

**United States Bankruptcy Court  
Central District of California  
San Fernando Valley  
Victoria Kaufman, Presiding  
Courtroom 301 Calendar**

Wednesday, December 18, 2024

Hearing Room 301

1:00 PM

1: -

Chapter

**#0.00 All hearings on this calendar will be conducted in Courtroom 301 at 21041 Burbank Boulevard, Woodland Hills, California, 91367. All parties in interest, members of the public and the press may attend the hearings on this calendar in person.**

**Additionally, (except with respect to evidentiary hearings, or as otherwise ordered by the Court) parties in interest (and their counsel) may connect by ZoomGov audio and video free of charge, using the connection information provided below. Members of the public and the press may only connect to the zoom audio feed, and only by telephone. Access to the video feed by these individuals is prohibited.**

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Neither a Zoom nor a ZoomGov account is necessary to participate remotely and there are no fees for doing so. No pre-registration or prior approval is required.

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Meeting ID: 160 612 7142

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Password: 834499

For more information on appearing before Judge Kaufman by ZoomGov, please see the information entitled "Tips for a Successful ZoomGov Court Experience" on the Court's website at: <https://www.cacb.uscourts.gov/judges/honorable-victoria-s-kaufman> under the tab "Telephonic Instructions."

Docket 0

**Tentative Ruling:**

- NONE LISTED -

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**1:24-11920 1143 Venlee LLC**

**Chapter 11**

**#1.00 Order to Show Cause Why This Case Should Not Be  
Dismissed With A One Year Bar To Refiling**

Docket 3

**Tentative Ruling:**

On November 19, 2024, the Court entered an *Order to Show Cause Why This Case Should Not Be Dismissed with a One Year Bar to Refiling* (the "OSC") [doc. 3]. In the OSC, the Court ordered the debtor to file a written response to the OSC, supported by evidence, no later than December 4, 2024. The debtor has not filed a response.

Local Bankruptcy Rule 9013-1(h) provides, in relevant part, that "if a party does not timely file and serve documents, the court may deem this to be consent to the granting or denial of the motion, as the case may be."

Given that the debtor identifies two creditors in its schedules D and E/F, one of which being a secured claim for property taxes, and having represented that it has no unsecured creditors and has generated no revenue outside of insider contributions in 2023 and 2024, pursuant to 11 U.S.C. §§ 105(a), 349(a) and 1112(b)(1), the Court will dismiss this case with a one-year bar to refiling as a case filed not in good faith.

The Court will prepare the order.

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

1143 Venlee LLC

Represented By  
Kevin Tang

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**1:24-10377 Philmar Studios Inc**

**Chapter 7**

**#1.01** Status Conference Re:  
Movant 1032 N. Sycamore Owner (LA), LLC's Ex Parte Application  
For An Order Regarding The Removal of Certain Equipment And  
Personal Property, Or Alternatively A Status Conference

fr. 11/14/24; 11/15/24; 11/26/24; 12/5/24; 12/9/24; 12/12/24

Docket 220

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Philmar Studios Inc

Represented By  
Robert M Yaspan  
Sandford L. Frey

**Trustee(s):**

Amy L Goldman (TR)

Represented By  
Peter J Mastan  
Matthew J Stockl

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**1:22-11212 Gabriella Noemi Loos**  
Adv#: 1:24-01012 Amerberg et al v. Loos

**Chapter 7**

**#2.00** Status conference re: complaint to determine non-dischargeability  
of debt and objection to discharge

fr. 6/26/24

Docket 1

**\*\*\* VACATED \*\*\* REASON: Hearing rescheduled to 12/19/24 at 1:30 PM.  
[Dkt. 24]**

**Tentative Ruling:**

- NONE LISTED -

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

**Debtor(s):**

Gabriella Noemi Loos

Represented By  
Kevin T Simon

**Defendant(s):**

Gabriella Noemi Loos

Pro Se

**Plaintiff(s):**

Nathan Amerberg

Represented By  
Gennady Leonid Lebedev

Paulina Amerberg

Represented By  
Gennady Leonid Lebedev

**Trustee(s):**

Nancy J Zamora (TR)

Pro Se

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**1:22-11504 Drita Pasha Kessler**

**Chapter 7**

Adv#: 1:24-01023 Seror v. Vukelj, an individual et al

**#3.00** Status conference re: complaint for (1) Avoidance and recovery of fraudulent transfers, (2) Preservation of fraudulent transfers, (3) Disallowance of claims, (4) Declaratory relief, and (5) Turnover

fr. 8/7/24 (stip), 8/14/24

Docket 1

**\*\*\* VACATED \*\*\* REASON: Hearing rescheduled to 12/19/24 at 1:30 PM.  
[Dkt. 24]**

**Tentative Ruling:**

- NONE LISTED -

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

**Debtor(s):**

Drita Pasha Kessler

Represented By  
Andrew Edward Smyth  
Stephen S Smyth

**Defendant(s):**

Vitora Vukelj, an individual

Pro Se

Kennedy Kessler, an individual

Represented By  
Robert M Yaspan

Collette Kessler, an individual

Represented By  
Charles G Smith

Simone Kessler, an individual

Represented By  
Charles G Smith

**Plaintiff(s):**

David Seror

Represented By  
Elissa Miller

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**CONT... Drita Pasha Kessler**

**Chapter 7**

Shantal Malmed

**Trustee(s):**

David Seror (TR)

Represented By  
Elissa Miller  
Shantal Malmed

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**1:22-11504 Drita Pasha Kessler**

**Chapter 7**

Adv#: 1:24-01024 Seror v. Belwood Group LLC, a Wyoming Limited Liability Com

**#4.00** Status conference re: complaint for (1) Avoidance and recovery of fraudulent transfers, (2) Preservation of fraudulent transfers, (3) Disallowance of claims, (4) Declaratory relief, and (5) Turnover

fr. 8/7/24; 8/14/24

Docket 1

**\*\*\* VACATED \*\*\* REASON: Hearing rescheduled to 12/19/24 at 1:30 PM.  
[Dkt. 24]**

**Tentative Ruling:**

- NONE LISTED -

**Party Information**

**Debtor(s):**

Drita Pasha Kessler

Represented By  
Andrew Edward Smyth  
Stephen S Smyth

**Defendant(s):**

Belwood Group LLC, a Wyoming

Represented By  
Robert M Yaspan

Kennedy Kessler, an individual

Represented By  
Robert M Yaspan

**Plaintiff(s):**

David Seror

Represented By  
Elissa Miller

**Trustee(s):**

David Seror (TR)

Represented By  
Elissa Miller



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**Drita Pasha Kessler**

Shantal Malmed

**Chapter 7**

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1:23-11200 Windsor Terrace Healthcare, LLC

Chapter 11

#5.00 Reorganized Debtors Motion For An Order Disallowing  
Infinium Healthcare, Inc.'s Request For Allowance And  
Payment Of Chapter 11 Administrative Claim

Docket 1646

**Tentative Ruling:**

The Court will approve entry of the stipulated order submitted by the debtors regarding *Infinium Healthcare, Inc.'s Request for Allowance and Payment of Chapter 11 Administrative Claim* [doc. 1596].

