

**United States Bankruptcy Court  
Central District of California**

**Voluntary Petition**

Name of Debtor (if individual, enter Last, First, Middle): <b>Z Gallerie</b>	Name of Joint Debtor (Spouse) (Last, First, Middle):
All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names): <b>Z Gallerie, Inc. Z Gallerie.Com</b>	All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):
Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all): <b>95-3733816</b>	Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
Street Address of Debtor (No. & Street, City, State & Zip Code): <b>1855 W 139th Street Gardena, CA</b>	Street Address of Joint Debtor (No. & Street, City, State & Zip Code):
ZIPCODE <b>90249</b>	ZIPCODE
County of Residence or of the Principal Place of Business: <b>Los Angeles</b>	County of Residence or of the Principal Place of Business:
Mailing Address of Debtor (if different from street address)	Mailing Address of Joint Debtor (if different from street address):
ZIPCODE	ZIPCODE

Location of Principal Assets of Business Debtor (if different from street address above):  
**1855 West 139th Street, Gardena, CA**

ZIPCODE **90249**

<p align="center"><b>Type of Debtor</b> (Form of Organization) (Check one box.)</p> <p><input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i></p> <p><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)</p>	<p align="center"><b>Nature of Business</b> (Check one box.)</p> <p><input type="checkbox"/> Health Care Business</p> <p><input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51B)</p> <p><input type="checkbox"/> Railroad</p> <p><input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Clearing Bank</p> <p><input checked="" type="checkbox"/> Other</p> <p align="center"><b>Tax-Exempt Entity</b> (Check box, if applicable.)</p> <p><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).</p>	<p align="center"><b>Chapter of Bankruptcy Code Under Which the Petition is Filed</b> (Check one box.)</p> <p><input type="checkbox"/> Chapter 7</p> <p><input type="checkbox"/> Chapter 9</p> <p><input checked="" type="checkbox"/> Chapter 11</p> <p><input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <p align="center"><b>Nature of Debts</b> (Check one box.)</p> <p><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."</p> <p><input checked="" type="checkbox"/> Debts are primarily business debts.</p>
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<p align="center"><b>Filing Fee</b> (Check one box)</p> <p><input checked="" type="checkbox"/> Full Filing Fee attached</p> <p><input type="checkbox"/> Filing Fee to be paid in installments (Applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.</p> <p><input type="checkbox"/> Filing Fee waiver requested (Applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.</p>	<p align="center"><b>Chapter 11 Debtors</b></p> <p><b>Check one box:</b></p> <p><input type="checkbox"/> Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><input checked="" type="checkbox"/> Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).</p> <p><b>Check if:</b></p> <p><input type="checkbox"/> Debtor's aggregate noncontingent liquidated debts owed to non-insiders or affiliates are less than \$2,190,000.</p> <p>-----</p> <p><b>Check all applicable boxes:</b></p> <p><input type="checkbox"/> A plan is being filed with this petition</p> <p><input type="checkbox"/> Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).</p>
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<p><b>Statistical/Administrative Information</b></p> <p><input checked="" type="checkbox"/> Debtor estimates that funds will be available for distribution to unsecured creditors.</p> <p><input type="checkbox"/> Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.</p>	<p><b>THIS SPACE IS FOR COURT USE ONLY</b></p>																				
<p>Estimated Number of Creditors</p> <table style="width:100%; text-align: center;"> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td> </tr> <tr> <td>1-49</td><td>50-99</td><td>100-199</td><td>200-999</td><td>1,000-5,000</td><td>5,001-10,000</td><td>10,001-25,000</td><td>25,001-50,000</td><td>50,001-100,000</td><td>Over 100,000</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	1-49	50-99	100-199	200-999	1,000-5,000	5,001-10,000	10,001-25,000	25,001-50,000	50,001-100,000	Over 100,000	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>												
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<p>Estimated Assets</p> <table style="width:100%; text-align: center;"> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> <tr> <td>\$0 to \$50,000</td><td>\$50,001 to \$100,000</td><td>\$100,001 to \$500,000</td><td>\$500,001 to \$1 million</td><td>\$1 million to \$10 million</td><td>\$10 million to \$50 million</td><td>\$50,000,001 to \$100 million</td><td>\$100,000,001 to \$500 million</td><td>\$500,000,001 to \$1 billion</td><td>More than \$1 billion</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1 million to \$10 million	\$10 million to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	More than \$1 billion	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>												
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1 million to \$10 million	\$10 million to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	More than \$1 billion												
<p>Estimated Liabilities</p> <table style="width:100%; text-align: center;"> <tr> <td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input checked="" type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td><td><input type="checkbox"/></td> </tr> <tr> <td>\$0 to \$50,000</td><td>\$50,001 to \$100,000</td><td>\$100,001 to \$500,000</td><td>\$500,001 to \$1 million</td><td>\$1 million to \$10 million</td><td>\$10 million to \$50 million</td><td>\$50,000,001 to \$100 million</td><td>\$100,000,001 to \$500 million</td><td>\$500,000,001 to \$1 billion</td><td>More than \$1 billion</td> </tr> </table>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1 million to \$10 million	\$10 million to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	More than \$1 billion	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>												
\$0 to \$50,000	\$50,001 to \$100,000	\$100,001 to \$500,000	\$500,001 to \$1 million	\$1 million to \$10 million	\$10 million to \$50 million	\$50,000,001 to \$100 million	\$100,000,001 to \$500 million	\$500,000,001 to \$1 billion	More than \$1 billion												

