which may have prejudiced some parties. The Bankruptcy Court has directed Debtor to serve this Notice, with a copy of the Procedures Order, on all parties in interest, both to inform all parties of the procedures in the Procedures Order and so that any party who was prejudiced by the lack of earlier service has an opportunity to seek any appropriate relief."

In addition, Debtor is cautioned that failure to comply with this Court's orders may result in adverse consequences.

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(c) Budget motion

Debtor's status report (dkt. 26, p 3, para. 2) incorrectly states that the Procedures do not require a budget motion. In fact, the Procedures require a budget motion, unless that requirement is excused by this Court.

Notwithstanding the foregoing, the tentative ruling is to excuse the requirement for Debtor to file a budget motion because Debtor does not appear to be operating a business but instead owns four contiguous parcels of waterfront real property in Chelsea, Massachusetts that are subject to a State-Court receivership. See dkt. 19, p. 5:12-20.

Debtor's counsel is cautioned not to misstate this Court's Procedures in future.

(d) Compliance

Debtor's status report (dkt. 26, p. 2) states that Debtor has not complied with all applicable disclosure and compliance guidelines. Debtor is directed to address what, if any, compliance issues remain outstanding as of the date of this hearing.

(e) Application to employ real estate professional (dkt. 36-38)

This matter is not on for hearing today because Debtor filed the application pursuant to LBR 9013-1(o), which is colloquially referred to as "scream or die." Nevertheless, the tentative ruling is to set this application for **hearing on 6/3/25 at 1:00 p.m.** (concurrent with the motion of the City of Chelsea, Massachusetts for relief from the automatic stay etc., dkt. 40-43), with a **5/22/25 deadline** to file a proof of service of notice to all creditors via U.S. mail of that hearing, and with a **5/27/25 deadline** for Debtor to file a supplemental brief and/or declaration(s) addressing the following issues:

(i) Proposed compensation, and lack of information about professional's qualifications

Debtor proposes to pay Hilco Real Estate LLC ("Hilco") 5% of the gross sales proceeds (none of which appears to be contemplated to be shared with any buyer's broker) plus up to \$25,000.00 in expenses charged to the estate. See Empl. App. (dkt. 36), Ex. 2 (Real Estate Consulting and Advisory Services Agreement), p. 2 (sections 4 & 6) & p. 9 (Ex. B). That seems expensive, relative to real estate agents' proposed fees typically

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presented to this Court. The application is devoid of any description of the unique challenges presented in marketing and selling the property that might warrant special fees, or any declaration and resume establishing Hilco's skills and experience relevant to selling what appears to be delapidated, recently burned, and dangerous former industrial property in a different State hundreds of miles away, with a rising high water line, changed zoning, and other restrictions and challenges.

What efforts, if any, has Debtor undertaken to determine Hilco's skills and experience, and whether the proposed compensation is reasonable and comparable to what is charged by other real estate professionals for similar engagements?

(ii) Calculation of commission

The application states that the "gross sale proceeds" shall mean the aggregate cash and noncash consideration received by the Debtor in consideration for the property and that the value of any noncash consideration shall be determined by mutual agreement between Hilco and Debtor. Dkt. 36, p. 2:19-22. The tentative ruling is that any purported determination as to the value of any noncash consideration must be subject to notice, an opportunity for parties in interest to object, and this Court's review for reasonableness and/or, if necessary or appropriate, this Court's valuation after an evidentiary hearing.

(iii) Hilco's limited "indemnification" of Debtor (Hilco only liable for "gross" negligence), and termination of Hilco only for "gross" negligence

The tentative ruling is that Hilco has not shown any reason why it should be effectively excused from its own negligence by requiring Debtor to absorb any damages arising from such negligence (because Hilco would only have to indemnify Debtor for damages arising from its "grossly negligent" acts or omissions). See Empl. App. (dkt. 36), Ex. 2, p. 3, section 8(a) (at PDF p. 22). This Court questions why it is appropriate even to seek such a limitation on liability, especially without prominently disclosing it and providing authority for it in the employment application.

In addition, this Court notes that Debtor purportedly can only terminate the agreement for Hilco's "gross" negligence, not ordinary negligence. See *id.*, p. 6, section 10 (at PDF p. 25). Again, this Court questions why it is appropriate even to seek approval of such a provision, especially without

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prominent disclosure and analysis.

(iv) Lack of adequate conflicts check

Despite providing a declaration that roughly tracks Rule 2014 (Fed. R. Bankr. P.), Hilco's principal apparently only checked for conflicts with (A) Debtor's managing member and (B) Yihe USA Holdings Limited. See App. (dkt. 36) p. 6:21-23, p. 7:1-5, & p. 9 (Sch. I). This appears to be totally inadequate.

(v) Dual agency

The proposed agreement with Hilco contemplates that it might represent a buyer, as well as Debtor. See App. (dkt. 36) p. 24, section 9(n) (PDF p. 36). The standard employment terms set forth in the Procedures prohibit dual agency.

(f) Turnover Motion (dkt. 32 & 33) and Motion for relief from stay (dkt. 40-44)

Although these matters are not on for hearing today, the tentative ruling is that, on the one hand, the State Court has jurisdiction to address whether it believes the automatic stay applies and therefore whether or not to suspend the proceedings before it (and that this Bankruptcy Court will endeavor not to disrupt those proceedings more than necessary and appropriate). On the other hand, the tentative ruling is that the State Court's determination as to whether or not the automatic stay applies has no binding affect on this Bankruptcy Court, which is charged by Congress with making the ultimate determination on this issue (subject to any appellate review). *In re Gruntz*, 202 F.3d 1074, 1078 (9th Cir. 2000).

This Congressional policy choice enables the State Court to address emergency matters and manage its own docket, while also enabling this Bankruptcy Court to manage this bankruptcy case. In all future matters, the parties before this Court should keep the State Court apprised, and should endeavor to facilitate comity between the courts.

(2) Dates/procedures. This case was filed on 4/3/25.

(a) Bar date: 7/30/25 (DO NOT SERVE notice yet - court will prepare an order after the status conference).

(b) Procedures Order: dkt. 2 (no proof of service on file)

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(c) Plan/Disclosure Statement: file by 9/9/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: 6/3/25 at 1:00 p.m., concurrent with other matters. No written status report is required.

Party Information

Debtor(s):

Yihe Forbes LLC

Represented By
Richard T Baum

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2:25-13052 Raymond Martin Camarillo

Chapter 11

#12.00 Hrg re: Motion in individual chapter 11 case for order authorizing use of cash collateral [15726 La Lindura Drive, Whittier, CA 90603]

Docket 19

Tentative Ruling:

Conditionally grant on an interim basis. Appearances required.

If Debtor has not resolved the issues raised by MCLP Asset Company Inc.; Shell Point Mortgage Servicing's ("Creditor") in its opposition papers (dkt. 47) by the time of the hearing then Debtor is directed to appear to address those issues. This Court anticipates granting the motion (dkt. 19) on an interim basis, subject to any conditions either agreed with Creditor or imposed by this Court, and the additional conditions set forth below, with a **deadline of 6/10/25** for Debtor to file and serve supplemental papers addressing any outstanding issues (unless this Court is satisfied with Debtor's offers of proof at the hearing), and setting a final hearing on concurrent with the continued Status Conference (see calendar #15, 6/3/25 at 1:00 p.m.) and a **deadline of 6/10/25** for Debtor to file and serve a notice of the final hearing.

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

(1) Written order

(a) Form. Use local form

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

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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 "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).

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(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 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.

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.

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Chapter 11

Party Information

Debtor(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama

Movant(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama
Onyinye N Anyama
Onyinye N Anyama

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2:25-13052 Raymond Martin Camarillo

Chapter 11

#13.00 Hrg re: Motion in Individual Ch 11 Case for Order
approving a budget for the use of the debtor's cash
and postpetition income

Docket 18

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 15,
6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama

Movant(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama
Onyinye N Anyama
Onyinye N Anyama

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2:25-13052 Raymond Martin Camarillo

Chapter 11

#14.00 Hrg re: Motion for order approving sale of real property free and clear of designated lien, providing for overbids, and for ancillary relief

Docket 42

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 15, 6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama

Movant(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama
Onyinye N Anyama
Onyinye N Anyama

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2:25-13052 Raymond Martin Camarillo

Chapter 11

#15.00 Cont'd Status conference re: Chapter 11 case
fr. 5/20/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

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) Debtor's motion to use cash collateral (Lindura Drive Property) (dkt. 19, "Cash Collateral Motion"), Amended notice (dkt. 23), Opposition of MCLP Asset Company, Inc; Shellpoint Mortgage Servicing as servicer ("Creditor") (dkt. 47), no reply on file

Tentatively grant the Cash Collateral Motion on an interim basis, with a final hearing concurrent with the continued status conference (see Part (2)(d), below), subject to (x) Debtor satisfactorily addressing Creditor's objections, and (y) the conditions set forth in the tentative ruling for Calendar No. 12 on today's calendar (6/3/25 at 1:00 p.m.).