Appearances on December 18, 2024 are excused.

**Party Information**

**Debtor(s):**

Windsor Terrace Healthcare, LLC

Represented By  
Ron Bender  
Juliet Y. Oh  
Monica Y Kim  
Lindsey L Smith  
Robert Carrasco  
Beth Ann R. Young

**Movant(s):**

Windsor Terrace Healthcare, LLC

Represented By  
Ron Bender  
Ron Bender  
Juliet Y. Oh  
Juliet Y. Oh  
Monica Y Kim  
Monica Y Kim  
Lindsey L Smith  
Lindsey L Smith  
Robert Carrasco

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**Windsor Terrace Healthcare, LLC**

**Chapter 11**

Robert Carrasco  
Beth Ann R. Young  
Beth Ann R. Young

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1:23-11200 Windsor Terrace Healthcare, LLC

Chapter 11

#6.00 Reorganized Debtors Motion For Final Decree Closing Chapter 11 Cases

Docket 1675

**Tentative Ruling:**

Grant.

Movants must submit the order within seven (7) days.

Note: No response has been filed. Accordingly, no court appearance by movants is required. Should an opposing party file a late opposition or appear at the hearing, the Court will determine whether further hearing is required and movants will be so notified.

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

Windsor Terrace Healthcare, LLC

Represented By  
Ron Bender  
Juliet Y. Oh  
Monica Y Kim  
Lindsey L Smith  
Robert Carrasco  
Beth Ann R. Young

**Movant(s):**

Windsor Terrace Healthcare, LLC

Represented By  
Ron Bender  
Ron Bender  
Juliet Y. Oh  
Juliet Y. Oh  
Monica Y Kim  
Monica Y Kim  
Lindsey L Smith

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**Windsor Terrace Healthcare, LLC**

**Chapter 11**

Lindsey L Smith  
Robert Carrasco  
Robert Carrasco  
Beth Ann R. Young  
Beth Ann R. Young

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1:24-11748 Lytton Vineyard & Winery, L.P.

Chapter 11

#7.00 Motion for an order: (1) Authorizing bidding procedures for the sale of estate property; (2) Approving the sale of property under 11 U.S.C.016 § 363 free and clear of liens, claims, and encumbrances, subject to higher and better offers; (3) Approving the assumption and assignment of the Z Golf / Wedgewood contract; and (4) Approving the form and manner of notice

Docket 69

**\*\*\* VACATED \*\*\* REASON: To be heard at 2:00 PM.**

**Tentative Ruling:**

- NONE LISTED -

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

Lytton Vineyard & Winery, L.P.

Represented By  
M Douglas Flahaut

**Movant(s):**

Lytton Vineyard & Winery, L.P.

Represented By  
M Douglas Flahaut  
M Douglas Flahaut

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1:24-11323 Irwin Naturals and Irwin Naturals Inc

Chapter 11

#7.01 Application of Debtors To Employ Greenberg Glusker Fields Claman & Machtinger LLP As Special Litigation Counsel

fr. 12/11/24

Docket 240

**Tentative Ruling:**

For the reasons set forth below, the Court will deny the application to employ Greenberg Glusker Fields Claman & Machtinger LLP ("Greenberg Glusker") as the debtors' special litigation counsel.

**I. BACKGROUND**

On August 9, 2024 (the "Petition Date"), Irwin Naturals and related entities ("Debtors") filed voluntary chapter 11 petitions. Debtors operate a nutraceutical business that includes formulating, marketing and distributing vitamins and dietary supplements. *Declaration of Klee Irwin in Support of the Debtors' First Day Emergency Motions*, ¶¶ 4, 7-8 [doc. 22].

***A. Debtors' Prepetition Operations and Assets and Liabilities***

In August 2021, Debtors began the process of taking their operating entity public through a reverse-takeover transaction with an existing Canadian public company. *Id.*, ¶ 9. After being listed on the Canadian Securities Exchange, Debtors' goal was to uplist to the Nasdaq Exchange and have an initial public offering in the United States (the "Uplisting Venture"). *Id.*

Debtors also pursued a new business venture: becoming "the world's first and largest household brand of psychedelic mental health clinics" (the "Psychedelic Clinic Venture"). *Id.*, ¶ 10. The Psychedelic Clinic Venture entailed a roll-up merger strategy for Debtors to acquire existing psychedelic mental health clinics and utilize economics of scale to drive down clinic operating costs. *Id.* On February 1, 2023,

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Debtors entered into a credit agreement with East West Bank and CFG Bank (the "Credit Agreement"), with East West Bank as agent (the "Agent"), in order for Debtors to obtain a syndicated lending facility to support Debtors' day-to-day operations and fund the Psychedelic Clinic Venture. *See id.*, ¶ 11.

Both the Uplisting Venture and Psychedelic Clinic Venture (together, the "Ventures") were unsuccessful. *Id.*, ¶ 12. Both Ventures caused Debtors to suffer financial losses and incur debts in the amount of "tens of millions of dollars." *Id.*, ¶ 12.

