

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

10:30 AM

2:19-15356 Ara Ohannes Keyllian

Chapter 7

#1.00 Hearing re: Motion for relief from stay
(JPMorgan Chase Bank, N.A.VS Debtor)

Docket 72

Tentative Ruling:

Off calendar. In light of the lack of any timely written opposition to the movant's stay relief motion, the court determines that oral argument on the motion is not necessary and dispenses with oral argument pursuant to Local Bankruptcy Rule 9013-1(j)(3), the court deems the lack of filing and service of a timely written opposition as consent to granting of the motion, rules on the motion on the papers, and grants relief from stay pursuant to 11 U.S.C. 362(d)(1) and (2) to pursue non-bankruptcy remedies for the reasons stated in the moving papers and for lack of timely written opposition. The 14-day waiting period under FRBP 4001(a)(3) is waived.

Movant must lodge a proposed order within 7 days of the hearing date. All registered CM/ECF users must lodge an order using the court's mandatory form order on LOU.

No appearances are required on 4/28/20.

Party Information

Debtor(s):

Ara Ohannes Keyllian

Represented By
Eileen Keusseyan

Movant(s):

JPMORGAN CHASE BANK, N.A.

Represented By
Gilbert R Yabes
Jenelle C Arnold

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

10:30 AM

CONT... Ara Ohannes Keyllian

Chapter 7

Trustee(s):

Peter J Mastan (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

10:30 AM

2:20-10131 Alex S Min

Chapter 7

#2.00 Hearing re: Motion for relief from stay
(JPMorgan Chase Bank, N.A. VS Debtor)

Docket 13

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/2/20 at 10:30 a.m.
per stip & order entered on 4/27/20-mb.**

Tentative Ruling:

Updated and revised tentative ruling as of 4/27/20. Off calendar. Continued
by stipulation between movant and trustee and order thereon to 6/2/20 at
10:30 a.m.

No appearances are required on 4/28/20.

Party Information

Debtor(s):

Alex S Min

Represented By
Young K Chang

Trustee(s):

John P Pringle (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

10:30 AM

2:20-12657 Julio Andrade

Chapter 7

#3.00 Hearing re: Motion for relief from stay
(Carvana, LLC VS Debtor)

Docket 9

Tentative Ruling:

Off calendar. In light of the lack of any timely written opposition to the movant's stay relief motion, the court determines that oral argument on the motion is not necessary and dispenses with oral argument pursuant to Local Bankruptcy Rule 9013-1(j)(3), the court deems the lack of filing and service of a timely written opposition as consent to granting of the motion, rules on the motion on the papers, and grants relief from stay pursuant to 11 U.S.C. 362(d)(1) and (2) to pursue non-bankruptcy remedies for the reasons stated in the moving papers and for lack of timely written opposition. The 14-day waiting period under FRBP 4001(a)(3) is waived.

Movant must lodge a proposed order within 7 days of the hearing date. All registered CM/ECF users must lodge an order using the court's mandatory form order on LOU.

No appearances are required on 4/28/20.

Party Information

Debtor(s):

Julio Andrade

Represented By
Raymond Perez

Trustee(s):

Rosendo Gonzalez (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:17-23722 Kody Branch of California, Inc.

Chapter 7

Adv#: 2:19-01474 Avery v. Voong

#4.00 Cont'd status conference re: Complaint for avoidance, recovery, and preservation of preferential, fraudulent, unauthorized postpetition transfers; and disallowance of claim fr. 1/7/20, 2/18/20, 3/24/20

Docket 1

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/9/20 at 1:30 p.m.
per stip & order entered on 4/13/20-mb.**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 6/9/20 at 1:30 p.m. No appearances are required on 4/28/20.

Updated tentative ruling as of 3/18/20. Off calendar. Continued by stipulation and order to 4/28/20 at 1:30 p.m. No appearances are required on 2/18/20.

Prior tentative ruling. Continued by stipulation and order to 3/24/20 at 1:30 p.m. No appearances are required on 2/18/20.

Party Information

Debtor(s):

Kody Branch of California, Inc.

Represented By
John-Patrick M Fritz

Defendant(s):

Kevin Voong

Pro Se

Plaintiff(s):

Wesley H Avery

Represented By
David Wood
D Edward Hays

Trustee(s):

Wesley H. Avery

Represented By
Kristofer R McDonald

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Kody Branch of California, Inc.

Chapter 7

Richard A Marshack
D Edward Hays
David Wood

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-11475 Catherine Trinh

Chapter 11

Adv#: 2:18-01209 Voong v. Trinh

#5.00 Cont'd status conference re: Adversary complaint for declaratory relief
fr. 12/17/19, 2/19/20, 3/24/20

Docket 1

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/30/20 at 1:30 p.m.
per stip & order entered on 4/16/20**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 6/30/29 at 1:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 3/17/20. Off calendar. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues the status conference in this adversary proceeding scheduled for March 24, 2020 at 1:30 p.m. The court on its own motion continues the status conference to April 28, 2020 at 1:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 1:30 p.m. as the status conference is continued to April 28, 2020 at 1:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Revised tentative ruling as of 6/11/19. Off calendar. Continued by stipulation and order to 8/20/19 at 1:30 p.m. No appearances are required on 6/12/19.

Prior tentative ruling as of 4/8/18. No tentative ruling on the merits. Appearances are required on 4/9/18, but counsel may appear by telephone.

Prior revised tentative ruling as of 11/6/18. Off calendar. Continued by stipulation and order to 3/5/19 at 1:30 p.m. No appearances are required on

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CONT... Catherine Trinh
11/6/18.

Chapter 11

Prior tentative ruling as of 11/5/18. The court has reviewed the joint status report. The court tends to agree with plaintiff and defendant Trinh that a determination of whether the estate has an interest in the subject property first would be a more efficient use of litigation resources as that seems to be a straightforward issue. Deciding this issue is a threshold issue for Second Generation's fraudulent transfer claims, and the parties would not have to litigate these claims if the assets were plaintiff's separate property. Appearances are required on 11/6/18, but counsel may appear by telephone.

Prior tentative ruling as of 11/5/18. No tentative ruling on the merits. Appearances are required on 11/6/18, but counsel may appear by telephone.

Prior tentative ruling as of 8/20/18. The court intends to advance the related matters on the court's 2:30 p.m. calendar to be heard with the status conference. However, the status conference will be conducted at the end of the 1:30 p.m. for matters in other cases to be called first. Appearances are required on 8/21/18, but counsel may appear by telephone.

Party Information

Debtor(s):

Catherine Trinh

Represented By
Alan W Forsley

Defendant(s):

Catherine Trinh

Pro Se

Plaintiff(s):

Kevin Voong

Represented By
Dawn M Coulson

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01258 Goodrich v. Yeftadonay

#6.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of plaintiff's motion for default judgment and setting of further proceedings, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. No tentative ruling on the merits. Appearances are required on 1/28/20 to address the status of plaintiff's motion for default judgment, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since

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CONT... SOCALDEAL INC

Chapter 7

this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

Jan Yeftadonay

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01259 Goodrich v. Kabbage, Inc.

#7.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of settlement efforts and setting of further proceedings, but counsel must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. The court has reviewed plaintiff's unilateral status report, stating that the matter is being settled and documented. Appearances are required on 1/28/20 to discuss when the settlement will be finally documented and a dispositive stipulation and order may be submitted, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since this is a

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CONT... SOCALDEAL INC

Chapter 7

default situation. Set a discovery cutoff date of 12/31/19, and set a post-discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

Kabbage, Inc.

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

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Hearing Room 1675

1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01260 Goodrich v. Marganian

#8.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of plaintiff's motion for default judgment and setting of further proceedings, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. No tentative ruling on the merits. Appearances are required on 1/28/20 to address the status of plaintiff's motion for default judgment, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-

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CONT... SOCALDEAL INC

Chapter 7

discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

Shahram Marganian

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

**United States Bankruptcy Court
Central District of California
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01261 Goodrich v. Paypal, Inc.

#9.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of settlement efforts and setting of further proceedings, but counsel must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. No tentative ruling on the merits. Appearances are required on 1/28/20, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel

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CONT... **SOCALDEAL INC**
may appear by telephone.

Chapter 7

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

Paypal, Inc.

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

**United States Bankruptcy Court
Central District of California
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1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01262 Goodrich v. Pacific City Bank

#10.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of settlement efforts and setting of further proceedings, but counsel must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. The court has reviewed plaintiff's unilateral status report, stating that the matter is being settled and documented. Appearances are required on 1/28/20 to discuss when the settlement will be finally documented and a dispositive stipulation and order may be submitted, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since

**United States Bankruptcy Court
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CONT... SOCALDEAL INC

Chapter 7

this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

Pacific City Bank

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

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Hearing Room 1675

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2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01264 Goodrich v. U.S. Games Distribution, Inc.