(b) Budget motion (dkt. 19, amended by dkt. 46), no opposition on file

Grant.

(c) Motion to sell Serenity Avenue Property (dkt. 42, "Sale Motion"), Notice of sale (dkt. 43), no opposition on file

The tentative ruling is to conditionally grant the Sale Motion and authorize a sale free and clear (11 U.S.C. 363(b) & (f)), subject to any overbids and the following conditions.

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(i) Oppositions: Neither the Sale Motion nor Debtor's Notice of sale (dkt. 43) notify parties in interest of the deadline to file an opposition the motion, so the tentative ruling is that approval of the motion is subject to any opposition at the hearing.

(ii) Insufficient grounds for a sale free and clear (11 U.S.C. 363(f)): The Sale Motion requests that "the sale be free and clear of the liens pursuant to 363(f)(3)(4)(5) in that the liens exceed the sale proceeds; or in the alternative payment of the net proceeds" (dkt. 42, p. 6:15-17), but the motion does not (x) actually state what liens, claims or interests Debtor seeks a sale free and clear of (that information should be prominently disclosed and not left for interested parties and this Court to search for in attached exhibits like the estimated closing statement), (y) attach a preliminary title report, or (y) adequately analyze the grounds for relief under section 363(f)(3), (4) or (5), or why Debtor is proceeding under those subsections but not 363(f)(1) or (2).

Debtor's counsel is directed to review the portion of the "Posted Procedures of Judge Bason" (available at www.cacb.uscourts.gov) addressing sales free and clear under section 363(f) and appear to address the issues set forth immediately above.

The tentative ruling is also that any sale under section 363(f) is conditioned upon Debtor filing a supplemental declaration following the hearing that attaches a preliminary title report (or the equivalent) and shows that all persons who may assert any interest in the property have been served, so that it is apparent what interests Debtor intends to sell free and clear of.

(iii) Broker's commissions: As of the preparation of this tentative ruling this Court has not approved Debtor's proposed broker's employment, so the tentative ruling is that approval of the proposed seller's broker's commission is contingent upon this Court entering an order approving the proposed broker's employment.

(d) Monthly Operating Reports ("MORs")

Debtor's April MOR (dkt. 48, p. 2) lists total disbursements of \$24,030, but only \$1,200 in expenses are reflected in the supporting documentation. *Id.*, p. 30. This Court presumes that Debtor only listed expenses paid post-petition (i.e., from 4/15/25 through 4/31/25) but if that is true then Debtor should make that clearer and if that is not the case then where did the rest of the money go? If this issue is not satisfactorily addressed at the hearing then

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the tentative ruling is to set a **deadline of 6/10/25** for Debtor to file and amended MOR.

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

(2) Dates/procedures. This case was filed on 4/14/25.

(a) Bar date: 8/18/25 (dkt. 53) (timely served, dkt. 54)

(b) Procedures Order: dkt. 6 (timely served, dkt. 9)

(c) Plan/Disclosure Statement: file by 9/9/25 (DO NOT SERVE - except on the U.S. Trustee). See Procedures Order.

(d) Continued status conference: 6/24/25 at 1:00 p.m., concurrent with other matters. No written status report is required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Raymond Martin Camarillo

Represented By
Onyinye N Anyama

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2:23-10990 Leslie Klein

Chapter 11

#16.00 Hrg re: First Application of Pachulski Stang Ziehl & Jones LLP
for Interim Approval of Compensation and Reimbursement of
Expenses as General Bankruptcy Counsel to the Chapter 11 Trustee

Docket 1056

Tentative Ruling:

The tentative ruling is to (x) overrule the Vagos' objection to the reasonableness of Trustee's Counsel's fees on an interim basis, without prejudice to revisiting that issue in connection with any final allowance of such fees, but without "20/20 hindsight" or "changing the rules" as explained below, (y) grant Trustee's Counsel's request for approval of \$4,877,418.50 in fees and \$96,036.39 in expenses, for a total interim award of \$4,973,454.89, and (z) direct payments to Trustee's Counsel in the reduced amount and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 & 16). 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, Applicant is directed to lodge proposed order(s) on the matter(s) addressed here 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): Opposition of Erica and Joseph Vago (dkt. 1087, "Opposition"), Reply (dkt. 1099)

Analysis:

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(a) Legal standard

Section 331 provides that "any professional person employed under section 327 ... may apply to the court ... for such compensation for services rendered before the date of such an application ... as is provided under section 330" 11 U.S.C. 331. "The limited purpose of this statute is to provide financial relief to court-appointed officers engaged in protracted bankruptcy litigation, so that these officers do not have to wait for what may be years before receiving compensation." *In re Strand*, 375 F.3d 854, 858 (9th Cir. 2004). Interim fee awards under section 331 are interlocutory and always subject to the court's reexamination and adjustment during the course of the case. *Id.* (quotation marks and citations omitted).

(b) Background

Debtor filed this chapter 11 case on 2/22/23. Shortly thereafter, creditors Erica and Joseph Vago (the "Vagos") moved to dismiss the case. Dkt. 79. At a hearing on that motion, Judge Klein (who previously presided over this case) determined that appointment of a chapter 11 trustee, rather than dismissal, was in the best interests of the estate and directed the U.S. Trustee to appoint a chapter 11 trustee. Dkt. 142. On 5/24/24 the U.S. Trustee moved to appoint Bradley D. Sharp to serve as chapter 11 trustee ("Trustee"), which the Court approved. Dkt. 154 & 155.

On 8/1/23 Trustee filed an application to employ Pachulski Stang Ziehl & Jones LLP ("Trustee's Counsel") to serve as his general bankruptcy counsel with compensation at the firm's customary hourly rates of \$1,150/hr to \$1,295/hr for attorneys and \$545 for paralegals, subject to a 75% fee cap ("Temporary Cap") and catch-up payments equal to 10% of distributions made to general unsecured creditors, which shall not exceed twice the aggregate of the discounted amount associated with the Temporary Cap. Dkt. 177.

The U.S Trustee filed an objection to the proposed employment and raised concerns about the appropriateness of the firm's high hourly billing rates in view of the facts, circumstances, and history of the case and requested additional information justifying the proposed rates. Dkt. 185. On 8/1/23 proposed counsel and Trustee filed reply papers in support of the proposed hourly billing rates. Dkt. 229-231. After considering the parties' briefs and oral argument, Judge Klein issued an order approving the firm's employment on the terms set forth in the employment application, including

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the proposed hourly billing rates and Temporary Cap. Dkt. 330.

Trustee's Counsel now seeks (x) interim approval of \$4,877,418.50 in fees (after a voluntary reduction of \$6,605.00) and \$96,036.39 in expenses (after a voluntary reduction of \$19.87), incurred from 5/23/23 through 2/28/25, for a **total interim award of \$4,973,454.89**, and (y) authority for Trustee to pay the firm \$3,754,100.26, which represents 75% of the total fees pursuant to the Temporary Cap and 100% of the requested expenses, for a **total interim payment of \$3,850,136.65**. Dkt. 1056.

In addition to Trustee's Counsel's interim fee application, Trustee and four other professionals seek approval and payment of \$1,181,942.17 in interim fees and \$10,017.03 in interim expenses, for a total payment of \$1,191,959.20, as follows:

(i) Trustee (dkt. 1060): \$163,866.22 in fees + \$8,817.90 in expenses, for a total award of \$172,684.12.

(ii) The Law Offices of Eric Everett Hawes ("Hawes") (dkt. 1058): \$10,215.00 in expenses + \$590.70 in expenses, for a total award of \$10,805.70.

(iii) The Law Offices of Goldfarb Gross Seligman & Co. ("Goldfarb") (dkt. 1061): \$22,894.95 in fees + \$0.00 in expenses, for a total award of \$22,894.95.

(iv) Development Specialists, Inc. ("DSI") (dkt. 1062): \$965,067.00 in fees + \$306.09, for a total award of \$965,373.09.

(iv) Kieckhafer Schiffer LLP ("Kieckhafer") (dkt. 1057): \$19,899.00 in fees + \$302.34 in expenses, for a total award of \$20,201.34.

In total, the professionals seek interim payments totaling **\$5,042,095.85** at this time.