Before the Petition Date, the Agent delivered notices of default to Debtors for Debtors' purported noncompliance with multiple covenants in the Credit Agreement. *Id.*, ¶ 13. On May 13, 2024, the Agent appointed an independent director to the boards of Debtors pursuant to disputed proxy rights. *Id.*, ¶ 16. The Agent also swept Debtors' pre-petition bank accounts. *Id.*, ¶ 50. On August 8, 2024, the Agent's appointed independent director resigned. *See id.* That same day, Mr. Irwin reinstated himself as director of Debtors and filed these bankruptcy cases the next day. *See id.*

On September 23, 2024, Debtors filed an amended schedule A/B, in which Debtors disclosed matured, undisputed secured promissory notes payable by Mr. Irwin (the "Notes"). *Amended Schedule A/B*, ¶ 71 and Exhibit AB71 thereto [doc. 96]. As of September 23, 2024, Mr. Irwin owed Debtors under the Notes in the amount of \$3,961,355.33. *Id.* In their amended schedule D, Debtors represented that the Agent's secured claim was estimated in the amount of \$18,651,960.01. *Amended Schedule D*, ¶ 2.1 [doc. 96]. In their amended schedule E/F, Debtors disclosed priority and nonpriority unsecured debts in the aggregate amount of \$4,671,046.04. *Amended Schedule E/F*, ¶ 5.c [doc. 96].

**B. The Interim Compensation Order**

On November 7, 2024, the Court entered an *Order Granting Debtors' Motion for Entry of Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Professionals* (the "Interim Compensation Order") [doc. 214]. The Interim Compensation Order sets forth the procedures for the monthly payment of compensation and reimbursement of expense of all estate professionals, except as may otherwise be ordered by the Court. *Id.* In relevant part, the Interim



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Compensation Order provides that:

On or before the 15th day of each month following the month for which compensation is sought, each Professional will submit, via e-mail, a monthly statement (the "Statement") to the [Reviewing Parties]. ... Each Reviewing Party will have 15 days after receipt of a Statement to review it. At the expiration of this 15-day review period, the Debtors will promptly pay the lesser of (i) 80% of the fees and all of the expenses requested in such Statement and (ii) the maximum allocated to such professional as set forth in the Debtors' cash collateral budget, except such fees or disbursements as to which an objection has been served by a Reviewing Party....

*Interim Compensation Order*, ¶ 4.a [doc. 214].

**C. The Cash Collateral Budget**

On December 9, 2024, the Court entered an *Order Authorizing Debtors to Use Cash Collateral on Final Basis and Granting Replacement Liens* (the "Final Cash Collateral Order") [doc. 266]. The Final Cash Collateral Order provides, in relevant part:

Cash Collateral: The Debtors are authorized to use cash collateral to pay all of the expenses solely as set forth in the budget (the "Budget") attached [as Exhibit A to *Debtor's Supplement* [doc. 235]]. To the extent the Budget contains professional fees and/or pre-petition claims, such payments will not be made unless and until the Debtors obtain the appropriate Court orders authorizing such payments and the rights of the Agent to object to any such payments are preserved.

Limitation on Use of Collateral and Adequate Protection Collateral. ... Debtors and Committee may use Cash Collateral to investigate, but not to prosecute, (A) the claims and liens of the Agent and the Lenders, and (B) potential claims, counterclaims, causes of action or defenses against the Agent and the Lenders, up to an aggregate combined cap of no more than \$85,000.

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*Final Cash Collateral Order*, ¶¶ 2-3 [doc. 266].

In turn, the Budget provides for the payment of bankruptcy professionals in the following amounts: \$700,000 during the week beginning 12/02/24 and ending 12/08/24, \$400,000 during the week beginning 01/06/25 and ending 01/12/25, and \$500,000 during the week beginning 02/03/25 and ending 02/09/25. *Declaration of Paul Huygens in Support of Debtor's Supplement* ("Huygens Decl."), Ex. A [doc. 235]. [FN 1]

**D. The Employment Application and the Agent's Objection**

On November 20, 2024, Debtors filed the *Application of Debtors to Employ Greenberg Glusker Fields Claman & Machtinger LLP as Special Litigation Counsel* (the "Application") [doc. 240]. In the Application, Debtors seek authorization to employ Greenberg Glusker as special litigation counsel to advise and represent Debtors on claims and causes of action against East West Bank. To satisfy Greenberg Glusker's required condition to the proposed engagement, Debtors seek further authorization to fund a post-petition retainer to Greenberg Glusker in the amount of \$90,000 as follows: (i) \$50,000 on the date the Court enters an order approving the Application, and (ii) \$40,000 on February 3, 2025. *Id.*

On November 27, 2024, Debtors filed a notice of errata regarding the Application [doc. 254]. Debtors also filed a supplement to the Application (the "Supplement") [doc. 255], amending the proposed effective retention date of Greenberg Glusker from August 9, 2024, to October 15, 2024.

The Agent has filed an objection to the Application (the "Objection") [doc. 257]. On December 4, 2024, Debtors filed a reply to the Objection (the "Reply") [doc. 260].

**E. Greenberg Glusker's Pre-Petition Engagements**

On December 28, 2023, Debtors retained Greenberg Glusker "to advise on insolvency options and represent Debtors in an attempted out-of-court work out or restructuring" of the debt owed to East West Bank (the "2023 Engagement"). *Application*, at 3 [doc.

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240]. The 2023 Engagement purportedly required a \$50,000 retainer, which East West Bank did not permit Debtors to pay. *Id.*

On February 29, 2024, Klee Irwin, Debtors' principal, personally paid a \$10,000 retainer to Greenberg Glusker. *See id.*; *Declaration of Jonathan S. Shenson* ("Shenson Decl."), ¶ 10 [doc. 240]. Mr. Irwin's retention of Greenberg Glusker was for the purpose of "advis[ing] Debtors on navigating their debtor-creditor relationship with [East West Bank] as well as Mr. Irwin's personal credit arrangements with [East West Bank] and any additional matters Greenberg Glusker was asked to handle for Mr. Irwin and his companies including Debtors" (the "2024 Engagement", and together with the 2023 Engagement, the "Pre-Petition Engagements"). *Id.* Mr. Irwin and his companies, including Debtors, are jointly and severally responsible for amounts due to Greenberg Glusker under the 2024 Engagement. *Id.*

In March and April 2024, Greenberg Glusker "advised Debtors on preparations for filing chapter 11 bankruptcy." *Application*, at 3-4 [doc. 240]. On April 18, 2024, Debtors paid Greenberg Glusker a \$50,000 retainer "for the then-contemplated bankruptcy which did not materialize" (the "April 2024 Retainer"). *Id.*; *Shenson Decl.*, ¶ 10 [doc. 240]. With Debtors' authorization, Greenberg Glusker applied the April 2024 Retainer to amounts due to Greenberg Glusker for legal services provided under the Pre-Petition Engagements, i.e., Greenberg Glusker's "continuing advi[c]e and representation of Debtors and Mr. Irwin on their potential claims and causes of action against" East West Bank. *Application*, at 4 [doc. 240]. "On May 7, 2024, Greenberg Glusker sent a 36-page letter to [East West Bank in which Greenberg Glusker detailed] many of Debtors' and Mr. Irwin's claims and causes of action against" East West Bank. *Id.*