#11.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of settlement efforts and setting of further proceedings, but counsel must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. The court has reviewed plaintiff's unilateral status report, stating that the matter is being settled and documented. Appearances are required on 1/28/20 to discuss when the settlement will be finally documented and a dispositive stipulation and order may be submitted, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since

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CONT... SOCALDEAL INC

Chapter 7

this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

U.S. Games Distribution, Inc.

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

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Central District of California
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Hearing Room 1675

1:30 PM

2:18-12119 SOCALDEAL INC

Chapter 7

Adv#: 2:19-01266 Goodrich v. YAEL, LLC

#12.00 Cont'd status conference re: Complaint for: (1) Avoidance of preferential transfers pursuant to 11 U.S.C. § 547; (2) Recovery of property pursuant to 11 U.S.C. § 550; (3) Preservation of avoided transfers pursuant to 11 U.S.C. § 551; (4) Disallowance of claims pursuant to 11 U.S.C. § 502(d); and (5) Turnover of property of the estate pursuant to 11 U.S.C. § 542
fr. 10/8/19, 1/28/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss status of plaintiff's motion for default judgment and setting of further proceedings, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 1/27/20. No tentative ruling on the merits. Appearances are required on 1/28/20 to address the status of plaintiff's motion for default judgment, but counsel may appear by telephone.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report, indicating that defendant has not responded to the complaint. Plaintiff should indicate when he intends to file a motion for default judgment since this is a default situation. Set a discovery cutoff date of 12/31/19, and set a post-

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CONT... SOCALDEAL INC

Chapter 7

discovery status conference for 1/28/20 at 1:30 p.m. with a status report due to be filed on 1/21/20. Appearances are required on 10/8/19, but counsel may appear by telephone.

Party Information

Debtor(s):

SOCALDEAL INC

Represented By
Fari B Nejadpour

Defendant(s):

YAEL, LLC

Pro Se

Plaintiff(s):

David M. Goodrich

Represented By
Faye C Rasch

Trustee(s):

David M Goodrich (TR)

Represented By
Faye C Rasch
Beth Gaschen
Weiland Golden Goodrich LLP

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-17189 Seven-Bros Enterprises, Inc.

Chapter 7

#13.00 Cont'd status conference re: Motion for order to show cause pursuant to Local Bankruptcy Rule 9020-1 why the debtor should not be held in contempt for violating a court order
fr. 10/1/19, 12/17/19, 2/18/20

Docket 36

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/30/20 at 1:30 p.m.
per stip & order entered on 4/21/20-mb.**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 6/30/20 at 1:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 2/14/20. Off calendar. Continued by stipulation and order to 4/28/20 at 1:30 p.m. No appearances are required on 2/18/20.

Prior tentative ruling as of 12/16/19. Off calendar. Continued by stipulation and order to 2/18/20 at 1:30 p.m. No appearances are required on 12/17/19.

Revised tentative ruling as of 10/1/19. Off calendar. Continued by stipulation and order to 12/17/19 at 1:30 p.m. No appearances are required on 10/1/19.

Party Information

Debtor(s):

Seven-Bros Enterprises, Inc.

Represented By
Robert S Marticello
Gregory M Salvato

Trustee(s):

Rosendo Gonzalez

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-17189 Seven-Bros Enterprises, Inc.

Chapter 7

#14.00 Cont'd hearing re: Motion of Salvato Law Offices to withdraw as counsel for debtor fr. 10/1/19, 12/17/19, 2/18/20

Docket 82

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/30/20 at 1:30 p.m.
per stip & order entered on 4/21/20-mb.**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 6/30/20 at 1:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 2/14/20. Off calendar. Continued by stipulation and order to 4/28/20 at 1:30 p.m. No appearances are required on 2/18/20.

Updated tentative ruling as of 2/14/20. Off calendar. Continued by stipulation and order to 4/28/20 at 1:30 p.m. No appearances are required on 2/18/20.

Prior tentative ruling as of 12/16/19. Off calendar. Continued by stipulation and order to 2/18/20 at 1:30 p.m. No appearances are required on 12/17/19.

Revised tentative ruling as of 10/1/19. Off calendar. Continued by stipulation and order to 12/17/19 at 1:30 p.m. No appearances are required on 10/1/19.

Party Information

Debtor(s):

Seven-Bros Enterprises, Inc.

Represented By
Robert S Marticello
Gregory M Salvato

Trustee(s):

Rosendo Gonzalez

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-21855 Michael Richard Shapiro
Adv#: 2:19-01009 Vechery v. Shapiro

Chapter 7

#15.00 Cont'd status conference re: Complaint to determine non-dischargeability of debt under bankruptcy code section 523 fr. 5/14/19, 7/30/19, 10/8/19

Docket 1

Tentative Ruling:

Updated and revised tentative ruling as of 4/27/20. The court has reviewed plaintiff's unilateral status report and defendant's joinder and grants joint request to continue scheduling dates as follows: (1) discovery cutoff date extended from 3/31/20 to 6/30/20; (2) status report filing due date extended from 4/21/20 to 7/28/20; (3) status conference continued from 4/28/20 at 1:30 p.m. to 8/4/20 at 1:30 p.m.; and (4) mediation completion deadline extended from 4/28/20 to 8/4/20. Plaintiff to lodge a proposed updated scheduling order within 7 days.

Appearances are optional on 4/28/20, but counsel and self-represented parties may and should appear by telephone, if appearing. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Revised tentative ruling as of 10/7/19. The court has reviewed modified joint status report. Set a discovery cutoff date of 3/31/20, and a post-discovery status conference on 4/28/20 at 1:30 p.m. with a joint status report due on 4/21/20. Defendant should address why the matter is not amenable to

**United States Bankruptcy Court
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Michael Richard Shapiro

Chapter 7

mediation. Appearances are required on 10/8/19, but counsel may appear by telephone.

Prior tentative ruling as of 7/29/19. No tentative ruling in light of the pending motion to dismiss the second amended complaint. The court will hear argument on the motion to dismiss at the same time as the status conference on the 1:30 p.m. calendar. Appearances are required on 7/30/19 at 1:30 p.m., but counsel may appear by telephone.

Prior tentative ruling as of 5/13/19. Appearances are required on 5/14/19, but counsel may appear by telephone.

Party Information

Debtor(s):

Michael Richard Shapiro

Represented By
Charles Shamash
Joseph E. Caceres

Defendant(s):

Michael Richard Shapiro

Pro Se

Plaintiff(s):

Harvey Vechery

Represented By
Tom Lallas
Mark D Hurwitz

Trustee(s):

Timothy Yoo (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:18-23361 Zacky & Sons Poultry, LLC

Chapter 11

Adv#: 2:18-01375 Vance v. Zacky & Sons Poultry, LLC

#16.00 Cont'd status conference re: Class action adversary proceeding complaint [violation of Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101-2109 and California Labor Code §§ 1400 et seq.]
fr. 6/25/19, 7/30/19, 8/27/19

Docket 1

***** VACATED *** REASON: Cont'd from 4/28/20 to 8/4/20 at 1:30 p.m.
per stip & order entered on 3/12/20-mb.**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 8/4/20 at 1:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 8/26/19. No tentative ruling on the merits. Appearances are required on 4/30/19, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website.

Prior tentative ruling. The court has reviewed the joint status report. No tentative ruling on the merits. At the status conference, the court will hear from the parties on defendant's request for a 90 day continuance and a stay of proceedings. Appearances are required on 7/30/19, but counsel may appear by telephone.

Party Information

Debtor(s):

Zacky & Sons Poultry, LLC

Represented By
Ron Bender
Juliet Y Oh
Todd M Arnold
Lindsey L Smith

Defendant(s):

Zacky & Sons Poultry, LLC

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Zacky & Sons Poultry, LLC

Chapter 11

Plaintiff(s):

Karen Vance

Represented By
Gail L Chung
Jack A Raisner
Rene S Roupinian
Robert N Fisher

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:19-10596 Robert David Katz

Chapter 11

Adv#: 2:19-01216 Katz et al v. American Express Company, a New York Corporation e

#17.00 Cont'd status conference re: Complaint for: (1) Avoidance of Preferential Transfers; (2) Recovery of Preferential Transfers; (3) Avoidance of Post-Petition Transfers; (4) Recovery of Post-Petition Transfers; (5) Preservation of Avoided Transfers; and (6) Disallowance of Claims
fr. 10/15/19, 12/17/19, 2/18/20

Docket 1

***** VACATED *** REASON: Dismissed by stip & order entered on
2/26/20-mb.**

Tentative Ruling:

Off calendar. Adversary proceeding voluntarily dismissed by stipulation and order entered on 2/26/20. No appearances are necessary.