<b>Voluntary Petition</b> <i>(This page must be completed and filed in every case)</i>	Name of Debtor(s): <b>Z Gallerie</b>
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**Prior Bankruptcy Case Filed Within Last 8 Years** (If more than two, attach additional sheet)

Location Where Filed: <b>None</b>	Case Number:	Date Filed:
Location Where Filed:	Case Number:	Date Filed:

**Pending Bankruptcy Case Filed by any Spouse, Partner or Affiliate of this Debtor** (If more than one, attach additional sheet)

Name of Debtor: <b>None</b>	Case Number:	Date Filed:
District:	Relationship:	Judge:

<p align="center"><b>Exhibit A</b></p> (To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)  <input checked="" type="checkbox"/> Exhibit A is attached and made a part of this petition.  <p align="center">Not Applicable</p>	<p align="center"><b>Exhibit B</b></p> (To be completed if debtor is an individual whose debts are primarily consumer debts.)  I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I delivered to the debtor the notice required by § 342(b) of the Bankruptcy Code.  X _____ Signature of Attorney for Debtor(s) <span style="float: right;">Date</span>
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**Exhibit C**

Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?

Yes, and Exhibit C is attached and made a part of this petition.

No

**Exhibit D**

(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)

Exhibit D completed and signed by the debtor is attached and made a part of this petition.

If this is a joint petition:

Exhibit D also completed and signed by the joint debtor is attached a made a part of this petition.

**Information Regarding the Debtor - Venue**  
(Check any applicable box.)

Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.

There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.

**Certification by a Debtor Who Resides as a Tenant of Residential Property**  
(Check all applicable boxes.)

Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)

\_\_\_\_\_

(Name of landlord or lessor that obtained judgment)

\_\_\_\_\_

(Address of landlord or lessor)

Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and

Debtor has included in this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.

Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(l)).

**Voluntary Petition**

*(This page must be completed and filed in every case)*

Name of Debtor(s):

**Z Gallerle**

**Signatures**

**Signature(s) of Debtor(s) (Individual/Joint)**

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under Chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X \_\_\_\_\_  
Signature of Debtor

X \_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Telephone Number (If not represented by attorney)

\_\_\_\_\_  
Date

**Signature of a Foreign Representative**

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

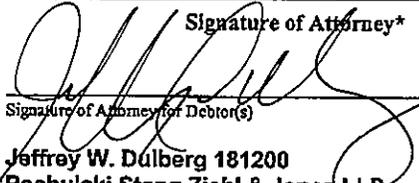
Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X \_\_\_\_\_  
Signature of Foreign Representative

\_\_\_\_\_  
Printed Name of Foreign Representative

\_\_\_\_\_  
Date

**Signature of Attorney\***

X   
Signature of Attorney for Debtor(s)

**Jeffrey W. Dulberg 181200**  
**Pachulski Stang Ziehl & Jones LLP**  
**10100 Santa Monica Blvd.**  
**Los Angeles, CA 90067**  
**(310) 277-6910 Fax: (310) 201-0760**  
**jdulberg@pszjlaw.com**

\_\_\_\_\_  
Date 4/10/09

\*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

**Signature of Non-Attorney Petition Preparer**

I declare under penalty of perjury that: 1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; 2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h) and 342(b); 3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

\_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer

\_\_\_\_\_  
Social Security Number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

\_\_\_\_\_  
Address

X \_\_\_\_\_  
Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose social security number is provided above.