As of the Petition Date, the amount due to Greenberg Glusker under the Pre-Petition Engagements is \$23,952.81. *Shenson Decl.*, ¶ 8 [doc. 240]. To the extent Greenberg Glusker has claims against Debtors regarding this debt, Greenberg Glusker may file proofs of claim. *Id.*

***F. The 2024 Engagement Letter***

On November 15, 2024, Greenberg Glusker issued a letter to Debtors regarding the

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2024 Engagement (the "2024 Engagement Letter"). *Application*, Ex. 2 [doc. 240]. The 2024 Engagement Letter provides, in relevant part:

Thank you for retaining Greenberg Glusker...to represent Irwin Naturals, Inc., DAI US HoldCo, Inc., Irwin Naturals and 5310 Holdings, LLC (collectively, "Debtors" or "you") in their chapter 11 bankruptcy cases (the "Bankruptcy Cases") pending in the United States Bankruptcy Court for the Central District of California (the "Bankruptcy Court") as special litigation counsel..., **to continue advising and representing Debtors on their claims and causes of action against East West Bank ("EWB Claims"), and engaging in any global settlement discussions relating to such litigation which may intersect with the negotiations with EWB related to confirming a chapter 11 plan.** As discussed, as a condition of this engagement letter, you are agreeing to promptly request approval of this engagement via an application to the Bankruptcy Court.

You have indicated that you do not intend to pursue an action on the EWB Claims prior to plan confirmation. And as we discussed, this engagement does not include representation of you in any adversary proceeding relating to Bankruptcy Cases or in any action or other proceeding in any other forum including state court. If, and in the event, you elect to proceed with initiating any such action against EWB during these bankruptcy cases (as opposed to post-confirmation), the terms and conditions of the expanded scope of our engagement, including an additional retainer, will be the subject of a second engagement letter (to be negotiated) and a supplemental application to the Bankruptcy Court.

...

Retainer:

You agree to pay us an initial retainer in the amount of \$90,000 as follows: (i) \$50,000 on the date the Bankruptcy Court enters an order approving the Employment Application and (ii) \$40,000 on [\*\*\*]. We will hold the retainer in our trust account pending further order of the

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Bankruptcy Court authorizing us to apply such funds. Any unused portion of the retainer will be returned to you promptly upon completion of our services.

...

Waiver of Potential Conflict of Interest:

As you know, our representation of Debtors on the EWB Claims prior to the Bankruptcy Cases was pursuant to a retention agreement with Klee Irwin, the principal shareholder and chief executive officer of the Debtors, included matters we undertook for Debtors at Mr. Irwin's request including insolvency advise [sic] and helping Debtors navigate their debtor-creditor relationship with East West Bank ("EWB"), as well as advising and representing Debtors on their claims and causes of action against EWB which is subject of this engagement. In addition to advising Mr. Irwin as principal shareholder of Debtors, we have also been advising Mr. Irwin on his own personal credit arrangements with EWB.

A potential conflict of interest arises from our representation of Mr. Irwin and our continued representation of Debtors on the EWB Claims engagement.

...

While we do not see any present conflict of interest, it is possible that our representation of Mr. Irwin could affect our continued representation of you on the EWB Claims. In deciding whether to give such consent, you all should consider the following consequences of doing so. First, in our representation of Debtors on the EWB Claims we will owe a duty of loyalty only to Debtors, while in our representation of Mr. Irwin as shareholder of Debtors and on his personal credit arrangements with EWB we will only owe a duty of loyalty to Mr. Irwin. Second, while we will have undivided loyalty you [sic], you may feel that we have divided loyalties that may adversely

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impact your relationship with us in the matters in which we are representing you. By way of illustration, Debtors and Mr. Irwin (as Debtors' equity) could have different interests in resolving the EWB Claims. Third, while the consent discussed in this letter does not allow us to use or disclose any of your confidential or proprietary information that we obtain from you in the matter in which we are representing you, you may have a concern that your confidential information may be at risk because we represent Mr. Irwin.

Based upon the foregoing, each of you waives any conflict of interest arising from our past representation and continued representation of Mr. Irwin.

*Application*, Ex. 2 [doc. 240] (internal footnote omitted; emphasis added). The 2024 Engagement Letter also contains a conflict waiver signed by Mr. Irwin. *Id.* at p. 31 of 50.

**G. Greenberg Glusker's Representation of Mr. Irwin**

Greenberg Glusker acknowledges that it represents Mr. Irwin post-petition on his personal credit arrangements with the Agent. *Shenson Decl.*, ¶ 13 [doc. 240]. In the Application, Greenberg Glusker states:

Greenberg Glusker will not seek compensation from the estates for any post-petition legal services for Mr. Irwin in his capacities as shareholder or officer of Debtors or *otherwise* including, without limitation, advice or representation on claims and causes of action relating to his personal credit arrangements with [the Agent], which will be invoiced to Mr. Irwin in the ordinary course.

*Application*, at pp. 9-10 of 50 [doc. 240] (emphasis in original).

**H. Mr. Irwin's Treatment Under the Plan**

On October 31, 2024, Debtors filed *Debtors' Chapter 11 Plan of Reorganization* (the "Plan") [doc. 185]. The Plan provides for Debtors' principals and their affiliates to

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retain their equity in the reorganized Debtors. *See Plan*, ¶ III.C.4 [doc. 185]. The Plan reserves 10% of the reorganized Debtors' net disposable income as a bonus to Mr. Irwin and increases his salary from \$240,000 a year to \$790,000 a year. *Id.*, ¶ III.D.3. The Plan does not address treatment of Mr. Irwin's debt under the Notes.

## II. LEGAL STANDARDS

### *A. Nunc Pro Tunc Employment*

Local Bankruptcy Rule 2014-1(b)(1)(E) provides that "[a] timely application for employment is a prerequisite to compensation from the estate. Therefore, ... an application for employment of any other professional person should be filed as promptly as possible after such person has been engaged."