Party Information

Debtor(s):

Robert David Katz

Represented By
Victor A Sahn
Steven Werth
Cathy Ta

Defendant(s):

American Express Company, a New

Pro Se

American Express

Pro Se

American Express Travel Related

Pro Se

American Express National Bank, a

Pro Se

Joint Debtor(s):

Roslyn Soudry Katz

Represented By
Victor A Sahn
Steven Werth
Cathy Ta

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Robert David Katz

Chapter 11

Plaintiff(s):

Robert David Katz

Represented By
Victor A Sahn

Roslyn Soudry Katz

Represented By
Victor A Sahn

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:19-10596 Robert David Katz

Chapter 11

Adv#: 2:19-01217 Katz et al v. Bank of America Corporation, a Delaware corporatio

#18.00 Cont'd status conference re : Complaint for: (1) Avoidance of Preferential Transfers;
(2) Recovery of Preferential Transfers; (3) Preservation of Avoided Transfers; and
(4) Disallowance of Claims
fr. 10/16/19, 12/17/19, 2/18/20

Docket 1

Tentative Ruling:

Revised tentative ruling as of 4/27/20. Off calendar. The court on its own motion continues the status conference to 8/4/20 at 1:30 p.m. in light of plaintiffs' statement filed on 4/22/20, requesting a 60 day continuance of the status conference on grounds that the matter is being settled and the parties need additional time to document the settlement. No appearances are required on 4/28/20. Counsel for plaintiffs to give notice to counsel for defendant.

Party Information

Debtor(s):

Robert David Katz

Represented By
Victor A Sahn
Steven Werth
Cathy Ta

Defendant(s):

Bank of America Corporation, a

Pro Se

BANK OF AMERICA

Pro Se

Bank of America, N.A., a National

Pro Se

Joint Debtor(s):

Roslyn Soudry Katz

Represented By

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Robert David Katz

Chapter 11

Victor A Sahn
Steven Werth
Cathy Ta

Plaintiff(s):

Robert David Katz

Represented By
Victor A Sahn

Roslyn Soudry Katz

Represented By
Victor A Sahn

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

2:19-23349 Lianna Simonyan

Chapter 7

Adv#: 2:20-01032 Strategic Funding Source, Inc., a New York corpora v. Simonyan

#19.00 Status conference re: Complaint to determine nondischargeability of debt
[11 U.S.C. §§ 523(a)(2) and (a)(6)]

Docket 1

Tentative Ruling:

No tentative ruling on the merits. Appearances are required on 4/28/20 to discuss the status of the adversary proceeding, including when plaintiff will file a motion for default judgment and setting of further proceedings, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Party Information

Debtor(s):

Lianna Simonyan

Represented By
Aidan Butler

Defendant(s):

Lianna Simonyan

Pro Se

Plaintiff(s):

Strategic Funding Source, Inc., a

Represented By
Brian T Harvey

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

1:30 PM

CONT... Lianna Simonyan

Chapter 7

Trustee(s):

Howard M Ehrenberg (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:00 PM

2:18-10290 People Who Care Youth Center, Inc.

Chapter 11

Adv#: 2:18-01139 People Who Care Youth Center, Inc. v. Ammec, Inc. et al

#20.00 Status conference re: Complaint for: (1) Slander of title; (2) Disallowance of claim [11 U.S.C. §502(b)]; (3) Avoidance of lien; [FRBP 7001]; (4) Declaratory relief; (5) Punitive damages; and (6) Attorneys' fees and costs
fr. 12/10/19, 12/17/19, 4/23/20

Docket 1

Tentative Ruling:

Updated tentative ruling as of 4/24/20. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) declared a public health emergency in the State of California and the United States of America and the current national and local public health guidance to mitigate the spread of the disease through social distancing, on March 19, 2020, the chief judge of the United States District Court for the Central District of California issued an Order of the Chief Judge No. 20-042, which among other things closes all courthouses of the Central District of California to the public, including the Roybal Federal Building, which closure has been extended through June 1, 2020 by announcement on April 13, 2020, and accordingly, the court cannot conduct an in person trial in the courtroom until at least June 1, 2020.

Moreover, the County of Los Angeles and City of Los Angeles have issued public health orders prohibiting public and private gatherings in their jurisdictions until at least May 15, 2020, which are likely to be extended, which orders may apply to the trial. The court scheduled the status conference on 4/28/20 to discuss with the parties how a trial in the matter may be conducted and when possibly it can be scheduled. Given the current surge of coronavirus cases in the court and in the state and the need for appropriate social distancing, it would probably be prudent not to schedule so soon. In this court's view, a trial will not be scheduled earlier than 6/1/20. A court committee is being appointed to consider the conduct of video evidentiary hearings, but whether this is technically feasible and legally proper has not

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

2:00 PM

CONT... **People Who Care Youth Center, Inc.**
yet determined for this court yet.

Chapter 11

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling as of 12/16/19. No tentative ruling on the merits. Appearances are required on 12/17/19, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website.

Prior tentative ruling as of 12/9/19. The court agrees with plaintiff that alleged facts #25-32 and alleged issue of law #72 in defendants' proposed pretrial stipulation are precluded by the ruling on the motion for partial summary adjudication and that the boxed facts in plaintiff's revised draft pretrial stipulation were established by the ruling on the motion for partial summary adjudication. No tentative ruling on alleged issues of law #70-71 in defendants' proposed pretrial stipulation, which appear to be included in plaintiff's revised draft pretrial stipulation as alleged disputed facts #34-35. While the parties listed their exhibits, they did not list their objections to each other's exhibits as required by Local Bankruptcy Rule 7016-1. Does this mean that there are no objections to any of the exhibits being offered? Appearances are required on 12/9/19 to discuss the proposed pretrial stipulations and scheduling of trial, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website.

Party Information

**United States Bankruptcy Court
Central District of California
Los Angeles
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Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:00 PM

CONT... People Who Care Youth Center, Inc.

Chapter 11

Debtor(s):

People Who Care Youth Center, Inc.

Represented By
John-Patrick M Fritz

Defendant(s):

Ammec, Inc.

Pro Se

Greta Curtis

Pro Se

Plaintiff(s):

People Who Care Youth Center, Inc.

Represented By
John-Patrick M Fritz
David B Golubchik

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:00 PM

2:18-17205 Avi Cohen

Chapter 7

Adv#: 2:18-01296 Swift Financial, LLC fka Swift Financial Corporati v. Cohen

#21.00 Cont'd pretrial conference re: Complaint for non-dischargeability for: 1) debts incurred through false pretenses, false representation or actual fraud under 11 U.S.C. §523(a)(2) (A); 2) debts incurred through false statements respecting debtor's financial condition under 11 U.S.C. §523(a)(2)(B); 3) debts incurred through conversion under 11 U.S.C. § 523(a)(4); 4) debts incurred through willful and malicious injury to property under 11 U.S.C. §523(a)(6)
fr. 9/17/19, 1/28/20, 3/16/20

Docket 1

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/23/20 at 2:00 p.m.
per stip & order entered on 4/21/20-mb.**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. Continued by stipulation and order to 6/23/20 at 2:00 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 3/18/20. Off calendar. Continued by stipulation and order to 4/28/20 at 2:00 p.m. No appearances are required on 3/24/20.

Prior tentative ruling as of 9/16/19. The court has reviewed the joint status report. Set a pretrial conference for 1/28/20 at 2:00 p.m. and a deadline of 1/21/20 for filing a joint pretrial stipulation. Appearances are required on 9/17/19.

Prior tentative ruling as of 6/10/19. Off calendar. The court has reviewed plaintiff's interim status report stating that the alternate mediator would be able to complete a mediation in mid-June and requested a continuance of 30 days. The court on its own motion continues the status conference to 6/25/19 at 1:30 p.m. No appearances are required on 6/11/19. Plaintiff to give notice of continuance to defendant.

Prior tentative ruling. Set a discovery cutoff date of 5/31/19 and a post-discovery status conference on 6/11/19 at 1:30 p.m. with a joint status report due on 6/4/19. Order the matter to mediation, and the parties to file a

**United States Bankruptcy Court
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Tuesday, April 28, 2020

Hearing Room 1675

2:00 PM

CONT...

Avi Cohen

Chapter 7

selection of mediator and alternate mediator by 1/31/19 and complete mediation by 6/11/19. Appearances are required on 11/27/18, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website. Plaintiff to submit a proposed scheduling order within 7 days of the status conference.

Party Information

Debtor(s):

Avi Cohen

Represented By
Joshua L Sternberg

Defendant(s):

Avi Cohen

Pro Se

Plaintiff(s):

Swift Financial, LLC fka Swift

Represented By
Daren M Schlechter

Trustee(s):

Carolyn A Dye (TR)

Pro Se

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

2:13-14135 Art and Architecture Books of the 21st Century

Chapter 11

Adv#: 2:15-01679 THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF T v.