(c) The parties' arguments

(i) The Vagos' opposition

The Vagos object to the proposed payments because (x) the requested fees and expenses sought to be paid are more than double the \$2,509,502.35 in funds currently on hand in the estate, and (y) it is premature for professionals to be paid every penny the estate has recovered when it is not clear at this point whether there will be sufficient funds to make a substantial distribution to general unsecured creditors. Opp. (dkt. 1087), p.

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2:18-3:25. The Vagos argue that payment of the professionals' fees and expenses should instead be limited to \$2 million and that no further fees should be allowed until the Trustee and his professionals can show that unsecured creditors will receive a substantial distribution in this case. *Id.* p. 3:16-20.

The Vagos also take issue with how much Trustee's Counsel has incurred in fees and expenses to date when compared to the assets that have been recovered and/or liquidated. Opp. (dkt. 1087), p. 5-6. They argue that there have been no litigation recoveries which would justify Trustee's Counsel's \$1,000+ hourly rates. *Id.* They also raise specific objections to five categories of service set forth in Trustee's Counsel's fee application. *Id.*, pp. 5:21-7:14.

First, they argue that Trustee's Counsel's summary of services performed in the asset analysis category related to 23 Rule 2004 examinations are vague and do not appear to justify \$1.5 million worth of fees and they question the value of those services given Trustee's filing of only one adversary proceeding based on information obtained from those examinations. Opp. (dkt. 1087), pp. 5:22-6:8. They similarly question the appropriateness of fees incurred in the asset disposition category which accounts for 1/3 of the funds recovered from what they consider routine sale of real properties and in the avoidance action category attributable to a single action to recover real property. *Id.* p. 6:10-22. They also argue that the bankruptcy litigation category appears to include even more fees for the avoidance action and Rule 2004 examinations despite the estate's failure to recover any funds for services performed in this category. *Id.*, pp. 6:24-7:3. Finally, they argue that the case administration category includes services for actions that should have been performed by Trustee without explaining or justifying the need for those services to be performed by Trustee's Counsel at high hourly rates. *Id.* p. 7:4-14.

(ii) Trustee's Counsel's reply

Trustee's Counsel filed a reply on behalf of all of the professionals confirming that the anticipated distributions will not leave the estate administratively insolvent and highlighting the benefits achieved for the estate, including the recovery of several million dollars and initiation of litigation which is anticipated to yield a significant recovery for the estate. Reply (dkt. 1099), pp. 2:21-27 & p. 3:10-11.

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Since the requests fees and expenses exceed the amount of funds on hand, Trustee proposes: (w) first pay the allowed expenses of all professionals, (x) then pay 100% of the allowed fees of Kieckhafer, Hawes and Goldfarb given that they are relatively small and/or incurred by professionals that do not routinely provide services in chapter 11 cases, (y) then pay a percentage of the allowed fees of Trustee, DSI and Trustee's Counsel on a pro rata basis in two phases, and (z) maintain an adequate cash reserve of no less than \$750,000.00 for the estate. *Id.*, pp. 3:12-4:2 & Ex. A. Under Trustee's proposed payment schedule, total interim payments would be **\$3,031,260.63** (\$1,355,811.64 for part 1 allocation + \$1,675,448.99 for part 2 allocation = \$3,031,260.63). *Id.* Ex. A, PDF p. 15-16. Trustee's Counsel argues that the proposed amounts and payment schedule are appropriate because the estate's lack of cash and general illiquidity have forced Trustee and his professionals to effectively fund the estate's administration. Reply (dkt. 1099), p. 3:1-3.

In response to the Vagos' specific objections to Trustee's Counsel's fee application, Trustee's Counsel argues that the opposition makes vague objections to five billing categories based solely on the results achieved or lack of distribution to creditors and without reference to specific time entries. Reply (dkt. 1099), pp. 8:21-27 & 10:19-12:14. But Trustee's Counsel argues that under 11 U.S.C. 330 its fees must be reviewed from the perspective that existed when the services were rendered, and services do not need to result in a material benefit provided they were reasonably likely to benefit the estate at the time they were rendered. *Id.* p. 8:21-27. Trustee's Counsel argues that the Vagos' opposition ignores many of the Trustee's achievements, including the reduction of nearly \$50 million in claims that will increase the distribution to creditors, among other things. *Id.* p. 11:19-27.

(d) Analysis

(i) Reconsideration of Trustee's Counsel's hourly billing rates is not appropriate at this time

First, it does not appear that the Vagos are seeking reconsideration of Trustee's Counsel's hourly billing rates at this time, despite arguments regarding the reasonableness of Trustee's Counsel's hourly billing rates. But if they are in fact seeking an order reconsidering the firm's hourly rates, the tentative ruling is to deny any such request because they have not filed a motion seeking reconsideration so that issue is not properly before this Court.

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Additionally, and alternatively, the tentative ruling is that Judge Klein (who previously presided over this case) has already determined that Trustee's Counsel's hourly billing rates are appropriate in view of the circumstances of this case (dkt. 330, the "Employment Order"). It would be unfair for this Court to now change the rules and revisit the reasonableness of Trustee's Counsel's hourly billing rates (as opposed to the reasonableness of the services performed) after Trustee's Counsel has performed a significant amount of work in reliance on the previously approved employment terms.

(ii) The Vagos' specific objections to Trustee's Counsel's fees

The tentative ruling is to also overrule the Vagos' objections to Trustee's Counsel's fees because, as Trustee's Counsel highlights, they do not refer to any specific time entries that they find objectionable, and their arguments appear to seek a retrospective review of Trustee's Counsel's services rather than analyzing whether the services were reasonably likely to benefit the estate at the time they were rendered.

Although this Court has its own obligation to review the reasonableness of professionals' fees and expenses, the tentative ruling is that Trustee's Counsel's services appear to be reasonable and necessary considering Debtor's complete lack of cooperation and the dearth of information and documentation available to Trustee at the time of his initial appointment. The tentative ruling is also that while parties in interest are free to object to the allowance of fees under section 330 or 331, nobody should be subjected to "20/20 hindsight."

Based on this Court's own independent review of the time entries, the tentative ruling is that none appears to warrant any sua sponte reduction in fees. At most, a small handful of entries performed by a paralegal conceivably might be secretarial in nature. See e.g., (x) dkt. 1056, PDF p. 58, 06/07/23 entry by BDD for "prepar[ing] ECF notifications for J. Lucas and J. Nolan (.20); email J. Lucas and J. Nolan re same (.10); emails N. Brown re same (.10)" for a total of \$218.00, (y) *id.* PDF p. 604, 05/07/24 entry by LAF for "Obtain[ing] filing from LA County Superior Court [0.30]" for a total of \$193.50; and (z) *id.*, PDF p. 830, 12/17/24 entry by BDD for "Review judge's tentatives for 1/18/ and email J. Dulberg re same (.30) and attend to calendaring matters re same (.10)" for a total of \$238.00).

But for several reasons the tentative ruling is that no fee reduction is warranted on this basis. First, most if not all of such services typicall would

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be more appropriately handled by a paralegal charging an hourly rate than by a secretary or other employee whose salary is absorbed into a firm's overhead. For example, calendaring is actually a complex process that even many attorneys get wrong; and identifying which documents need to be retrieved from a State Court's files often requires legal skills. Second, it is not this Court's job to unearth specific time entries that might conceivably be objectionable and pursue every potential lead. Third, absent prior written challenges to specific time entries, Trustee's Counsel is not afforded an opportunity to provide a more detailed description justifying any potentially objectionable entries. For all of these reasons, the tentative ruling is that any reduction in the requested fees appears to be unwarranted on this record and at this time, in connection with an interim fee application.

Notwithstanding the foregoing, this Court agrees that the requested fees and expenses are unusually high for the typical chapter 11 cases filed in this district; and in addition the *quid pro quo* for billing at a high hourly rate is that creditors and this Court expect high quality work product and efficient services. For example, matters that might take a less experienced attorney X hours to perform should take Trustee's Counsel less than X hours because of their deep bankruptcy experience and specialization. Presumably the firm has templates that could be utilized and/or prior experience with a broad range of issues.

Additionally, attorneys at all billing levels must continually perform a cost benefit analysis to determine whether the benefit in providing services will outweigh the cost of providing the service. See e.g., *Unsecured Creditors' Comm. V. Puget Sound Plywood, Inc.*, 924 F.2d 955, 958-59 (9th Cir. 1991) (explaining that estate professional must consider the "maximum probable recovery" compared to the "probable cost of legal services"); *In re Mednet*, 251 B.R. 103, 108-09 (9th Cir. BAP 2000) (Courts should consider whether services were necessary or beneficial to the administration of the estate at the time they were rendered and whether the professional exercised reasonable billing judgment, among other things).