"Unreasonable delays in bringing employment applications do require explanation and the professionals must justify the delay." *In re Hunanyan*, 631 B.R. 904, 913 (Bankr. C.D. Cal. 2021). However, imposing any *nunc pro tunc* requirements where the application was brought timely is too broad and not necessary, as employment applications seeking a form of retroactive approval are "a common and appropriate exercise of the trustee's duties." *Id.*

### *B. 11 U.S.C. § 327(e)*

11 U.S.C. § 327(a) authorizes a debtor in possession to employ as general counsel an attorney who is a "disinterested person" and does not hold or represent an interest adverse to the estate. *See In re Tevis*, 347 B.R. 679, 687 (B.A.P. 9th Cir. 2006). 11 U.S.C § 327(e), on the other hand, provides:

The [debtor in possession], with the court's approval, may employ, for a specified special purpose, other than to represent the [debtor in possession] in conducting the case, an attorney that has represented the debtor, if in the best interest of the estate, and if such attorney does not represent or hold any interest adverse to the debtor or to the estate **with respect to the matter on which such attorney is to be employed.**



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11 U.S.C. § 327(e) (emphasis added); *see* 11 U.S.C. § 1184 (chapter 11 debtor in possession has rights and powers of trustee).

The language of § 327(e) sets up a three-prong test for the employment of special counsel. First, the employment may only be authorized for a "specified special purpose" other than "conducting the case." The "special purpose" must be unrelated to the debtor's reorganization and must be "explicitly defined or described in the application seeking approval of the attorney's employment."

The second and third prongs of the "special counsel" test are dependent upon the first. Once the purpose for special counsel's employment is adequately and specifically defined, then the debtor must show that the proposed attorney or law firm "does not represent or hold any interest adverse to the debtor or to the estate" with respect to the specified purpose of the proposed employment. The [d]ebtor must also show that the employment of special counsel for a specified purpose is in the "best interest of the estate."

*In re Running Horse, L.L.C.*, 371 B.R. 446, 451 (Bankr. E.D. Cal. 2007) (citing 3 *Collier on Bankruptcy* ¶ 327.04[9][d] (16th ed. 2024)).

***1. Specified Special Purpose***

The Congressional committee reports state that § 327(e) "will most likely be used when the debtor is involved in complex litigation, and changing attorneys in the middle of a case after the bankruptcy case has commenced would be detrimental to the progress of that other litigation." H.R. Rep. No. 95-595, at 328 (1977); S. Rep. No. 95-989, at 38-39 (1978).

The Bankruptcy Code does not define the term "conducting the case." However, it has been recognized to include, "[i]n a reorganization case, ... assisting in formulating a plan and assisting the trustee in carrying out required investigations; in a liquidation case, ... examining the validity of liens and claims and collecting the assets of the estate when legal action is required." 3 *Collier on Bankruptcy* ¶ 327.04[9][c] (16th ed.



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2024) (collecting cases). "The court may look at the totality of the circumstances to determine whether the scope of work will [be], or has been, properly limited to a 'special purpose' within the meaning of § 327(e). Those circumstances include the actual services performed by counsel before and after commencement of the case." *Running Horse*, 371 B.R. at 452.

In *In re Interstate Distribution Center Associates (A), Ltd.*, 137 B.R. 826 (Bankr. D. Colo. 1992), an attorney sought to be employed as special counsel for a chapter 11 debtor. The attorney had represented the debtor and various related entities pre-petition to amend a loan to the debtor. *Id.* at 827 n.8. The court held that the attorney's contemplated services were "clearly beyond the scope and intent" of § 327(e) because they included "[n]egotiating, renegotiating and/or reworking the [loan to the debtor] as well as assisting in the construction of a Chapter 11 Plan and Disclosure Statement." *Id.* at 833. *See also In re Hempstead Realty Assocs.*, 34 B.R. 624, 625 (Bankr. S.D.N.Y. 1983) (denying application to employ special counsel; for proposed special counsel "to assist debtor in preparing a plan of arrangement" and to provide other proposed services was "more appropriately the sort of legal work that general counsel for a Chapter 11 debtor must pursue").

**2. Interest Adverse to the Estate**

"[W]hen counsel is ... employed to perform [only] limited services, then an interest 'adverse to the estate' means 'an adverse interest relating to the services which are to be performed by that attorney.'" *In re Sonya D. Int'l, Inc.*, 484 B.R. 773, 780 (Bankr. C.D. Cal. 2012) (quoting *Fondiller*, 15 B.R. at 892)). "The adverse interest...limitations set forth in § 327 governing the employment of professionals cannot be excused by waiver." *In re Am. Energy Trading, Inc.*, 291 B.R. 154, 158 (Bankr. W.D. Mo. 2003).

A guarantor on a corporate debt has a natural conflict with the principal and with other guarantors. To be sure, the interests of principal and guarantor coalesce so long as the issue is whether anyone is liable on the claim. They become adverse upon the appearance of a genuine question about who is going to pay. Such an issue, *a fortiori*, exists whenever a key player is in bankruptcy.

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*In re B.E.S. Concrete Prods., Inc.*, 93 B.R. 228, 234 (Bankr. E.D. Cal. 1988); *see also In re Johore Inv. Co. (U.S.A.) Inc.*, 41 B.R. 318 (Bankr. D. Haw. 1984) (firm's concurrent representation of insider of debtor corporation, who has equity interest in debtor and is potential target for claims of corporate mismanagement, created adverse interest under § 327(e)); *In re Hart Oil & Gas, Inc.*, 2013 WL 3992252, at \*5 (Bankr. D.N.M. Aug. 2, 2013).

In *Fondiller*, the chapter 7 trustee sought to employ special counsel to continue an investigation into assets that the debtor allegedly concealed or fraudulently conveyed pre-petition. 15 B.R. at 891. The firm had initiated the investigation in a prior bankruptcy case on behalf of the same creditors. *Id.* The Bankruptcy Appellate Panel of the Ninth Circuit held that no adverse interest existed between the firm's creditor clients and the estate because: (1) the firm's representation was limited to the investigation of specific assets allegedly concealed or fraudulently conveyed, and (2) the firm's creditor clients were not involved in those transactions. *Id.* at 892. "Therefore, the interests of the estate and the firm's clients are identical with respect to the firm's duties as special counsel." *Id.*

### 3. *Best Interest of the Estate*

In *B.E.S. Concrete*, a firm was employed as special counsel to a debtor corporation after failing to disclose a disqualifying conflict of interest between the debtor and its principals and purported guarantors. 93 B.R. at 230, 234-35. The bankruptcy court held that the firm's representation was not in the best interest of the debtor's estate because the guarantor-principals "were making decisions and directing the litigation on behalf of themselves and of the debtor. If the estate had been represented by counsel who owed primary allegiance to the estate, such counsel might have had a leavening effect that would have consumed far less effort." *Id.* at 237.