#22.00 Hearing re: Application of Sam S. Leslie, plan agent, for issuance of order approving the issuance of writ of execution and appointment of plaintiff as substitute custodian for U.S. Marshal in furtherance of execution of writ and notice of levy; and for order approving sale of artworks free and clear of any claim of lien or interest

Docket 713

Tentative Ruling:

Updated and revised tentative ruling as of 4/27/20 at 5:45 p.m. Off calendar. The court on its own motion continues the hearing on the Plan Agent's application for issuance of writ of execution and appointment as substitute custodian for U.S. Marshal in furtherance of writ and notice of levy and for order approving sale of artworks free and clear of any claim of lien or interest from April 28, 2020 at 2:30 p.m. to May 6, 2020 at 1:30 p.m., which is the date and time of the next status conference in this adversary proceeding. The purpose of the continuance is to provide time for the Plan Agent to file and serve a written reply to the opposition of Defendants 400 South La Brea, et al., to the application and to address the tentative ruling on the matter posted by the court on April 24, 2020 and for the court to review and research the points and authorities asserted in the opposition. Accordingly, the hearing on the Plan Agent's application for issuance of writ of execution and appointment as substitute custodian for U.S. Marshall in furtherance of writ and notice of levy and for order approving sale of artworks free and clear of any claim of lien or interest is hereby continued from April 28, 2020 at 2:30 p.m. to May 6, 2020 at 1:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012, and the Plan Agent's reply must be filed and served no later than Friday May 1, 2020. No appearances are required on 4/28/20. A written order will be issued adopting these rulings on April 28, 2020, but was not issued earlier to technical problems with the court's order processing system.

Prior tentative ruling as of 4/24/20. Grant motion of plaintiff for issuance of order approving issuance of writ of execution and appointment of plaintiff as

**United States Bankruptcy Court
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Hearing Room 1675

2:30 PM

CONT... Art and Architecture Books of the 21st Century Chapter 11

substitute custodian for U.S. Marshal in furtherance of execution of writ and notice of levy for the reasons stated in the moving papers and for lack of timely written opposition.

Deny motion in part for order approving sale of artworks free and clear of any claim of lien or interest for lack of legal authority. Plaintiff will be relying upon postjudgment collection remedies under California law pursuant to FRBP 7069 and FRCP 69, and plaintiff has not shown that California law authorizes the court to declare that the personal property to be sold at execution sales may be sold free and clear of liens and interests. Pursuant to California Code of Civil Procedure 701.630, any liens subordinate to the lien under which the property is sold and any state tax lien on the property are extinguished. An execution levy reaches only the judgment debtor's interest in the property—i.e., a third party's superior lien or interest is not affected by an execution sale. In other words, a purchaser at an execution sale acquires all right, title and interest of the judgment debtor subject to superior liens. California Code of Civil Procedure 701.040; see also, Ahart, Rutter Group California Practice Guide: Enforcing Judgments and Debts, paragraphs 6:713 and 6:714 (online edition, June 2019 update), citing Comments to California Code of Civil Procedure 700.060, 701.040 and 720.150 and Marriage of Finnell, 182 Cal.App.3d 52, 56 (1986).

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Party Information

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

CONT... Art and Architecture Books of the 21st Century

Chapter 11

Debtor(s):

Art and Architecture Books of the

Represented By
Thomas M Geher
David W. Meadows
Jerome S Cohen
Carolyn A Dye
Alan I Nahmias

Defendant(s):

Ace Gallery New York Corporation,

Represented By
Alan W Forsley

Douglas Christmas

Represented By
Alan W Forsley

Ace Gallery New York, Inc., a

Represented By
Alan W Forsley

ACE MUSEUM, a California

Represented By
Alan W Forsley

400 S La Brea, LLC a California

Represented By
Michael W Vivoli
Ronald Rus
Fahim Farivar
Brian L Davidoff
Keith Patrick Banner

Jennifer Kellen

Represented By
J. Bennett Friedman

Michael D. Smith

Represented By
Brian L Davidoff

Kamran Gharibian

Represented By
Brian L Davidoff

Daryoush Dayan

Represented By
Brian L Davidoff

**United States Bankruptcy Court
Central District of California
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Tuesday, April 28, 2020

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2:30 PM

CONT... Art and Architecture Books of the 21st Century Chapter 11

Cathay Bank, a California

Represented By
Ekwan E Rhow
Elliot C Harvey Schatmeier

Jennifer Kellen

Represented By
Michael D Sobkowiak

Plaintiff(s):

Official Committee Of Unsecured

Represented By
David J Richardson
Victor A Sahn

Sam Leslie

Represented By
Victor A Sahn
Carolyn A Dye
David J Richardson
Jason Balitzer
Steven Thomas
Stephen Sorensen

THE OFFICIAL COMMITTEE OF

Represented By
Victor A Sahn
Daniel A Lev
David J Richardson
Asa S Hami
Jessica Vogel

**United States Bankruptcy Court
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Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

2:15-15952 Fred Matthew Adelman

Chapter 7

#23.00 Cont'd hearing re: Trustee's final report and account;
Application for fees and expenses
[Wesley H. Avery, Chapter 7 Trustee]
fr. 3/24/20

Docket 1358

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel should call in at 3:00 p.m. for the Adelman case matters.

Approve the final report and fee application of the Chapter 7 trustee for the reasons stated in the final report, except no tentative ruling on the merits with respect to the treatment in the final report of the fee applications of the Chapter 11 professionals then employed at the request of the debtor then in possession.

Appearances are required on 4/28/20, but trustee, counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their

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telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Trustee(s):

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Los Angeles
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#24.00 Cont'd hearing re: Application for fees and expenses
[Klein & Wilson, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1338

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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**United States Bankruptcy Court
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Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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Investment Co., 925 F.2d 320, 321 (9th Cir.1991), "[w]hen a cost benefit analysis indicates that the only parties who will likely benefit from [a service] are the trustee and his professionals," the service is unwarranted and a court does not abuse its discretion in denying fees for those services (citation and internal quotation marks omitted). Id at 108-109.

The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

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Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

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**United States Bankruptcy Court
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2:15-15952 Fred Matthew Adelman

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#25.00 Cont'd hearing re: Application for fees and expenses
[Hinshaw & Culbertson LLP, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1345

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

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**United States Bankruptcy Court
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#26.00 Cont'd hearing re: Application for fees and expenses
[Leech Tishman Fuscaldo & Lample IC, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1343

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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unredacted billing entries for in camera review , submission of copies of the pleadings in the state court litigation matters that the certain Chapter 11 professionals were seeking fees for, examination of the professionals regarding the fees requested and services performed at a further evidentiary hearing and further opportunities for the professionals to explain the necessity, reasonableness and benefit of their services). However, considering the totality of the circumstances of the case, the joint stipulation addresses the court's concerns, and the court is satisfied that based on the settlement of these disputes by the parties to the stipulation, which and who are the major stakeholders in the case, is fair and reasonable and should be approved subject to the following modification of paragraph 9 of the stipulation regarding the effect of the stipulation if the California Franchise Tax Board fails to execute the stipulation, the proposed 25% reallocated proceeds from the Chapter 11 administrative professionals will not be reallocated, but the court will conduct further review of the proposed distributions under the Chapter 7 trustee's amended final report and the proposed distributions to the professionals will be subject to further order of the court. Otherwise, the court will approve the fee applications of the Chapter 7 trustee and professionals and the Chapter 11 professionals for the reasons stated in the applications, the joint stipulation of the parties and the lack of any other outstanding objection, and set further hearings on the applications pending the expiration of the 15 day period of the California Franchise Tax Board to decide to give final authorization to the joint stipulation.

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

**United States Bankruptcy Court
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Los Angeles
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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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Investment Co., 925 F.2d 320, 321 (9th Cir.1991), "[w]hen a cost benefit analysis indicates that the only parties who will likely benefit from [a service] are the trustee and his professionals," the service is unwarranted and a court does not abuse its discretion in denying fees for those services (citation and internal quotation marks omitted). Id at 108-109.

The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

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Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

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Represented By
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**United States Bankruptcy Court
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Tuesday, April 28, 2020

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2:15-15952 Fred Matthew Adelman

Chapter 7

#27.00 Cont'd hearing re: Application for fees and expenses
[Creim Macias Koenig & Frey, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1342

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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Chapter 7

overreaching attorneys or other professionals drain it of wealth which by right should inure to the benefit of unsecured creditors") (citation omitted); see also, In re Auto Parts Club, Inc., 211 B.R. 29, 33 (9th Cir. BAP 1997)(citing Busy Beavers with approval that "[t]he bankruptcy court has a duty to review fee applications notwithstanding the absence of objections by the trustee, debtor, or creditors"). Having reviewed the fee applications and the other papers and pleadings in this case, including the prior objections of the United States Trustee, the Chapter 7 Trustee, Navigators Specialty Insurance Company, the Arraches and other parties, and noting that the court in approving fee applications of certain professionals on an interim basis and did not resolve objections to these fee applications on a final basis in its December 12, 2017 order after the hearing on November 28, 2017 (based on colloquy between the court and counsel for Navigators, Mr. Friedman), the court had concerns about some of the fees requested to be approved on a final basis whether the fees were sufficiently demonstrated to be for services that were reasonable, necessary and beneficial to the estate pursuant to 11 U.S.C. §330. In re Mednet, 251 B.R. 103, 106-109 (9th Cir. BAP 2000). Based on the court's review of the fee applications, the court noted numerous redacted billing entries for which the court would generally disallow fees because the reasonableness of the fees could not be ascertained, numerous vague billing entries which had not sufficiently described the tasks performed in order to determine the reasonableness of the fees incurred, and billing entries for fees based on unnecessary work, excessive time for the tasks performed, or duplicative work from overstaffing and billing entries for nonattorney administrative tasks overcharging at attorney hourly rates as well as concerns over the sufficiency of the showing that the services were necessary and beneficial to the estate as raised in prior objections. The proposed reductions in the joint stipulation represents a rough approximation of potential fee reductions through a more thorough fee analysis process which the court would have performed in order to determine the reasonableness of the fees (which would have included requests for filing of unredacted billing entries or filing a privilege log with submission of