This Court also shares the Vagos' concerns that professional fees could well exceed the net recoveries if Trustee's Counsel (and other professionals) continues to incur significant fees and expenses pursuing assets but are ultimately unsuccessful. But, as with any interim fee award, this Court does not have the full picture of Trustee's Counsel's strategy in investigating, locating, and administering estate assets, nor would it be wise

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to force Trustee's Counsel to disclose their litigation strategy and tactics, thereby possibly alerting existing or prospective defendants/respondents and impeding Trustee's ultimate chances of success.

Therefore, the tentative ruling is that it is premature for this Court to make any final determinations about whether the requested fees are reasonable or whether counsel has exercised reasonable billing judgment. Creditors and this Court will have a better ability to gauge billing judgment as more facts develop and this case nears or reaches its conclusion.

For example, when it comes to any Life Capital insurance proceeds, Trustee's Counsel may have performed a significant amount of work researching, investigating and negotiating issues involving the estate's claims against Life Capital and others, but only recently did this Court have any idea what those issues were. Even now, it is difficult to determine whether Trustee's Counsel have exercised reasonable billing judgment (this Court has no reason to doubt that counsel have done so, but the issues have yet to be fully presented to this Court and final rulings have yet to be made).

Accordingly, at this interim stage, this Court must instead rely to some degree on Trustee and Trustee's Counsel to weigh the likely benefit to the estate for any services to be performed against the fees and expenses that may be incurred, and if this Court later determines that any services were unreasonable at the time when they were rendered then this Court can reduce fees in connection with any final fee application. Again, however, no professional should be subject to "20/20 hindsight" or changing the rules after they have signed up to take on the risks of rendering a large amount of sophisticated services in a complex bankruptcy case with uncertain assets and opponents who are experienced, clever, and determined. There is already a risk in any bankruptcy engagement that an "hourly" fee structure will turn out to be more like a "contingency" fee - only payable if there are sufficient assets - and this Court must hold professionals to the high standards on which they obtained employment without unfairly making them bear the risks and burdens that are attributable to the bankruptcy situation, if professionals did in fact exercise reasonable billing judgment.

For the foregoing reasons, the tentative ruling is to overrule the Vagos' specific objections to Trustee's Counsel's fees and approve \$4,877,418.50 in fees and \$96,036.39 in expenses, for a total interim award of \$4,973,454.89, but with two caveats. First, this is only an interim award. Second, only partial payment should be made at this time.

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(iii) Appropriate amount of interim payments

The tentative ruling is to sustain the Vagos' objection as to the amount Trustee is authorized to pay the professionals at this time because it is not clear whether the estate will be administratively insolvent or generate sufficient funds to make a decent distribution to general unsecured creditors. The tentative ruling is that limiting payment as proposed by Trustee will enable him to pay all the professionals' allowed *expenses* in full and relieve some of the risk to the professionals that they may not ultimately recover the full amount of their *fees* for services while still proving some assurances to creditors that funds - perhaps substantial funds - will be available in future for them to receive a distribution on account of their claims in future.

(e) Conclusion

For the foregoing reasons, the tentative ruling is to (x) overrule the Vagos' objection to the reasonableness of Trustee's Counsel's fees, without prejudice, (y) grant Trustee's Counsel's request for approval of **\$4,877,418.50 in fees and \$96,036.39 in expenses**, for a total interim award of **\$4,973,454.89**, and (z) direct payment in the reduced amount and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 & 16).

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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#17.00 Hrg re: First Application of Kieckhafer Schiffer LLP for Interim Approval of Compensation and Reimbursement of Expenses as Tax Accountant to the Chapter 11 Trustee

Docket 1057

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 22, 6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Movant(s):

Kieckhafer Schiffer LLP

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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2:23-10990 Leslie Klein

Chapter 11

#18.00 Hrg re: Third Application of the Law Office of Eric Everett Hawes
for Interim Approval of Compensation and Reimbursement of
Expenses as Landlord/Tenant Counsel to the Chapter 11 Trustee

Docket 1058

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 22,
6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Movant(s):

Law Office of Eric Everett Hawes

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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2:23-10990 Leslie Klein

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#19.00 Hrg re: Application for payment of interim fees and/or
expenses of Bradley D. Sharp, Chapter 11 Trustee

Docket 1060

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 22,
6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Movant(s):

Bradley D. Sharp (TR)

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

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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#20.00 Hrg re: Third Application of The Law Offices of Goldfarb Gross Seligman & Co.
for Interim Approval of Compensation and Reimbursement of Expenses as
Special Litigation and Real Estate Counsel to the Chapter 11 Trustee

Docket 1061

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 22,
6/3/25 at 1:00 p.m.).

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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2:23-10990 Leslie Klein

Chapter 11

#21.00 Hrg re: First Interim Application for Allowance and Payment of Fees and Reimbursement of Expenses of Development Specialists, Inc., as Forensic Accountant

Docket 1062

Tentative Ruling:

Please see the tentative ruling for the status conference (Calendar No. 22, 6/3/25 at 1:00 p.m.).

Party Information

Debtor(s):

Leslie Klein

Pro Se

Movant(s):

Development Specialists, Inc.

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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2:23-10990 Leslie Klein

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#22.00 Cont'd Status Conference re: Chapter 11 Case
fr. 4/8/25, 4/22/25, 05/01/25, 5/6/25, 5/20/25

Docket 1

Tentative Ruling:

Grant the fee applications with payments in the amounts and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 & 16) as set forth below and continue the status conference as set forth below. Appearances are not required on 6/3/25. (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) Interim fee application of Pachulski Stang Ziehl & Jones LLP ("Trustee's Counsel") (dkt. 1057), Sharp declaration (dkt. 1063), Notice of hearing (dkt. 1067), Opposition of Erica & Joseph Vago (dkt. 1087, "Vago Opposition"), Trustee's Counsel's reply (dkt. 1099)

Overrule the Vagos' objection to the reasonableness of Trustee's Counsel's fees, without prejudice, (y) grant Trustee's Counsel's request for approval of \$4,877,418.50 in fees and \$96,036.39 in expenses, for a total interim award of \$4,973,454.89, and (z) direct payment in the reduced amount and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 & 16), as set forth in greater detail in the tentative ruling for calendar no. 16 on today's calendar (6/3/25 at 1:00 p.m.).

(b) Interim fee application of Kiechkafer Schiffer LLP (dkt. 1057), Sharp declaration (dkt. 1063), Notice of hearing (dkt. 1067), Limited opposition of

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Erica & Joseph Vago (dkt. 1087), Trustee's counsel's reply (dkt. 1099)

Allow \$19,899.00 in fees and \$302.34 in expenses, for a total award of \$20,201.34, and authorize and direct payment of the full amounts allowed on the schedule proposed by Trustee (dkt. 1099, PDF pp. 15 &16).

(c) Interim fee application of Eric Everett Hawes (dkt. 1058), Sharp declaration (dkt. 1063), Notice of hearing (dkt. 1067), Limited opposition of Erica & Joseph Vago (dkt. 1087), Trustee's counsel's reply (dkt. 1099)

Allow \$10,215.00 in fees and \$590.70 in expenses, for a total award of \$10,805.70, and authorize and direct payment of the full amounts allowed on the schedule proposed by Trustee (dkt. 1099, PDF pp. 15 &16).

(d) Interim fee application of Trustee (dkt. 1060), Notice of hearing (dkt. 1067), Limited opposition of Erica & Joseph Vago (dkt. 1087), Trustee's counsel's reply (dkt. 1099)

Allow \$163,866.22 in fees and \$8,817.90 in expenses, for a total award of \$172,684.12, and authorize and direct payment in the reduced amount and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 &16).

(e) Interim fee application of The Law Offices of Goldfarb Gross Seligman & Co. (dkt. 1061), Sharp declaration (dkt. 1063), Notice of hearing (dkt. 1067), Limited opposition of Erica & Joseph Vago (dkt. 1087), Trustee's counsel's reply (dkt. 1099)

Allow \$22,894.95 in fees and \$0.00 in expenses, for a total award of \$22,894.95, and authorize and direct payment of the full amounts allowed on the schedule proposed by Trustee (dkt. 1099, PDF pp. 15 &16).

(f) Interim fee application of Development Specialists, Inc. (dkt. 1062), Sharp declaration (dkt. 1063), Notice of hearing (dkt. 1067), Limited opposition of Erica & Joseph Vago (dkt. 1087), Trustee's counsel's reply (dkt. 1099)

Allow \$965,067.00 in fees and \$306.09 in expenses, for a total award of \$965,373.09, and authorize and direct payment in the reduced amount and schedule proposed by Trustee (dkt. 1099, PDF pp. 15 &16).