## III. ANALYSIS

### *A. Nunc Pro Tunc Employment*

Debtors seek to retain Greenberg Glusker effective as of October 15, 2024, or 36 days

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earlier than the Application was filed. *See Supplement* [doc. 255]. The Agent argues that Debtors must establish the existence of exceptional circumstances to justify this delay. Given the circumstances of Debtors' cases, such a delay is not unreasonable and imposing any *nunc pro tunc* requirements is not appropriate. *See Hunanyan*, 631 B.R. at 913.

**B. 11 U.S.C. § 327(e)**

**1. Specified Special Purpose**

Greenberg Glusker's stated special purpose is "to continue advising and representing Debtors on their claims and causes of action against East West Bank ("EWB Claims"), and engaging in any global settlement discussions relating to such litigation which may intersect with the negotiations with EWB related to confirming a chapter 11 plan." *Application*, Ex. 2 [doc. 240]. As set forth in the Application, this proposed engagement "does not include representation of [Debtors] in any adversary proceeding relating to Bankruptcy Cases or in any action or other proceeding in any other forum including state court." *Id.*

Greenberg Glusker's proposed services contemplate negotiating the terms of a consensual chapter 11 plan with the Agent, who is the senior secured creditor of Debtors. This is more appropriately the sort of legal work for general counsel for Debtors to perform. *See Interstate Distribution Center Assocs.*, 137 B.R. at 833; *Hempstead Realty Assocs.*, 34 B.R. at 625.

**2. Interest Adverse to the Estate**

As an initial matter, Debtors' purported waiver of any conflict of interest under the 2024 Engagement Letter is ineffective for purposes of employment under § 327(e). *See In re Am. Energy Trading, Inc.*, 291 B.R. 154, 158 (Bankr. W.D. Mo. 2003).

Here, an actual conflict of interest may exist between Debtors and Mr. Irwin. First, Mr. Irwin is a guarantor of Debtor's indebtedness. *See B.E.S. Concrete Prods.*, 93 B.R. at 234. Second, Greenberg Glusker also represents Mr. Irwin on his personal credit arrangements with the Agent. Regarding claims against the Agent and any

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negotiations concerning a chapter 11 plan, Greenberg Glusker's representation of Mr. Irwin creates an adverse interest under § 327(e); this precludes Greenberg Glusker from serving as special counsel to Debtors. *See Johore*, 41 B.R. at 318; *Hart Oil & Gas*, 2013 WL 3992252, at \*5.

As an officer and shareholder and because of his own personal credit arrangements with the Agent, Mr. Irwin has separate interests regarding Greenberg Glusker's proposed services "to continue advising and representing Debtors on their claims and causes of action against" the Agent. With respect to Greenberg Glusker's proposed duties as special counsel, the interests of the estate and Mr. Irwin are not identical. *See Fondiller*, 15 B.R. at 892. This precludes Greenberg Glusker from serving as special counsel to Debtors for the purposes set forth in the Application.

**3. Best Interest of the Estate**

Greenberg Glusker proposes to advise and represent Debtors on their claims and causes of action against East West Bank. As a concurrent client of Greenberg Glusker, Mr. Irwin would be making decisions and directing such litigation. This is not in the best interest of Debtors' estates; Debtors should be represented by counsel who do not simultaneously represent Mr. Irwin. *See B.E.S. Concrete*, 93 B.R. at 237.

**IV. CONCLUSION**

For the reasons set forth above, the Court will sustain the Objection and deny the Application.

**FOOTNOTE**

FN 1: Because Greenberg Glusker's proposed services include "advising and representing Debtors on their claims and causes of action against" the Agent, the aggregate fees of: (1) Greenberg Glusker; (2) Debtors' general bankruptcy counsel; and (3) counsel to the Official Committee of Unsecured Creditors may exceed this cap.

The respondent must submit the order within seven (7) days.

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**Party Information**

**Debtor(s):**

Irwin Naturals

Represented By

Joseph Axelrod

Susan K Seflin

Jessica Wellington

Ashley M Teesdale

Jonathan Seligmann Shenson

**Joint Debtor(s):**

Irwin Naturals Inc

Represented By

Susan K Seflin

DAI US HOLDCO INC

Represented By

Susan K Seflin

5310 Holdings, LLC

Represented By

Susan K Seflin

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**1:24-11886 Right Size Plumbing & Drain Co Inc.**

**Chapter 11**

**#8.00 Debtor's Motion For An Order Authorizing Use Of  
Cash Collateral Pursuant To 11 U.S.C. § 363**

fr. 11/13/24

Docket 3

**Tentative Ruling:**

The debtor did not give notice of the deadline to file a response to the debtor's request for entry of a final order regarding its proposed use of cash collateral through April 2025.

Regarding the debtor's profit and loss projection for January through April 2025, the debtor should be prepared to address the following issues:

Why are the expenses for non-insider wages increasing, and the amount of payroll taxes decreasing, in comparison to the profit and loss projection for November and December 2024? *Compare* Ex. 1 to the motion [doc. 3] with Ex. 1 to the *Declaration of David E. Jones in Support of Continued Use of Cash Collateral* (the "Jones Declaration") [doc. 39].

In Exhibit 1 to the motion [doc. 3], the debtor projected monthly vehicle payments in the aggregate amount of \$4,092.55. This amount covers monthly payments for five vehicles as set forth in the spreadsheet entitled "Vehicle Payments." In comparison, as set forth in Exhibit 1 to the Jones Declaration, the debtor's projected monthly vehicle payments have increased by \$2,459.23, to an aggregate amount of \$6,551.78.

The chart below summarizes the debtor's representations concerning the vehicles:

Vehicle	Last 4 of VIN	Creditor	Monthly Payment	Notes
2021 RAM Promaster Van	4212	Ally Financial	\$767.44	<i>Amended sched. D, ¶ 2.1</i> [doc. 36].
2021 Ford F150	5236	Ford Motor Credit Co.	\$740.00	<i>Amended sched. D, ¶ 2.5</i> [doc. 36].