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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

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Chapter 7

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**United States Bankruptcy Court
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2:15-15952 Fred Matthew Adelman

Chapter 7

#28.00 Cont'd hearing re: Application for fees and expenses
[Hill, Farrer & Burrill LLP, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1344

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

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Chapter 7

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Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
Courtroom 1675 Calendar**

Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

2:15-15952 Fred Matthew Adelman

Chapter 7

#29.00 Cont'd hearing re: Application for fees and expenses
[Morrison & Foerster LLP, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1340

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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Chapter 7

overreaching attorneys or other professionals drain it of wealth which by right should inure to the benefit of unsecured creditors") (citation omitted); see also, *In re Auto Parts Club, Inc.*, 211 B.R. 29, 33 (9th Cir. BAP 1997)(citing *Busy Beavers* with approval that "[t]he bankruptcy court has a duty to review fee applications notwithstanding the absence of objections by the trustee, debtor, or creditors"). Having reviewed the fee applications and the other papers and pleadings in this case, including the prior objections of the United States Trustee, the Chapter 7 Trustee, Navigators Specialty Insurance Company, the Arraches and other parties, and noting that the court in approving fee applications of certain professionals on an interim basis and did not resolve objections to these fee applications on a final basis in its December 12, 2017 order after the hearing on November 28, 2017 (based on colloquy between the court and counsel for Navigators, Mr. Friedman), the court had concerns about some of the fees requested to be approved on a final basis whether the fees were sufficiently demonstrated to be for services that were reasonable, necessary and beneficial to the estate pursuant to 11 U.S.C. §330. *In re Mednet*, 251 B.R. 103, 106-109 (9th Cir. BAP 2000). Based on the court's review of the fee applications, the court noted numerous redacted billing entries for which the court would generally disallow fees because the reasonableness of the fees could not be ascertained, numerous vague billing entries which had not sufficiently described the tasks performed in order to determine the reasonableness of the fees incurred, and billing entries for fees based on unnecessary work, excessive time for the tasks performed, or duplicative work from overstaffing and billing entries for nonattorney administrative tasks overcharging at attorney hourly rates as well as concerns over the sufficiency of the showing that the services were necessary and beneficial to the estate as raised in prior objections. The proposed reductions in the joint stipulation represents a rough approximation of potential fee reductions through a more thorough fee analysis process which the court would have performed in order to determine the reasonableness of the fees (which would have included requests for filing of unredacted billing entries or filing a privilege log with submission of

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Central District of California
Los Angeles
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unredacted billing entries for in camera review , submission of copies of the pleadings in the state court litigation matters that the certain Chapter 11 professionals were seeking fees for, examination of the professionals regarding the fees requested and services performed at a further evidentiary hearing and further opportunities for the professionals to explain the necessity, reasonableness and benefit of their services). However, considering the totality of the circumstances of the case, the joint stipulation addresses the court's concerns, and the court is satisfied that based on the settlement of these disputes by the parties to the stipulation, which and who are the major stakeholders in the case, is fair and reasonable and should be approved subject to the following modification of paragraph 9 of the stipulation regarding the effect of the stipulation if the California Franchise Tax Board fails to execute the stipulation, the proposed 25% reallocated proceeds from the Chapter 11 administrative professionals will not be reallocated, but the court will conduct further review of the proposed distributions under the Chapter 7 trustee's amended final report and the proposed distributions to the professionals will be subject to further order of the court. Otherwise, the court will approve the fee applications of the Chapter 7 trustee and professionals and the Chapter 11 professionals for the reasons stated in the applications, the joint stipulation of the parties and the lack of any other outstanding objection, and set further hearings on the applications pending the expiration of the 15 day period of the California Franchise Tax Board to decide to give final authorization to the joint stipulation.

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

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Central District of California
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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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Investment Co., 925 F.2d 320, 321 (9th Cir.1991), "[w]hen a cost benefit analysis indicates that the only parties who will likely benefit from [a service] are the trustee and his professionals," the service is unwarranted and a court does not abuse its discretion in denying fees for those services (citation and internal quotation marks omitted). Id at 108-109.

The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

**United States Bankruptcy Court
Central District of California
Los Angeles
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Chapter 7

Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Movant(s):

Klein & Wilson

Represented By
Gerald A Klein

Morrison & Foerster Llp

Represented By
Adam A Lewis

Morrison & Foerster Llp

Represented By
Adam A Lewis

Klein & Wilson

Represented By
Gerald A Klein

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

**United States Bankruptcy Court
Central District of California
Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

2:15-15952 Fred Matthew Adelman

Chapter 7

#30.00 Cont'd hearing re: Application for fees and expenses
[Marshack Hays, LLP, Attorney for Trustee]
fr. 3/24/20

Docket 1346

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel should call in at 3:00 p.m. for the Adelman case matters.

Approve the final report and fee application of the Chapter 7 trustee for the reasons stated in the final report, except no tentative ruling on the merits with respect to the treatment in the final report of the fee applications of the Chapter 11 professionals then employed at the request of the debtor then in possession.

Appearances are required on 4/28/20, but trustee, counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

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Central District of California
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Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Movant(s):

Marshack Hays LLP

Represented By
D Edward Hays
Chad V Haes

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

**United States Bankruptcy Court
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Los Angeles
Judge Robert Kwan, Presiding
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Tuesday, April 28, 2020

Hearing Room 1675

2:30 PM

2:15-15952 Fred Matthew Adelman

Chapter 7

#31.00 Cont'd hearing re: Application for fees and expenses
[Leslie Cohen Law, PC, Prior Chapter Attorney for Trustee/DIP]
fr. 3/24/20

Docket 1341

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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Chapter 7

overreaching attorneys or other professionals drain it of wealth which by right should inure to the benefit of unsecured creditors") (citation omitted); see also, In re Auto Parts Club, Inc., 211 B.R. 29, 33 (9th Cir. BAP 1997)(citing Busy Beavers with approval that "[t]he bankruptcy court has a duty to review fee applications notwithstanding the absence of objections by the trustee, debtor, or creditors"). Having reviewed the fee applications and the other papers and pleadings in this case, including the prior objections of the United States Trustee, the Chapter 7 Trustee, Navigators Specialty Insurance Company, the Arraches and other parties, and noting that the court in approving fee applications of certain professionals on an interim basis and did not resolve objections to these fee applications on a final basis in its December 12, 2017 order after the hearing on November 28, 2017 (based on colloquy between the court and counsel for Navigators, Mr. Friedman), the court had concerns about some of the fees requested to be approved on a final basis whether the fees were sufficiently demonstrated to be for services that were reasonable, necessary and beneficial to the estate pursuant to 11 U.S.C. §330. In re Mednet, 251 B.R. 103, 106-109 (9th Cir. BAP 2000). Based on the court's review of the fee applications, the court noted numerous redacted billing entries for which the court would generally disallow fees because the reasonableness of the fees could not be ascertained, numerous vague billing entries which had not sufficiently described the tasks performed in order to determine the reasonableness of the fees incurred, and billing entries for fees based on unnecessary work, excessive time for the tasks performed, or duplicative work from overstaffing and billing entries for nonattorney administrative tasks overcharging at attorney hourly rates as well as concerns over the sufficiency of the showing that the services were necessary and beneficial to the estate as raised in prior objections. The proposed reductions in the joint stipulation represents a rough approximation of potential fee reductions through a more thorough fee analysis process which the court would have performed in order to determine the reasonableness of the fees (which would have included requests for filing of unredacted billing entries or filing a privilege log with submission of

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unredacted billing entries for in camera review , submission of copies of the pleadings in the state court litigation matters that the certain Chapter 11 professionals were seeking fees for, examination of the professionals regarding the fees requested and services performed at a further evidentiary hearing and further opportunities for the professionals to explain the necessity, reasonableness and benefit of their services). However, considering the totality of the circumstances of the case, the joint stipulation addresses the court's concerns, and the court is satisfied that based on the settlement of these disputes by the parties to the stipulation, which and who are the major stakeholders in the case, is fair and reasonable and should be approved subject to the following modification of paragraph 9 of the stipulation regarding the effect of the stipulation if the California Franchise Tax Board fails to execute the stipulation, the proposed 25% reallocated proceeds from the Chapter 11 administrative professionals will not be reallocated, but the court will conduct further review of the proposed distributions under the Chapter 7 trustee's amended final report and the proposed distributions to the professionals will be subject to further order of the court. Otherwise, the court will approve the fee applications of the Chapter 7 trustee and professionals and the Chapter 11 professionals for the reasons stated in the applications, the joint stipulation of the parties and the lack of any other outstanding objection, and set further hearings on the applications pending the expiration of the 15 day period of the California Franchise Tax Board to decide to give final authorization to the joint stipulation.