Proposed orders: Unless otherwise ordered, Trustee or Trustee's Counsel is directed (x) to lodge proposed orders on each of the

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foregoing motions via LOU within 7 days after the hearing date, (y) to attach a copy of the tentative ruling for calendar no. 16 on today's calendar (6/3/25 at 1:00 p.m.) to the order on the Pachulski firm's fee application, and (z) incorporate that tentative ruling into every order, by cross-reference, thereby adopting it as this Court's actual ruling on each of the fee applications. See LBR 9021-1(b)(1) (B).

(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 directed the appointment of a chapter 11 trustee (dkt. 142) and on 5/24/23 Bradley D. Sharp was appointed 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: 6/17/25 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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2:25-11337 RHDM Oil, Inc.

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#23.00 Cont'd status conference re: Chapter 11 case
fr. 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Set a deadline for the filing of motions for substantive consolidation or joint administration, with a caution to Debtor that these cases must be prosecuted more diligently in future, and continue the status conference, all as set forth below. Appearances are not required on 6/3/25. (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) Joint administration or substantive consolidation with Mr. Ansari's bankruptcy case (Case No. 2:25-bk-11429-NB)

Provided this Court maintains its tentative ruling to convert Mr. Ansari's bankruptcy case (Case No. 2:25-bk-11429-NB) to Subchapter V of Chapter 11 (see Cal. No. 14, 6/3/25 at 11:00 a.m.), the tentative ruling is to **set a deadline of 6/10/25** for Debtor and Mr. Ansari to file the contemplated motions seeking either substantive consolidation or joint administration of their cases. See Status Report Supplement (dkt. 67-1) ¶ (h) (p. 2).

2) Dates/procedures. This case was filed on 2/21/25.

(a) Bar date: 5/2/25 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. 11)

(b) Procedures Order: dkt. 4 (timely served, dkt. 6)

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

1:00 PM

CONT...

RHDM Oil, Inc.

Chapter 11

- (c) Plan/Disclosure Statement: file by 90 days after the petition date
(per 11 U.S.C. 1189(b)) (DO NOT SERVE - except on the U.S.
Trustee). See Procedures Order.
- (d) Continued status conference: 6/17/25 at 2:00 p.m., concurrent with
other matters. No written status report is required.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

RHDM Oil, Inc.

Represented By
Andrew S Bisom
Matthew John Salcedo

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:24-19131 Kyung Jik Lee

Chapter 11

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

Docket 87

Tentative Ruling:

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

Party Information

Debtor(s):

Kyung Jik Lee

Represented By
Matthew D. Resnik
Roksana D. Moradi-Brovia

Movant(s):

Moriah Douglas Flahaut (TR)

Pro Se

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:24-19131 Kyung Jik Lee

Chapter 11

#2.00 Status Conference re: Post confirmation
fr. 12/3/24, 1/7/25, 1/21/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Approve the Subchapter V Trustee's final fee application and maintain the previously ordered date for the post-confirmation status conference, all as set forth below. Appearances are not required on 6/3/25. (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) Final fee application of Subchapter V Trustee (dkt. 87-88), no opposition on file

Allow \$4,556.00 in fees and \$0.00 in expenses (no expenses have been sought), on a final basis, for a total award of \$4,556.00, and authorize and direct payment of the full amounts allowed.

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

2) Dates/procedures. This case was filed on 11/6/24.

(a) Bar date: 1/15/25 (dkt. 33).

(b) Procedures Order: dkt. 4 (timely served, dkt. 10)

(c) Plan/Disclosure Statement: First Amended Plan (dkt. 70) confirmed on 4/23/25 (dkt. 81).

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT...

Kyung Jik Lee

Chapter 11

(d) Post-confirmation status conference: 9/9/25 at 1:00 p.m. (as previously ordered). Post-confirmation status report due by 8/26/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Kyung Jik Lee

Represented By

Matthew D. Resnik

Roksana D. Moradi-Brovia

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#3.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Progressive Management, Inc.
(Claim No. 1)

Docket 25

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#4.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Jeffrey Ratner and Associates, Inc.
(Claim Nos. 2 and 3)

Docket 26

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#5.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Alexei Kurochkin
(Claim No. 4)

Docket 27

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#6.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Evgeniy Avilov
(Claim No. 5)

Docket 28

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
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2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#7.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Elena Gofman
(Claim No. 6)

Docket 29

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

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2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#8.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Maria Habarova
(Claim No. 7)

Docket 30

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
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2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#9.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Ildar Shadaev
(Claim No. 8)

Docket 31

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#10.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Maria Samsonova
(Claim No. 9)

Docket 32

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#11.00 Hrg re: Putative Partner Alexander Sabadash's Objection to
Proof of Claim Filed by Atabek & Co
(Claim No. 10)

Docket 33

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#12.00 Cont'd hrg re: Debtor Motion to Dismiss Involuntary Petition Under
FRCP 12(B)(1) and 12(B)(6) or, in the Alternative, Motion for
Summary Judgment
fr. 4/22/25

Docket 8

Tentative Ruling:

Please see the tentative ruling for the Status Conference (calendar no. 13 on
6/3/25 at 2:00 p.m.).

Party Information

Debtor(s):

Itkin & Sabadash

Pro Se

Movant(s):

Alexander Sabadash

Represented By
Michael Zorkin

**United States Bankruptcy Court
Central District of California
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Neil Bason, Presiding
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:25-11235 Itkin & Sabadash and Aleksandr Vitalievich Sabadash

Chapter 7

#13.00 Cont'd Status conference re: Chapter 7 Involuntary Petition
fr. 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Dismiss this case, for the reasons set forth in a written tentative Memorandum Decision that this Court anticipates issuing and docketing prior to the hearing, and retain jurisdiction to address any appropriate post-dismissal matters. The tentative ruling is that dismissal will moot the claims objections. The tentative ruling is to continue the status conference to 7/15/25 at 2:00 p.m. with no written status report required. Appearances required, with arguments limited to 7 minutes per side because the opportunity to be heard is not an invitation to reargue the issues addressed at the hearing on 4/22/25 and in the Memorandum Decision but instead to correct any misstatements of fact or law in the tentative Memorandum Decision and to address any procedural issues regarding any anticipated post-dismissal matters.

Proposed order(s): Unless otherwise ordered, Mr. Sabadash is directed to lodge proposed order(s) on the matter(s) addressed here 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.

Tentative Ruling for 4/22/25:

There is no tentative ruling but the parties are directed to address the issues set forth in their filed papers.

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Central District of California
Los Angeles
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Hearing Room 1545

2:00 PM

CONT... Itkin & Sabadash and Aleksandr Vitalievich Sabadash
Appearances required.

Chapter 7

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):

Itkin & Sabadash

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-14320 Golden Sphinx Limited

Chapter 15

#14.00 Cont'd Status Conference
fr. 11/14/23, 12/5/23, 12/19/23, 3/5/24, 3/12/24,
4/9/24, 7/16/24, 10/22/24, 11/19/24, 12/17/24,
1/28/25, 3/18/25

Docket 116

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 8/5/25 at 2:00 p.m., as requested by the parties. See dkt. 171. No written status report is required; however, should there be any developments which either Mr. Itkin or the Foreign Representatives wish to bring to this Court's attention, either one of them is free to file a *brief* written status report by no later than **7/29/25**. Appearances are not required on 6/3/25. (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.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Golden Sphinx Limited

Represented By
Kyle Ortiz
Kurt Ramlo

**United States Bankruptcy Court
Central District of California
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Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:23-15574 Aleksandr Vitalievich Sabadash

Chapter 15

#15.00 Cont'd Status Conference re: Recognition of a Foreign Proceeding
fr. 11/14/23, 12/5/23, 12/19/23, 01/10/24, 2/20/24, 3/12/24, 4/9/24,
5/14/24, 7/9/24, 8/27/24, 10/22/24, 11/19/24, 12/17/24, 1/28/25,
3/18/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue as set forth below. Appearances are not required on 6/3/25. (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) Mr. Sabadash's notice of appeal (dkt. 113) from the Recognition Order (dkt. 111)

On 6/21/24, this Court entered an "Order Granting Foreign Representative's Motion for Recognition of Foreign Proceeding and Substantially Limiting Foreign Representative's Powers" (dkt. 111, the "Recognition Order"). On 6/24/24, Mr. Sabadash appealed the Recognition Order. Dkt. 113. So far as this Court is aware, that appeal remains pending.

The tentative ruling is to continue the status conference as set forth in part "(2)(a)," below.