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2021 RAM Promaster Van	5487	TD Auto Finance	\$642.69	<i>Amended sched. D, ¶ 2.9 [doc. 36].</i>
2023 RAM Promaster 2500	6436	TD Auto Finance	\$1,007.42	<i>Amended sched. D, ¶ 2.10 [doc. 36].</i>
2024 Toyota Prius	7927	Toyota Motor Credit	\$935.00	<i>Amended sched. D, ¶ 2.12 [doc. 36].</i>
2020 Ford	3911	Carmax	\$599.70	Owned by David Jones but "used in the business." <i>SOFA, ¶ 21 [doc. 1].</i>
2021 Ford	7911	Carmax	\$911.03	Owned by David Jones but "used in the business." <i>SOFA, ¶ 21 [doc. 1].</i>
2022 Ford	6674	Carmax	\$948.50	Owned by David Jones but "used in the business." <i>SOFA, ¶ 21 [doc. 1].</i>
2017 Ford Transit	2403	Carvana LLC	Unknown	Owned by David Jones but "used for business operation;" Mr. Jones wishes to surrender. <i>SOFA, ¶ 21 [doc. 1].</i>
2021 RAM Van	4394	Ally Financial	Unknown	Debtor wishes to surrender. <i>Amended sched. D, ¶ 2.2 [doc. 36].</i>
2017 RAM 1500	7870	Ally Financial	Unknown	Debtor wishes to surrender. <i>Amended sched. D, ¶ 2.3 [doc. 36].</i>
2020 Ford F150	7280	Ford Motor Credit Co.	Unknown	Debtor wishes to surrender. <i>Amended sched. D, ¶ 2.6 [doc. 36].</i>
2022 Ford Transit T-350	0194	Ford Motor Credit Co.	Unknown	Debtor wishes to surrender. <i>Amended sched. D, ¶ 2.7 [doc. 36].</i>
2017 Toyota Corolla	9714	Toyota Motor Credit	Unknown	Debtor wishes to surrender. <i>Amended sched. D, ¶ 2.11 [doc. 36].</i>

Has the debtor surrendered the five vehicles that the debtor indicated it wished to surrender in its amended schedule D? *See amended sched. D, ¶¶ 2.2, 2.3, 2.6, 2.7, 2.11 [doc. 36].* These vehicles are not listed in the debtor's profit and loss projection

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**CONT...**      **Right Size Plumbing & Drain Co Inc.**  
for January through April 2025.

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Has Mr. Jones surrendered the 2017 Ford Transit discussed in the SOFA? This vehicle is not listed in the debtor's profit and loss projection for January through April 2025.

Regarding the 2020 Ford, 2021 Ford and the 2022 Ford owned by Mr. Jones and allegedly encumbered by liens in favor of Carmax, the debtor must provide sufficient descriptions of these vehicles, i.e., the model(s). How are each of these vehicles used in the business?

If Mr. Jones uses any of these vehicles for personal purposes, did the debtor include the secured debt payments for those vehicles as part of Mr. Jones' insider compensation?

The Court received a judge's copy of an *Amended Notice of Setting/Increasing Insider Compensation* for Mr. Jones which apparently was filed with the United States Trustee. In the breakdown of compensation in the Amended Notice, the debtor does not disclose any car allowance provided to Mr. Jones.

The debtor's projected monthly fuel expenses have decreased by \$3,000, from \$5,000 in November and December 2024 to \$2,000 in January through April 2025. *Compare* Ex. 1 to the motion [doc. 3] with Ex. 1 to the *Jones Declaration* [doc. 39]. In light of the three additional vehicles set forth in the debtor's profit and loss projection for January through April 2025, how does the debtor account for this significant decrease?

The Court may continue the hearing on the motion to **January 29, 2024, at 2:00 p.m.** If so, any response to the motion must be filed by no later than **January 15, 2024**. The debtor must file and serve notice of the continued hearing and the deadline to file a response on the SBA, 20 largest unsecured creditors, the United States Trustee and Subchapter V Trustee by no later than **December 30, 2024**.

**Party Information**

**Debtor(s):**

Right Size Plumbing & Drain Co

Represented By  
Michael Jay Berger



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1:24-11748 Lytton Vineyard & Winery, L.P.

Chapter 11

**#9.00** Emergency Ex-Parte Motion To Continue Hearing and Responsive Deadlines For Debtors Motion For Order: (1)Authorizing Bidding Procedures For Sale of Estate Property; (2) Approving The Sale of Property Under 11 U.S.C. § 363 Free and Clear Of Liens, Claims, And Encumbrances, Subject to Higher And Better Offers; Etc.[Doc. #69]

Docket 74

**Tentative Ruling:**

*See cal. no. 10.*

**Party Information**

**Debtor(s):**

Lytton Vineyard & Winery, L.P.

Represented By  
M Douglas Flahaut

**Movant(s):**

Chunting Wang

Represented By  
David I Brownstein

Mei Yang

Represented By  
David I Brownstein

Yunning Zhao

Represented By  
David I Brownstein

Tong Jin

Represented By  
David I Brownstein

Zhi Zhang

Represented By  
David I Brownstein

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Chapter 11

- #10.00** Motion for an order: (1) Authorizing bidding procedures for the sale of estate property; (2) Approving the sale of property under 11 U.S.C.016 § 363 free and clear of liens, claims, and encumbrances, subject to higher and better offers; (3) Approving the assumption and assignment of the Z Golf / Wedgewood contract; and (4) Approving the form and manner of notice

Docket 69

**Tentative Ruling:**

The Court will grant the debtor's *Motion for an Order: (1) Authorizing Bidding Procedures for the Sale of Estate Property; (2) Approving the Sale of Property Under 11 U.S.C. § 363 Free and Clear of Liens, Claims and Encumbrances, Subject to Higher and Better Offers; (3) Approving the Assumption and Assignment of the Z Golf / Wedgewood Contract; and (4) Approving the Form and Manner of Notice* (the "Motion") [doc. 69], subject to the stipulation between the proposed stalking horse bidder T22, LLC and Lytton Vineyard & Winery, L.P. ("Debtor") [doc. 95].

The Court will overrule the objections of Zhi Hong Zhang, Tong Jin, Yunning Zhao, Mei Yang and Chunting Wang (collectively, the "Objecting Limited Partners"), as set forth in their opposition to the Motion (the "Opposition") [doc. 82] and deny the Objecting Limited Partners' request to continue the sale. *See* doc. 74.