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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Investment Co., 925 F.2d 320, 321 (9th Cir.1991), "[w]hen a cost benefit analysis indicates that the only parties who will likely benefit from [a service] are the trustee and his professionals," the service is unwarranted and a court does not abuse its discretion in denying fees for those services (citation and internal quotation marks omitted). Id at 108-109.

The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

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Chapter 7

Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Movant(s):

Leslie Cohen

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

**United States Bankruptcy Court
Central District of California
Los Angeles
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Tuesday, April 28, 2020

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2:15-15952 Fred Matthew Adelman

Chapter 7

#32.00 Cont'd hearing re: Application for fees and expenses
[Samuel Biggs, Accountant for Trustee]
fr. 3/24/20

Docket 1339

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel should call in at 3:00 p.m. for the Adelman case matters.

Approve the final fee application of the accountant for the Chapter 7 trustee for the reasons stated in the fee application and for lack of timely written objection.

Appearances are optional on 4/28/20, but trustee, applicant counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Trustee or applicant are ordered to submit a proposed order within 7 days of

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Los Angeles
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the hearing.

Chapter 7

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Movant(s):

SL Biggs

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
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2:15-15952 Fred Matthew Adelman

Chapter 7

#33.00 Cont'd hearing re: Application for fees and expenses
[Samuel Biggs, Prior Chapter Accountant for Trustee/DIP]
fr. 3/24/20

Docket 1339

Tentative Ruling:

Updated supplemental tentative ruling as of 4/28/20 at 1:00 p.m.

The court has reviewed the fee applications of the Chapter 7 and 11 estate professionals, including final and interim applications, pending before the court for approval on a final basis, and the joint stipulation between Chapter 11 administrative professional claimants, the United States of America (Internal Revenue Service), California Franchise Tax Board (apparently agreeing in principle subject to final agency authorization as provided in paragraphs 4 and 9 of the stipulation) and certain general unsecured creditors (i.e., Navigators Specialty Insurance Company and Ronald and Nancy Arrache, having the largest single general unsecured claims in this case), filed on April 27, 2020. The stipulation resolves the disputes that these parties may have had regarding the fee applications of the Chapter 11 administrative professional claimants.

Subject to one modification discussed below, the court determines that the joint stipulation should be approved as it is fair and reasonable in resolving these disputes under the circumstances of this case and as well addresses the court's concerns regarding these fee applications pursuant to its duty to independently review the fee applications under the reasonableness standards of 11 U.S.C. § 330. In re Busy Beaver Building Centers, Inc., 19 F.3d 833, 840-845 (3rd Cir. 1994)(observing that it is generally held that bankruptcy courts have an independent duty to review fee applications even absent objections, stating: "[d]isagreeable as the chore [of reviewing fee applications] may be, the bankruptcy court must protect the estate, lest

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overreaching attorneys or other professionals drain it of wealth which by right should inure to the benefit of unsecured creditors") (citation omitted); see also, In re Auto Parts Club, Inc., 211 B.R. 29, 33 (9th Cir. BAP 1997)(citing Busy Beavers with approval that "[t]he bankruptcy court has a duty to review fee applications notwithstanding the absence of objections by the trustee, debtor, or creditors"). Having reviewed the fee applications and the other papers and pleadings in this case, including the prior objections of the United States Trustee, the Chapter 7 Trustee, Navigators Specialty Insurance Company, the Arraches and other parties, and noting that the court in approving fee applications of certain professionals on an interim basis and did not resolve objections to these fee applications on a final basis in its December 12, 2017 order after the hearing on November 28, 2017 (based on colloquy between the court and counsel for Navigators, Mr. Friedman), the court had concerns about some of the fees requested to be approved on a final basis whether the fees were sufficiently demonstrated to be for services that were reasonable, necessary and beneficial to the estate pursuant to 11 U.S.C. §330. In re Mednet, 251 B.R. 103, 106-109 (9th Cir. BAP 2000). Based on the court's review of the fee applications, the court noted numerous redacted billing entries for which the court would generally disallow fees because the reasonableness of the fees could not be ascertained, numerous vague billing entries which had not sufficiently described the tasks performed in order to determine the reasonableness of the fees incurred, and billing entries for fees based on unnecessary work, excessive time for the tasks performed, or duplicative work from overstaffing and billing entries for nonattorney administrative tasks overcharging at attorney hourly rates as well as concerns over the sufficiency of the showing that the services were necessary and beneficial to the estate as raised in prior objections. The proposed reductions in the joint stipulation represents a rough approximation of potential fee reductions through a more thorough fee analysis process which the court would have performed in order to determine the reasonableness of the fees (which would have included requests for filing of unredacted billing entries or filing a privilege log with submission of

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unredacted billing entries for in camera review , submission of copies of the pleadings in the state court litigation matters that the certain Chapter 11 professionals were seeking fees for, examination of the professionals regarding the fees requested and services performed at a further evidentiary hearing and further opportunities for the professionals to explain the necessity, reasonableness and benefit of their services). However, considering the totality of the circumstances of the case, the joint stipulation addresses the court's concerns, and the court is satisfied that based on the settlement of these disputes by the parties to the stipulation, which and who are the major stakeholders in the case, is fair and reasonable and should be approved subject to the following modification of paragraph 9 of the stipulation regarding the effect of the stipulation if the California Franchise Tax Board fails to execute the stipulation, the proposed 25% reallocated proceeds from the Chapter 11 administrative professionals will not be reallocated, but the court will conduct further review of the proposed distributions under the Chapter 7 trustee's amended final report and the proposed distributions to the professionals will be subject to further order of the court. Otherwise, the court will approve the fee applications of the Chapter 7 trustee and professionals and the Chapter 11 professionals for the reasons stated in the applications, the joint stipulation of the parties and the lack of any other outstanding objection, and set further hearings on the applications pending the expiration of the 15 day period of the California Franchise Tax Board to decide to give final authorization to the joint stipulation.

Updated tentative ruling as of 4/24/20. Because the court anticipates that this will be a lengthy hearing in the Adelman case on the trustee's final report and fee application and the fee applications of the estate professionals, given the voluminous papers and the remaining opposition of the Arrache creditors, the court will call the various Adelman case matters at 3:00 p.m., not at 2:30 p.m., as other matters on the 2:30 p.m. calendar may also require substantial hearing time, but probably not as much as these matters. Counsel and self-represented parties should call in at 3:00 p.m. for the Adelman case matters.

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Because the pending fee application is voluminous, the large amount of fees requested by applicant and other applicants, minimal, if any, distributions on unsecured claims, the remaining opposition to the application by the Arrache creditors, who had joined the now withdrawn omnibus opposition of creditor Navigators Specialty Insurance Company, but have not withdrawn their opposition, and the fact that the currently assigned judge is not generally familiar with the services for which fees are requested as such services were rendered before he was involved in the case and the court requires the applicant and the objecting parties to appear and address the standards that guide the court's independent review and determination of the fee application pursuant to 11 U.S.C. § 330 as discussed herein. It would help that the parties cite to specific pages of their papers in addressing these standards, so the court can make appropriate determinations that the standards have or have not been met. Applicant has the burden to demonstrate the fees it claims under 11 U.S.C. § 330 are reasonable. In re Basham, 208 B.R. 926, 931-932 (9th Cir. BAP 1997), citing, Hensley v. Eckerhart, 461 U.S. 424, 437 (1983) ("[F]ee applicant bears the burden of establishing entitlement to an award and documenting the appropriate hours expended and hourly rates.").

In order to approve claimed compensation of a professional on the pending fee application, it is necessary for the court to determine whether such services were reasonable, actual, and necessary pursuant to 11 U.S.C. § 330(a)(1)(A) and to consider whether the services rendered were "reasonably likely to benefit the debtor's estate" pursuant to 11 U.S.C. § 330(a)(4)(A). In re Mednet, 251 B.R. 103, 107-109 (9th Cir. BAP 2000). A bankruptcy court also must examine the circumstances and the manner in which services are performed and the results achieved in order to arrive at a determination of a reasonable fee allowance. Id. at 108. Such examination, in general, should include the following questions: First, were the services authorized? Id. at 108. Second, were the services necessary or beneficial to the administration of the estate at the time they were rendered? Id. Third, are the services adequately documented? Fourth, are the fees requested reasonable, taking into consideration the factors set forth in 11 U.S.C. § 330(a)(3)? Id., citing Unsecured Creditors' Committee v. Puget Sound Plywood, Inc., 924 F.2d 955, 957-58 (9th Cir.1991). Finally, in making this determination, the court must take into consideration whether the professional exercised reasonable billing judgment. Id. (footnote omitted). As stated in In re Riverside-Linden

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Investment Co., 925 F.2d 320, 321 (9th Cir.1991), "[w]hen a cost benefit analysis indicates that the only parties who will likely benefit from [a service] are the trustee and his professionals," the service is unwarranted and a court does not abuse its discretion in denying fees for those services (citation and internal quotation marks omitted). Id at 108-109.