(2) Dates/procedures. This chapter 15 petition for recognition was filed on 8/29/23, and a Recognition Order was entered on 6/21/24 (dkt. 111).

(a) Continued status conference: 8/5/25 at 2:00 p.m. No written status

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2:00 PM

CONT...

Aleksandr Vitalievich Sabadash

Chapter 15

report is required; however, should there be any developments which either Mr. Gavva or Mr. Sabadash wish to bring to this Court's attention, either one of them is free to file a *brief* written status report by no later than 7/29/25.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Aleksandr Vitalievich Sabadash

Represented By
Benjamin R King
Noah Weingarten
Keith C Owens
Michael Zorkin

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Hearing Room 1545

2:00 PM

2:23-13307 Seyed Mustafa Maghloubi

Chapter 11

#16.00 Cont'd Status conference re: Chapter 11 case
fr. 11/14/23, 11/28/23, 1/23/24, 2/20/24, 3/12/24,
4/2/24, 4/9/24, 4/23/24, 6/12/24, 8/8/24, 8/23/24,
9/11/24, 10/10/24, 10/22/24, 10/29/24, 12/3/24,
12/10/24, 1/21/25, 2/25/25, 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Appearances required by Debtor Seyed Mustafa Maghloubi (Case No. 2:23-bk-13307-NB) and his counsel Daryoush (Darius) Shahrouzi; Mr. Maghloubi's Chapter 11 Trustee Todd A. Frealy ("Trustee"); and Michael R. Totaro (Case No. 2:23-bk-11397-NB).

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) Orders to Show Cause and related papers (dkt. 60, 78–79, 81–83, 89, 97–98, 101, 120, 141, 144, 150–51, 154, 156, 176, 178–83, 186–87, 207–08, 217–18, 224, 227, & 233)

(i) Background

This matter is ***NOT on for hearing***. (For a brief summary, including references to other docket entries including additional information, see dkt. 224, Ex. A.) This matter is only noted here because (i) it is relevant to the status conferences in the Maghloubi and Totaro bankruptcy cases and (ii) the parties conceivably *might* have reached a consensual agreement that they will jointly ask this Court to amend its existing order directing Mr. Maghloubi to surrender himself for renewed coercive incarceration on 6/17/25. Dkt. 233 p. 2:2–13.

According to Mr. Totaro's 5/27/25 status report in his own case (Case

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CONT... Seyed Mustafa Maghloubi

Chapter 11

No. 2:23-bk-11397-NB, dkt. 302, p. 1:15–18), "Mr. Maghloubi has recently made the May payment and is current as of this date" but Mr. Totaro "advised him that he should make the June payment on time instead of waiting until the last day so that he [will] be current at the hearing on June 3, 2025." This Court notes that, under its existing orders, Mr. Maghloubi will be required to turn himself in for incarceration unless the parties agree that he need not do so, because it is too late to file any motion to reconsider this Court's orders prior to such incarceration. Mr. Maghloubi is cautioned that counting on Mr. Totaro to agree to defer incarceration, when the latest payment has come due and has yet to be made, is risky.

As this Court has stated repeatedly, at this point the burden is on Mr. Maghloubi to file papers showing why this Court should excuse him from being incarcerated (and to lodge any appropriate proposed orders). Unless and until he files appropriate papers this Court does not intend to re-set any hearing on the OSC.

(ii) Status of Mr. Maghloubi's compliance

There is no tentative ruling. The parties are directed to address (A) the status of Mr. Maghloubi's compliance with the above-referenced Orders to Show Cause and (B) whether the parties agree that this Court should excuse Mr. Maghloubi from being required to surrender himself for renewed coercive incarceration on 6/17/25. Dkt. 233 p. 2:2–13.

If there is no such agreement, this Court will not hear any arguments from Mr. Maghloubi at this hearing. At most this Court will (as part of the status conferences in these cases) set appropriate procedures/deadlines, although that may be premature unless and until Mr. Maghloubi has filed his papers that he believes show his compliance or that he cannot comply (despite this Court's prior findings of fact that he can).

(2) Dates/procedures. The involuntary petition commencing this case was filed on 5/30/23. An Order for Relief was entered on 6/27/23, dkt. 11. The case was converted from Chapter 7 to Chapter 11 on 10/12/23, dkt. 29.

(a) Bar date: TBD

(b) Procedures Order: dkt. 88 (not timely served, but eventually served which gives notice of matters therein, dkt. 133–134)

(c) Plan/Disclosure Statement: TBD

(d) Continued status conference: 8/5/25 at 2:00 p.m. No written status

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2:00 PM

CONT... **Seyed Mustafa Maghloubi**
report required.

Chapter 11

[PRIOR TENTATIVE RULINGS OMITTED (see dkt. 224 for a summary of these proceedings)]

Party Information

Debtor(s):

Seyed Mustafa Maghloubi

Represented By
Darius Shahrouzi

Trustee(s):

Todd A. Frealy (TR)

Represented By
David Wood

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Hearing Room 1545

2:00 PM

2:23-11397 Michael R Totaro

Chapter 11

#17.00 Cont'd hrg re: Motion to (1) Determine the Value of Collateral and the Extent of the Allowed Secured Claim as to the First Note and Deed of Trust on Real Property Located at 17175 Avenida De Santa Ynez, Pacific Palisades, CA 90272; and (2) to Avoid the Junior Liens on the Real Property fr. 04/22/25

Docket 275

***** VACATED *** REASON: Order approving cont'd hearing to 7/8/25 at 2:00 p.m. [dkt. 295]**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Michael R Totaro

Pro Se

Movant(s):

Michael R Totaro

Pro Se

**United States Bankruptcy Court
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Los Angeles
Neil Bason, Presiding
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Hearing Room 1545

2:00 PM

2:23-11397 Michael R Totaro

Chapter 11

#18.00 Cont'd Status Conference re: Chapter 11 case
fr. 3/21/23, 4/4/23, 4/28/23, 5/16/23, 6/13/23,
7/18/23, 8/15/23, 10/17/23, 11/14/23, 11/28/23,
1/23/24, 2/6/24, 2/20/24, 3/5/24, 3/12/24, 4/9/24,
4/23/24, 5/7/24, 6/4/24, 6/12/24, 8/8/24, 9/10/24,
9/11/24, 10/10/24, 10/22/24, 10/29/24, 12/10/24,
1/21/25, 2/25/25, 4/8/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

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) Continued Evidentiary Hearing on Orders to Show Cause issued in Mr. Maghloubi's Chapter 11 Case (dkt. 60, 78–79, 81–83, 89, 97–98, 101, 120, 141, 144, 150–51, 154, 156, 176, 178–83, 186–87, 207–08, 217–18, 224, 227, & 233)

Please see the tentative ruling for the status conference in Mr. Maghloubi's bankruptcy case-in-chief (Cal. No. 16, 6/3/25 at 2:00 p.m.).

(b) Removed state court action (Adv. No. 2:24-ap-01271-NB)

This proceeding has been stayed pending further order of this Court. See Stay Order (adv. dkt. 5). A continued status conference will take on 10/7/25 at 2:00 p.m. as set forth in the Stay Order (adv. dkt. 5).

(2) Dates/procedures. This case was filed on 3/8/23.

(a) Bar date: 6/15/23 (dkt. 73, 90); Proof of Service (dkt. 91)

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CONT...

Michael R Totaro

Chapter 11

(b) Procedures order: dkt. 30 (timely served, dkt. 41).

(c) Plan/Disclosure Statement: TBD

(d) Continued status conference: 7/8/25 at 2:00 p.m., concurrent with other matters. No written status report required.

[PRIOR TENTATIVE RULINGS OMITTED]

Party Information

Debtor(s):

Michael R Totaro

Pro Se

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:24-10528 Roger Adolfo Ortiz

Chapter 7

Adv#: 2:24-01095 American Career College, Inc. et al v. Ortiz

#19.00 Cont'd Status conference re: Complaint to
determine dischargeability of debt
fr. 6/25/24, 7/16/24, 10/22/24, 1/28/25

Docket 1

***** VACATED *** REASON: Order approving stipulated judgment
entered 4/23/25 (adv. dkt. 14 & 16)**

Tentative Ruling:

- NONE LISTED -

Party Information

Debtor(s):

Roger Adolfo Ortiz

Represented By
Lewis R Landau

Defendant(s):

Roger Adolfo Ortiz

Represented By
Lewis R Landau

Plaintiff(s):

American Career College, Inc.

Represented By
Miles D Grant
Alexander J Kessler
Phillip Zunshine

West Coast University, Inc.