On October 8, 2024, the Objecting Limited Partners commenced an action in Riverside Superior Court, case no. CVME2403508 (the "State Court Action") against Debtor and others. Declaration of David Brownstein ("Brownstein Decl."), ¶ 2 and the verified complaint (the "Complaint") attached as Exh. A thereto [doc. 82]. In the Complaint, the Objecting Limited Partners allege claims for breach of fiduciary duty, constructive ownership, constructive trust, fraud, breach of contract and other claims (collectively, the "Claim"). *See* Brownstein Decl., ¶ 2; *see also generally* the Complaint. In addition, the Objecting Limited Partners assert that they are equitable and/or beneficial and/or constructive owners of the real property located at 34567 Rancho California Road, Temecula, CA 92591 (the "Real Property"). *See* Complaint, ¶¶ 30 and 37.

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On October 15, 2024, a Notice of Lis Pendens (the "Lis Pendens") was filed with respect to the State Court Action. *See* Brownstein Decl., ¶ 4. Three days later, Debtor filed a chapter 11 petition, initiating this case. Debtor consists of 11 limited partners, including the Objecting Limited Partners, and one general partner. *See* Declaration of Richard Laski, ¶ 4 [doc. 14].

On November 27, 2024, Debtor filed the Motion [doc. 69], to which Nano Bank filed a joinder [doc. 78], American AgCredit ("AgCredit") filed a limited objection [doc. 81] and the Objecting Limited Partners filed the Opposition. In December 2024, Debtor filed a reply to the limited objection of Ag Credit and the Opposition [doc. 91].

In the Motion, Debtor proposes to sell the Real Property, along with substantially all of Debtor's related personal property, excluding certain spoiled wine inventory which is the subject of an insurance claim (collectively, the "Property"), free and clear of liens, claims, interests and encumbrances. In addition, Debtor request that the Court approve the form and manner of notice as described in the Motion.

In the Opposition, the Objecting Limited Partners assert that the Court cannot order the Property sold free and clear of the Lis Pendens. According to the Objecting Limited Partners, the Court could allow the sale, but only with the Lis Pendens attached. In addition, the Objecting Limited Partners argue that even if the Court has authority to sell the Property free and clear of the Claim, Debtor has not met the requirements of 11 U.S.C. § 363(f) – specifically subsections 363(f)(1), (f)(2), (f)(3), (f)(4), or (f)(5). The Objecting Limited Partners do not contend that notice of the Motion was insufficient.

The Objecting Limited Partners' reliance on *In re Brooks-Hamilton*, 348 B.R. 512 (Bankr. N.D. CA 2006) is unavailing. In *Brooks-Hamilton*, the bankruptcy court held that "the recordation of the Lis Pendens may not be avoided under 11 U.S.C. § 549." *Brooks-Hamilton*, 348 B.R. at 523. The bankruptcy court reasoned that:

Section 549 only provides for the avoidance of a "transfer" of interest in property of the estate. The recordation of a lis pendens does not result in a transfer of an interest in the property in question. Rather, the

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recordation gives constructive notice to a prospective buyer of the pendency of a legal proceeding affecting title to or the right of possession of the real property.

*Id.* (citing *In re Lane*, 980 F.2d 601, 603 (9th Cir.1992); *In re Chenich*, 87 B.R. 101, 106 (9th Cir. BAP 1988)). Unlike here, *Brooks-Hamilton* did not involve the sale of estate property under section 363. As such, *Brooks-Hamilton* is inapposite.

*In re Mundy Ranch, Inc.*, 484 B.R. 416, 423 (Bankr. D. N.M. 2012), is on point with this case. There, the debtor in possession sought to sell real property under section 363(f). Prepetition, a party who owned stock in the debtor had filed a lawsuit against the debtor seeking, among other things, a dissolution of the debtor and a partition of all its property. The party also recorded a lis pendens before the bankruptcy case was filed. Similar to this case, the party in *Mundy Ranch* asserted that the debtor could not sell the property free and clear of the lis pendens because it was not an interest within the meaning of section 363(f).

The bankruptcy court noted that "[t]he filing of a notice of lis pendens does not, in itself, create an interest in real property. Instead, the lis pendens simply provides constructive notice to subsequent purchasers and encumbrancers of litigation affecting the title to real property." *Id.*, at 424 (internal citations and quotations omitted). However, the bankruptcy court held that that the party's claim "arises out of and is inextricably linked to the assets that Mundy Ranch seeks to sell. It constitutes a sufficient interest in property to be subject to 11 U.S.C. § 363(f)." *Id.* at 423.

The bankruptcy court further held that the party's claim was "an interest in the Simms Parcel, and...such interest is in bona fide dispute." *Id.* The court reasoned that "[t]he interest is in bona fide dispute because there is an "objective basis for ... a ... legal dispute as to the validity of [the party's] asserted interest." *Id.* Consequently, the court concluded that the debtor was "permitted to sell the Simms Parcel to the Buyers free and clear of [the party's] interest...pursuant to...11 U.S.C. § 363(f)(4)[.]" *Id.*

In the Complaint, the Objecting Limited Partners asserted that they are equitable and/or beneficial and/or constructive owners of the Real Property. *See* Complaint, ¶ 37. Therefore, the Objecting Limited Partners' claims constitute an interest in the Real Property. *See Mundy Ranch*, 484 B.R. at 423. Because there is an objective basis for a

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**CONT... Lytton Vineyard & Winery, L.P.**

**Chapter 11**

legal dispute as to the validity of the Objecting Limited Partners' asserted interest in the Real Property, their interest in the Real Property is in bona fide dispute. *See* Declaration of Richard J. Laski, ¶¶ 3-4 [doc. 91]. Consequently, Debtor may sell the Property, which includes the Real Property, free and clear of the Objecting Limited Partners' interest pursuant to 11 U.S.C. § 363(f)(4).

As discussed *supra*, the Claim constitutes an interest in the Real Property, within the scope of 11 U.S.C. § 363(f), and Debtor may sell the Property free and clear of the Claim, pursuant to 11 U.S.C. § 363(f)(4). Upon consummation of the sale to the successful bidder, the Lis Pendens will have no further legal effect as to the Real Property.

In light of the foregoing, the Court will grant the Motion.

Movant must submit the order within seven days.

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

Lytton Vineyard & Winery, L.P.

Represented By  
M Douglas Flahaut

**Movant(s):**

Lytton Vineyard & Winery, L.P.

Represented By  
M Douglas Flahaut  
M Douglas Flahaut