The factors under 11 U.S.C. § 330(a)(3) are: In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—(A) the time spent on such services; (B) the rates charged for such services; (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title [the Bankruptcy Code, 11 U.S.C.]; (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the

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Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Movant(s):

SL Biggs

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

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2:15-15952 Fred Matthew Adelman

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#34.00 Cont'd hearing re: Application for fees and expenses
[Navigators Specialty Insurance Company, Prior Chapter Administrative Expenses]
fr. 3/24/20

Docket 1358

Tentative Ruling:

Updated tentative ruling as of 4/24/20. The allowance of the administrative expense claim of Navigators Specialty Insurance Agency has already been determined by the court's order approving the trustee's motion to compromise Navigators's claim on 10/23/18 (ECF 1298). Appearances are optional on 4/28/20, but counsel and self-represented parties may appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the Off calendar. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 1358, and Applications for Fees and Expenses, Docket Nos. 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345,

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1346, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Fred Matthew Adelman

Represented By
Gary E Devlin
Dare Law

Trustee(s):

Wesley H Avery (TR)

Represented By
Chad V Haes
D Edward Hays
Kristine A Thagard

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2:17-15007 Eugen Valentin Dietl

Chapter 7

#35.00 Cont'd hearing re: Trustee's final report and account;
Application for fees and expenses
[Wesley H. Avery, Chapter 7 Trustee]
fr. 3/24/20

Docket 364

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Overrule objections of purported interested parties Erik Cooper and John C. Frick for lack of standing since they are not creditors of the estate or other parties in interest and approve final fee application of accountant for trustee for reasons stated in the application and for lack of timely written objection by a party in interest. The approval of the final report is subject to the determination of the other fee applications of the estate professionals.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 364, and Applications for Fees and

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Eugen Valentin Dietl

Chapter 7

Expenses, Docket Nos. 358 and 359, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Eugen Valentin Dietl

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By

Aram Ordubegian

Annie Y Stoops

M Douglas Flahaut

Christopher K.S. Wong

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2:17-15007 Eugen Valentin Dietl

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#36.00 Cont'd hearing re: Application for fees and expenses
[Arent Fox LLP, Attorney for Chapter 7 Trustee]
fr. 3/24/20

Docket 359

Tentative Ruling:

Updated tentative ruling as of 4/24/20. The court has entered a tentative ruling on the case docket. Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 364, and Applications for Fees and Expenses, Docket Nos. 358 and 359, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if

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the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Eugen Valentin Dietl

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By

Aram Ordubegian

Annie Y Stoops

M Douglas Flahaut

Christopher K.S. Wong

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2:17-15007 Eugen Valentin Dietl

Chapter 7

#37.00 Cont'd hearing re: Application for fees and expenses
[Menchaca & Company LLP, Accountant for Chapter 7 Trustee]
fr. 3/24/20

Docket 358

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Approve final fee application of accountant for trustee for reasons stated in the application and for lack of timely written objection. Appearances are optional on 4/28/20, but trustee and applicant may appear by telephone. Trustee or applicant to submit a proposed order within 7 days of hearing.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues all hearings on the Trustee's Final Report, Docket No. 364, and Applications for Fees and Expenses, Docket Nos. 358 and 359, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court continues these hearings to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearings are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Eugen Valentin Dietl

Pro Se

Trustee(s):

Wesley H Avery (TR)

Represented By

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Aram Ordubegian
Annie Y Stoops
M Douglas Flahaut
Christopher K.S. Wong

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2:17-23722 Kody Branch of California, Inc.

Chapter 7

#38.00 Hearing re: Chapter 7 trustee's omnibus objection to: Claim No. 11 - Shaoxing LeiLei Import & Export; Claim No. 12 - Cong Ty TNHH Anh Chau; Claim No. 13 - Shaoxing Tuchang Knitting Textile; Claim No. 14 - Gia Phu Fashion Company; and Claim No. 15 - Cong Ty May Trinh Vuong

Docket 351

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/2/20 at 2:30 p.m.
per stip & order entered on 4/23/20-mb.**

Tentative Ruling:

Off calendar. Continued by stipulation and order to 6/2/20 at 2:30 p.m. No appearances are required on 4/28/20.

Party Information

Debtor(s):

Kody Branch of California, Inc.

Represented By
John-Patrick M Fritz

Trustee(s):

Wesley H. Avery

Represented By
Kristofer R McDonald
Richard A Marshack
D Edward Hays
David Wood

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2:18-20432 Don Gonzalez

Chapter 7

Adv#: 2:18-01432 Swift Financial, LLC v. Gonzalez

#39.00 Cont'd hearing re: Plaintiff's motion for default judgment under LBR 7055-1
fr. 3/24/20

Docket 23

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/2/20 at 2:30 p.m.
per order entered on 4/17/20-pp**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. The court by prior order on its own motion continues the hearing on the motion to 6/2/20 at 2:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues the hearing on Plaintiff's Motion for Default Judgment, Docket No. 23, in this adversary proceeding and the status conference scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues the hearing on the motion and the status conference to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearing on the motion and the status conference are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Don Gonzalez

Pro Se

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Defendant(s):

Don Gonzalez

Pro Se

Plaintiff(s):

Swift Financial, LLC

Represented By
Daren M Schlecter

Trustee(s):

Wesley H Avery (TR)

Pro Se

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2:18-20432 Don Gonzalez

Chapter 7

Adv#: 2:18-01432 Swift Financial, LLC v. Gonzalez

#40.00 Cont'd status conference re: Complaint for non-dischargeability for: 1) debts incurred through false pretenses, false representation or actual fraud under 11 U.S.C. §523(a)(2)(A); 2) debts incurred through false statements respecting debtor's financial condition under 11 U.S.C. §523(a)(2)(B); 3) debts neither listed nor scheduled and known to debtor (11 U.S.C. §523(a)(3); 4) debts incurred through conversion under 11 U.S.C. §523(a)(4); 5) debts incurred through willful and malicious injury to property under 11 U.S.C. §523(a)(6); 6) objection to discharge under 11 U.S.C. §727(a)(5) fr. 10/15/19, 2/4/20, 3/24/20

Docket 1

***** VACATED *** REASON: Cont'd from 4/28/20 to 6/2/20 at 2:30 p.m.
per order entered on 4/17/20-pp**

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Off calendar. The court by prior order on its own motion continues the status conference on the motion to 6/2/20 at 2:30 p.m. No appearances are required on 4/28/20.

Prior tentative ruling as of 3/17/20. Off calendar. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues the hearing on Plaintiff's Motion for Default Judgment, Docket No. 23, in this adversary proceeding and the status conference scheduled for March 24, 2020 at 2:30 p.m. The court on its own motion continues the hearing on the motion and the status conference to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearing on the motion and the status conference are continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

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Prior tentative ruling as of 2/3/20. Off calendar. Because this is now a default situation, the court on its own motion continues the status conference to 3/24/20 at 2:30 p.m. to be conducted with the hearing on plaintiff's anticipated motion for default judgment. No appearances are required on 2/4/20, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website.

Prior tentative ruling as of 10/11/19. No tentative ruling on the merits. Appearances are required on 10/15/19, but counsel and self-represented parties may appear by telephone in accordance with the court's telephone appearance procedures posted online on the court's website.

Prior tentative ruling. The court has reviewed plaintiff's unilateral status report. No tentative ruling on the merits. Appearances are required on 2/12/19, but counsel may appear by telephone.

Party Information

Debtor(s):

Don Gonzalez

Pro Se

Defendant(s):

Don Gonzalez

Pro Se

Plaintiff(s):

Swift Financial, LLC

Represented By
Daren M Schlecter

Trustee(s):

Wesley H Avery (TR)

Pro Se

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2:19-10865 Paciencia Lua Parreno

Chapter 7

#41.00 Hearing re: Trustee's final report and account;
Application for fees and expenses
[Wesley H. Avery, Chapter 7 Trustee]

Docket 46

Tentative Ruling:

Off calendar. In light of the lack of a timely written objection to the trustee's final report and fee application, the court determines that oral argument on the final report and fee application is not necessary and dispenses with oral argument pursuant to Local Bankruptcy Rule 9013-1(j)(3), the court deems the lack of filing and service of a timely written objection as consent to the approval of the final report and fee application pursuant to Local Bankruptcy Rule 9013-1(h), rules on the final report and fee application on the papers, and approves the final report and fee application of trustee for reasons stated in the final report and fee application and for lack of timely written objection. No appearances are required on 4/28/20. Trustee to submit a proposed order within 7 days of hearing.