Represented By
Miles D Grant
Alexander J Kessler

Trustee(s):

CASE REOP/CONV/OR CLOSED

Pro Se

Timothy Yoo (TR)

Pro Se

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:23-01415 Bankruptcy Estate Of Cherry Man Industries, Inc. B v. Barraza

#20.00 Cont'd Pre-Trial Conference re: Complaint for (1) Avoidance of Preferential Transfers (2) Avoidance of Actual Fraudulent Transfers (3) Avoidance of Constructive Fraudulent Transfers (4) Recovery of Avoided Transfers (5) Disallowance of Claims
fr. 08/27/24, 12/03/24, 1/28/25, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., to provide time for the Chapter 7 Trustee ("Trustee") to document the settlement and file a Rule 9019 motion. See Status Report (adv. dkt. 40) ¶ (G) (p. 4). If the Rule 9019 motion is on file, no status report is necessary; otherwise, a joint status report is due no later than 8/26/25. Appearances are not required on 6/3/25. (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.

[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

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Defendant(s):

Patricia Barraza

Represented By
Derrick Talerico

Plaintiff(s):

Bankruptcy Estate Of Cherry Man

Represented By
David B Golubchik
Krikor J Meshefejian
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, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01068 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v. ANJI

#21.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (3) Disallowance Of Claims [11U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., with a status report due by 8/26/25, to provide additional time for the newly-elected Chapter 7 Trustee (the "Trustee") to investigate the feasibility of serving the summons and complaint upon defendant under the Hague Convention or whatever other procedures might be applicable. See Status Report (adv. dkt. 9) ¶ G (p. 4). Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide Plaintiff/Trustee additional time to serve the Complaint under the Hague Convention, as set forth below. Appearances are not required on 12/17/24. (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) Service of the Complaint

Defendant is a corporation located in China. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide Plaintiff/Trustee additional time to effectuate service under the Hague Convention. See Status Report (adv. dkt. 8) at p. 4, ¶ G (Plaintiff/Trustee's request for additional time to serve the Complaint).

(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

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... **Cherry Man Industries, Inc.** **Chapter 7**

Intentionally omitted because Defendant has not yet responded to the Complaint.

(b) Mediation

Defendant has not yet responded to the Complaint. The tentative ruling is that it would be premature to order this matter to mediation.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. Because Defendant has not yet responded to the Complaint, the tentative ruling is that it would be premature to set litigation deadlines (other than a continued status conference).

Joint Status Report: 3/4/25 (if Defendant has not yet responded to the Complaint by this deadline, Plaintiff/Trustee is directed to file a Unilateral Status Report)

Continued status conference: 3/18/25 at 2:00 p.m.

[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

Defendant(s):

ANJI DEKA OFFICE SYSTEM CO

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01069 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v. QX-

#22.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (3) Disallowance Of Claims [11U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., with a status report due by 8/26/25, to provide additional time for the newly-elected Chapter 7 Trustee (the "Trustee") to investigate the feasibility of serving the summons and complaint upon defendant under the Hague Convention or whatever other procedures might be applicable. See Status Report (adv. dkt. 9) ¶ G (p. 4). Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide Plaintiff/Trustee additional time to serve the Complaint under the Hague Convention, as set forth below. Appearances are not required on 12/17/24. (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) Service of the Complaint

Defendant is a corporation located in China. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide Plaintiff/Trustee additional time to effectuate service under the Hague Convention. See Status Report (adv. dkt. 8) at p. 4, ¶ G (Plaintiff/Trustee's request for additional time to serve the Complaint).

(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

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... **Cherry Man Industries, Inc.** **Chapter 7**

Intentionally omitted because Defendant has not yet responded to the Complaint.

(b) Mediation

Defendant has not yet responded to the Complaint. The tentative ruling is that it would be premature to order this matter to mediation.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. Because Defendant has not yet responded to the Complaint, the tentative ruling is that it would be premature to set litigation deadlines (other than a continued status conference).

Joint Status Report: 3/4/25 (if Defendant has not yet responded to the Complaint by this deadline, Plaintiff/Trustee is directed to file a Unilateral Status Report)

Continued status conference: 3/18/25 at 2:00 p.m.

[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

Defendant(s):

QX-ORIENTAL INTERNATIONAL

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01070 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#23.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (3) Disallowance Of Claims [11U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., with a status report due by 8/26/25, to provide additional time for the newly-elected Chapter 7 Trustee (the "Trustee") to investigate the feasibility of serving the summons and complaint upon defendant under the Hague Convention or whatever other procedures might be applicable. See Status Report (adv. dkt. 10) ¶ G (p. 4).

Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide Plaintiff/Trustee additional time to serve the Complaint under the Hague Convention, as set forth below. Appearances are not required on 12/17/24. (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) Service of the Complaint

Defendant is a corporation located in China. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide Plaintiff/Trustee additional time to effectuate service under the Hague Convention. See Status Report (adv. dkt. 9) at p. 4, ¶ G (Plaintiff/Trustee's request for additional time to serve the Complaint).

(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

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... **Cherry Man Industries, Inc.** **Chapter 7**

Intentionally omitted because Defendant has not yet responded to the Complaint.

(b) Mediation

Defendant has not yet responded to the Complaint. The tentative ruling is that it would be premature to order this matter to mediation.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. Because Defendant has not yet responded to the Complaint, the tentative ruling is that it would be premature to set litigation deadlines (other than a continued status conference).

Joint Status Report: 3/4/25 (if Defendant has not yet responded to the Complaint by this deadline, Plaintiff/Trustee is directed to file a Unilateral Status Report)

Continued status conference: 3/18/25 at 2:00 p.m.

[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

Defendant(s):

ZHEJIANG WALSN FURNITURE

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01072 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#24.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (3) Disallowance Of Claims [11U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., with a status report due by 8/26/25, to provide additional time for the newly-elected Chapter 7 Trustee (the "Trustee") to investigate the feasibility of serving the summons and complaint upon defendant under the Hague Convention or whatever other procedures might be applicable. See Status Report (adv. dkt. 9) ¶ G (p. 4). Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide Plaintiff/Trustee additional time to serve the Complaint under the Hague Convention, as set forth below. Appearances are not required on 12/17/24. (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) Service of the Complaint

Defendant is a corporation located in China. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide Plaintiff/Trustee additional time to effectuate service under the Hague Convention. See Status Report (adv. dkt. 8) at p. 4, ¶ G (Plaintiff/Trustee's request for additional time to serve the Complaint).

(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

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... **Cherry Man Industries, Inc.** **Chapter 7**

Intentionally omitted because Defendant has not yet responded to the Complaint.

(b) Mediation

Defendant has not yet responded to the Complaint. The tentative ruling is that it would be premature to order this matter to mediation.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. Because Defendant has not yet responded to the Complaint, the tentative ruling is that it would be premature to set litigation deadlines (other than a continued status conference).

Joint Status Report: 3/4/25 (if Defendant has not yet responded to the Complaint by this deadline, Plaintiff/Trustee is directed to file a Unilateral Status Report)

Continued status conference: 3/18/25 at 2:00 p.m.

[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

Defendant(s):

SHANGHAI REALHONG

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

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

Tuesday, June 3, 2025

Hearing Room 1545

2:00 PM

CONT... Cherry Man Industries, Inc.

Chapter 7

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, June 3, 2025

Hearing Room 1545

2:00 PM

2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01073 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#25.00 Cont'd status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (3) Disallowance Of Claims [11 U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., with a status report due by 8/26/25, to provide additional time for the newly-elected Chapter 7 Trustee (the "Trustee") to investigate the feasibility of serving the summons and complaint upon defendant under the Hague Convention or whatever other procedures might be applicable. See Status Report (adv. dkt. 9) ¶ G (p. 4). Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide Plaintiff/Trustee additional time to serve the Complaint under the Hague Convention, as set forth below. Appearances are not required on 12/17/24. (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) Service of the Complaint

Defendant is a corporation located in China. The tentative ruling is to continue the status conference as set forth in part "(2)(c)," below, to provide Plaintiff/Trustee additional time to effectuate service under the Hague Convention. See Status Report (adv. dkt. 8) at p. 4, ¶ G (Plaintiff/Trustee's request for additional time to serve the Complaint).

(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.)

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(a) Venue/jurisdiction/authority

Intentionally omitted because Defendant has not yet responded to the Complaint.

(b) Mediation

Defendant has not yet responded to the Complaint. The tentative ruling is that it would be premature to order this matter to mediation.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. Because Defendant has not yet responded to the Complaint, the tentative ruling is that it would be premature to set litigation deadlines (other than a continued status conference).

Joint Status Report: 3/4/25 (if Defendant has not yet responded to the Complaint by this deadline, Plaintiff/Trustee is directed to file a Unilateral Status Report)

Continued status conference: 3/18/25 at 2:00 p.m.

[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

Defendant(s):

SHANGHAI LIANYING IMPORT

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

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Trustee(s):

Jeffrey I Golden (TR)

Pro Se

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2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01074 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#26.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Avoidance Of Actual Fraudulent Transfers [11 U.S.C. § 548(A)(1)(A)]; (3) Avoidance Of Constructive Fraudulent Transfers [11 U.S.C. §548(A)(1)(B)]; (4) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (5) Disallowance Of Claims [11U.S.C. §502] fr. 6/4/24, 8/6/24, 10/22/24, 12/17/24, 2/18/25, 3/18/25, 4/22/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., to provide time for the Chapter 7 Trustee ("Trustee") to document the settlement and file a Rule 9019 motion. See Status Report (adv. dkt. 19) ¶ (E)(1) (p. 3). If the Rule 9019 motion is on file, no status report is necessary; otherwise, a joint status report is due no later than 8/26/25. Appearances are not required on 6/3/25. (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:

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 the case. See 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). If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report. Appearances are not required on 4/22/25.

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Chapter 7

Tentative Ruling for 3/18/25:

Continue to 4/22/25 at 2:00 p.m., with a status report due by 4/8/25, and a caution to the Chapter 7 Trustee ("Trustee") that the timely filing of status reports is critical to facilitating the "just, speedy, and inexpensive determination" of this adversary proceeding (Rule 1001, Fed. R. Bankr. P.) (as of the preparation of this tentative ruling, no status report is on file). (If Defendant has not yet responded to the complaint, Trustee is directed to file a unilateral status report.) Appearances are not required on 3/18/25.

Tentative Ruling for 12/17/24:

Continue the status conference to provide the parties an opportunity to finalize a settlement, as set forth below. Appearances are not required on 12/17/24. (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) Settlement

The parties represent that they have settled this adversary proceeding. Status Report (adv. dkt. 14) at p. 4, ¶ G. The tentative ruling is to continue the status conference (see part "(2)(c)," below) to provide the parties an opportunity to finalize the settlement.

(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... **Cherry Man Industries, Inc.**
[Intentionally omitted.]

Chapter 7

(b) Mediation
[Intentionally omitted.]

(c) Deadlines

This adversary proceeding has been pending since 3/15/24. This Court has not yet set litigation deadlines because it has approved two stipulations extending Defendant's deadline to respond to the Complaint. See adv. dkt. 7 & 11. The tentative ruling is that in view of the settlement, it is not necessary to set any litigation deadlines aside from a continued status conference, as set forth below.

Joint Status Report: 2/4/25.

Continued status conference: 2/18/25 at 2:00 p.m.

[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

Defendant(s):

FEDERAL EXPRESS

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

Trustee(s):

Jeffrey I Golden (TR)

Pro Se

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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.

#27.00 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, 5/6/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., to provide time for the Chapter 7 Trustee ("Trustee") to document the settlement and file a Rule 9019 motion. See Status Report (adv. dkt. 32) ¶ G (p. 4). If the Rule 9019 motion is on file, no status report is necessary; otherwise, a joint status report is due no later than 8/26/25. Appearances are not required on 6/3/25. (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.

[PRIOR TENTATIVE RULING(S) OMITTED]

Party Information

Debtor(s):

Cherry Man Industries, Inc.

Represented By

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

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

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2:22-11471 Cherry Man Industries, Inc.

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Adv#: 2:24-01065 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v. APEX

#28.00 Cont'd Status conference re: Complaint For: (1) Avoidance Of Preferential Transfers [11 U.S.C. § 547]; (2) Avoidance Of Unauthorized Post-Petition Transfers [11 U.S.C. § 549]; (3) Recovery Of Avoided Transfers [11 U.S.C. § 550]; And (4) Disallowance Of Claims [11 U.S.C. §502]]
fr. 6/4/24, 9/24/24, 11/19/24, 2/11/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Appearance required by Plaintiff's successor in interest, the current Chapter 7 Trustee ("Trustee").

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 filed documents and records in this adversary proceeding. As explained in the order setting this status conference (adv. dkt. 18), although defendant Apex Maritime Co. (LAX), Inc. ("Apex Maritime") has been dismissed (adv. dkt. 16), this action remains pending with respect to defendant K Apex Logistics Co. Ltd. ("K Apex"). According to Apex Maritime, K Apex has not been properly served. See 9/10/24 Status Report (adv. dkt. 13) ¶ G (p. 4) ("Moreover, Defendant K Apex Logistics Co. Ltd. is not an entity and thus, 'K Apex Logistics Co. Ltd.' is incorrectly named as a Defendant. K Apex Logistics Co., Ltd. (HK) is a company. However, sending 'K Apex Logistics Co. Ltd.' a copy of the complaint by mail at K Apex Logistics Co., Ltd. (HK)'s address, even if the entity had been correctly named, was not proper service on any entity pursuant to Hague Convention. K Apex Logistics Co. Ltd. (HK) is not authorized to conduct business in California, conducts no business in

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California and would need to be served under the Hague Convention. Thus, not all Defendants have been served.").

Trustee is directed to provide an update regarding the status of this adversary proceeding.

(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

The parties are directed to address any outstanding matters of (a) venue, (b) jurisdiction, (c) this Bankruptcy Court's authority to enter final orders or judgment(s) in this proceeding and, if consent is required, whether the parties do consent, or have already expressly or impliedly consented. *See generally Stern v. Marshall*, 131 S.Ct. 2594, 2608 (2011) (if litigant "believed that the Bankruptcy Court lacked the authority to decide his claim...then he should have said so – and said so promptly."); *Wellness Int'l Network, Ltd. v. Sharif*, 135 S.Ct. 1932 (2015) (consent must be knowing and voluntary but need not be express); *In re Bellingham Ins. Agency, Inc.*, 702 F.3d 553 (9th Cir. 2012) (implied consent), *aff'd on other grounds*, 134 S. Ct. 2165 (2014); *In re Pringle*, 495 B.R. 447 (9th Cir. BAP 2013) (rebuttable presumption that failure to challenge authority to issue final order is intentional and indicates consent); *In re Deitz*, 760 F.3d 1038 (9th Cir. 2014) (authority to adjudicate nondischargeability encompasses authority to liquidate debt and enter final judgment). *See generally In re AWTR Liquidation, Inc.*, 548 B.R. 300 (Bankr. C.D. Cal. 2016).

(b) Mediation

The tentative ruling is to decline to order this matter to mediation given the outstanding issue of whether defendant K Apex has been properly served.

(c) Deadlines

This adversary proceeding has been pending since 3/15/24.

The scheduled deadlines and/or hearing/trial date(s) have been

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memorialized in this Court's written order (adv. dkt. 11) except as modified/supplemented below.

Joint Status Report: 8/26/25

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

[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

Defendant(s):

APEX MARITIME CO. (LAX),

Represented By
Ronald L Richman

K APEX LOGISTICS CO LTD

Pro Se

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

Trustee(s):

Carolyn A Dye (TR)

Pro Se

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2:22-11471 Cherry Man Industries, Inc.

Chapter 7

Adv#: 2:24-01067 HAMID R. RAFATJOO IN HIS CAPACITY AS CHAPTER 11 TR v.

#29.00 Cont'd Status Conference re: Complaint for: (1) Avoidance of Preferential Transfers [11 U.S.C. § 547]; (2) Avoidance of Actual Fraudulent Transfers [11 U.S.C. § 548(A)(1)(A)]; (3) Avoidance of Constructive Fraudulent Transfers [11 U.S.C. § 548(A)(1)(B)]; (4) Recovery of Avoided Transfers [11 U.S.C. § 550]; and (5) Disallowance of Claims [11U.S.C. §502] fr. 06/04/24, 07/30/24, 08/27/24, 9/24/24, 12/17/24, 2/18/25, 3/18/25, 5/20/25

Docket 1

Tentative Ruling:

Tentative Ruling for 6/3/25:

Continue to 9/9/25 at 2:00 p.m., to provide time for the Chapter 7 Trustee ("Trustee") to document the settlement and file a Rule 9019 motion. See Status Report (adv. dkt. 36) ¶ G (p. 4). If the Rule 9019 motion is on file, no status report is necessary; otherwise, a joint status report is due no later than 8/26/25. Appearances are not required on 6/3/25. (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.

[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

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David B Golubchik

Defendant(s):

AMERICAN EXPRESS

Represented By
Sweeney Kelly

Plaintiff(s):

HAMID R. RAFATJOO IN HIS

Represented By
David B Golubchik
Robert Carrasco

Trustee(s):

Jeffrey I Golden (TR)

Pro Se