Party Information

Debtor(s):

Paciencia Lua Parreno

Represented By
Jeffrey J Hagen

Trustee(s):

Wesley H Avery (TR)

Represented By
Beth Gaschen
David M Goodrich

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2:19-20372 Lance Stuart Moreland and Care Jo Moreland

Chapter 7

#42.00 Cont'd hearing re: Trustee's: (i) objection to debtors' exemption as to vehicle [2014 Honda Pilot], and (ii) demand for turnover of non-exempt properties of the bankruptcy estate [2013 Toyota Corolla & 6 bank accounts]
fr. 3/24/20

Docket 21

Tentative Ruling:

Updated tentative ruling as of 4/24/20. Treat trustee's objection to debtors' exemptions as to the 2014 Honda Pilot as a tool of the trade and 2013 Toyota Corolla as an exempt motor vehicle and demand for turnover of nonexempt property as a contested matter under FRBP 9014 because there are disputed material issues of fact relating to whether the Honda Pilot is a tool of the trade of debtor husband and the valuation of the motor vehicles claimed as exempt. Overrule debtors' opposition that trustee's objection is untimely because the meeting of creditors under 11 U.S.C. 341(a) was continued with specific adjournment date and the objection was timely under FRBP 4003(b) within 30 days of the conclusion of the last scheduled meeting of creditors. In re Bernard, 40 F.3d 1028, 1031 (9th Cir. 1994). In re Smith, 235 F.3d 472 (9th Cir. 2000) is inapplicable because there was no open-ended adjournment of the meeting of creditors in this case. The objecting party has the burden of proving that the exemption is not properly claimed. FRBP 4003(c). If the objecting party can produce evidence sufficient to rebut the presumption of validity, the burden of production shifts to the debtor to provide unequivocal evidence to demonstrate that the exemption is proper. In re Diaz, 547 B.R. 329, 336 (9th Cir. BAP 2016). The burden of proof is substantive, not procedural; therefore, the burden of proof should be borne by the same party who would bear the burden outside the bankruptcy (i.e, debtors). Raleigh v. Illinois Department of Revenue, 530 U.S. 15, 20-21 (2000). See also In re Pashenee, 531 B.R. 834, 837 (Bankr.E.D.Cal. 2015). State law applies in an objection to an exemption because CA mandates the use of state exemptions. In re Diaz, 547 B.R. at 337. Under California law, the exemption claimant has the burden of proof. California Code of Civil Procedure

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703.580(b). Here, the trustee has sufficiently rebutted the presumption of validity based on evidence of debtor husband's other employment and lack of commercial vehicle insurance coverage for the Honda Pilot, therefore debtors have the burden of proof for the claimed exemptions. Whether the Honda Pilot is a tool of the trade is a factual issue under California Code of Civil Procedure 704.060(a)(1). See *In re Garcia*, 451 B.R. 909, 917 (C.D. Cal. 2011). To determine whether a vehicle is a tool of the trade, the proper inquiry is whether or not the vehicle is used by and is necessary to a debtor for his work, trade or occupation. *Id.* at 918 (citations omitted). Whether the vehicle is used in a debtor's trade is a question of fact. *Id.* (citation omitted). Even if the Honda Pilot is an exempt tool of the trade, the exemption amount is limited to \$4,850 under California Code of Civil Procedure 704.060(d) and may be disallowed since the Toyota Corolla is being claimed as an exempt motor vehicle which could be reasonably used as debtor's tool of the trade pursuant to California Code of Civil Procedure 704.060(c). The current limit for a motor vehicle exemption as adjusted for cost of living under California Code of Civil Procedure 704.010(a) is \$3,325, and to the extent that the Toyota Corolla exceeds that amount, such value is nonexempt. The CarMax valuations provided by debtors for the Honda Pilot and Toyota Corolla are not competent and credible evidence of valuation since such valuations lack evidentiary foundation under FRE 602, 702, 801-802 and 901. Grant trustee's unopposed request for turnover of nonexempt bank account funds. Set for an evidentiary hearing to resolve factual disputes.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

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Prior tentative ruling. In light of the rapidly developing public health threat of coronavirus disease (COVID-19) and the current national and local public health guidance to mitigate the spread of the disease through social distancing, the court in an abundance of caution continues the hearing on the contested matter of the Chapter 7 Trustee's: (i) Objection to Debtors' Exemption as to Vehicle [2014 Honda Pilot], and (ii) Demand for Turnover of Non-exempt Properties of the Bankruptcy Estate [2013 Toyota Corolla & 6 Bank Accounts], Docket No. 21, in this bankruptcy case scheduled for March 24, 2020 at 2:30 p.m. The court continues the hearing on this contested matter to April 28, 2020 at 2:30 p.m. The court may issue a further order regarding scheduling if the public health threat does not subside. No appearances are required on March 24, 2020 at 2:30 p.m. as the hearing is continued to April 28, 2020 at 2:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

Party Information

Debtor(s):

Lance Stuart Moreland

Represented By
Louis J Esbin

Joint Debtor(s):

Care Jo Moreland

Represented By
Louis J Esbin

Trustee(s):

Rosendo Gonzalez (TR)

Pro Se

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2:19-20416 Susie L Wong

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#43.00 Hearing re: Motion to avoid lien under 11 U.S.C. §522(f) (real property) with Sequoia Concepts, Inc. dba Sequoia Financial Services

Docket 41

Tentative Ruling:

Updated and revised tentative ruling as of 4/27/20. Off calendar. The court on its own motion vacates the hearing on Debtor Susie Wong's motion to avoid the lien of Sequoia Concepts, Inc., set for hearing before the court on April 28, 2020 at 2:30 p.m. because Debtor filed an amended motion which supersedes the original motion set for hearing. Although Debtor did not notice the amended motion for hearing, the court sets the amended motion for hearing before the court on May 26, 2020 at 1:30 p.m. because the original motion was a contested matter under Federal Rule of Bankruptcy Procedure 9014 and the amended motion is likely to be a contested matter under Rule 9014. Any opposition to the amended motion must be filed and served no later than May 12, 2020, and any reply thereto must be filed and served no later than May 19, 2020. The hearing on Debtor's amended motion to avoid the lien of Sequoia Concepts, Inc., is set for hearing before the court on May 26, 2020 at 1:30 p.m. in Courtroom 1675, Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012. However, counsel and the parties must appear by telephone on May 26, 2020 in accordance with the court's telephone appearance procedures posted online on the court's website because the federal courthouses in this judicial district, including the Roybal Federal Building, are closed to the public for in person hearings until June 1, 2020 by order of the United States District Court for the Central District of California. No appearances are required on April 28, 2020. A written order will be issued adopting these rulings on April 28, 2020, but was not issued earlier to technical problems with the court's order processing system.

Prior tentative ruling as of 4/24/20 (now superseded): Treat as a contested matter under FRBP 9014 because there is material factual dispute over valuation. However, the evidence in support of the papers of both sides are deficient. Debtor lacks sufficient evidence of valuation of the liens against the

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Susie L Wong

Chapter 7

property, and debtor's valuation opinion is based on the pending sale of the property by the Chapter 7 Trustee, which is not substantiated by authenticated copies of the broker's listing, the offer at \$770,000 and the escrow papers. There is insufficient evidence of the tax liens, such as recorded copies of notices of tax lien and account information from the taxing authorities showing the amounts due as of the petition date. The submitted evidence in the preliminary title report for valuation of the tax liens is inadmissible hearsay and lacks authentication and is not based on personal knowledge under FRE 602, 801-803, and 901. Creditor's valuation is based on the valuation opinion of its attorney, who has not been shown to be qualified to give an expert opinion. The valuation testimony on both sides is not competent in the court's view. While the court could now set an evidentiary hearing which would be expensive, in the court's view, it is more cost effective to defer a ruling on the motion until the property is sold by the trustee and have the senior undisputed liens paid off, and have the remaining funds that may be attributable to the creditor's lien held by the trustee pending further order of the court. There does not seem to be any point incurring litigation expenses for this dispute now if we do not know if there will be any sales proceeds to apply to this disputed lien anyway. If debtor can substantiate valuation at \$770,000 and unavoided liens with an aggregate value of \$724,531.43 senior to creditor's lien, it would appear based on such a showing (though yet to be made with admissible evidence) that there would be no equity for creditor's lien to attach considering the claimed homestead exemption of \$175,000.

Appearances are required on 4/28/20, but counsel and self-represented parties must appear by telephone. Due to the public health emergency from the coronavirus disease (COVID-19) outbreak declared in the State of California and the United States of America and to minimize the spread of the disease from in person social contact, the court is only conducting hearings with telephonic appearances for this matter as the courthouse is closed to the public by order of the chief judge of the United States District Court for the Central District of California (Order of the Chief Judge No. 20-042). Counsel and self-represented parties must arrange their telephonic appearances through CourtCall, which is offering a discount on fees for attorneys and waiving all fees for self-represented parties. Information about arranging a telephonic appearance through CourtCall is posted on the court's website.

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CONT... Susie L Wong

Chapter 7

Party Information

Debtor(s):

Susie L Wong

Represented By
Chi L Ip

Trustee(s):

David M Goodrich (TR)

Pro Se