\_\_\_\_\_  
Date

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual:

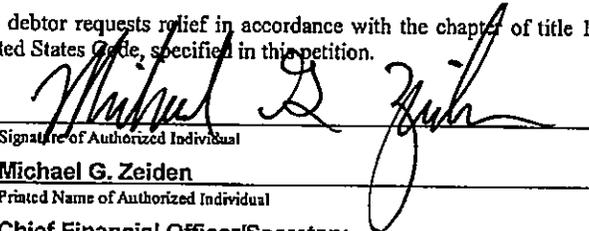
If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

*A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both 11 U.S.C. § 110; 18 U.S.C. § 156.*

**Signature of Debtor (Corporation/Partnership)**

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X   
Signature of Authorized Individual

**Michael G. Zeiden**  
Printed Name of Authorized Individual

**Chief Financial Officer/Secretary**  
Title of Authorized Individual

\_\_\_\_\_  
Date 4/10/09

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Jeffrey W. Dulberg (CA Bar No. 181200) Scotta E. McFarland (CA Bar No. 165391) Pachulski Stang Ziehl & Jones LLP 10100 Santa Monica Blvd., 11 <sup>th</sup> Floor Los Angeles, California 90067 (310) 277-6910 (telephone); (310) 201-0760 (facsimile) <input checked="" type="checkbox"/> Proposed Attorneys for Debtor	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT          CENTRAL DISTRICT OF CALIFORNIA          SAN FERNANDO VALLEY DIVISION</b>	
In re: Z Gallerie,  Debtor(s).	CASE NO.: SV 09- CHAPTER: 11 ADV. NO.:

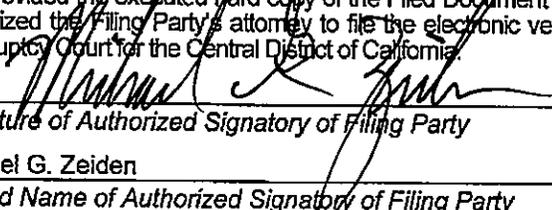
**ELECTRONIC FILING DECLARATION  
(CORPORATION/PARTNERSHIP)**

- Petition, statement of affairs, schedules or lists  
 Amendments to the petition, statement of affairs, schedules or lists  
 Other: \_\_\_\_\_

Date Filed: 4/10/09  
 Date Filed: \_\_\_\_\_  
 Date Filed: \_\_\_\_\_

**PART I - DECLARATION OF AUTHORIZED SIGNATORY OF DEBTOR OR OTHER PARTY**

I, the undersigned, hereby declare under penalty of perjury that (1) I have been authorized by the Debtor or other party on whose behalf the above-referenced document is being filed (Filing Party) to sign and to file, on behalf of the Filing Party, the above-referenced document being filed electronically (Filed Document); (2) I have read and understand the Filed Document; (3) the information provided in the Filed Document is true, correct and complete; (4) the "/s/," followed by my name, on the signature lines for the Filing Party in the Filed Document serves as my signature on behalf of the Filing Party and denotes the making of such declarations, requests, statements, verifications and certifications by me and by the Filing Party to the same extent and effect as my actual signature on such signature lines; (5) I have actually signed a true and correct hard copy of the Filed Document in such places on behalf of the Filing Party and provided the executed hard copy of the Filed Document to the Filing Party's attorney; and (6) I, on behalf of the Filing Party, have authorized the Filing Party's attorney to file the electronic version of the Filed Document and this Declaration with the United States Bankruptcy Court for the Central District of California.

  
 Signature of Authorized Signatory of Filing Party

Date

Michael G. Zeiden

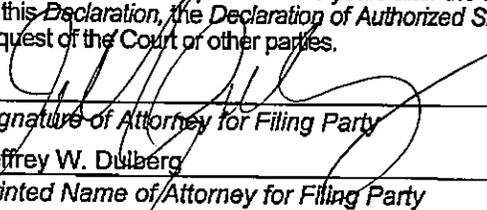
Printed Name of Authorized Signatory of Filing Party

Chief Financial Officer/Secretary

Title of Authorized Signatory of Filing Party

**PART II - DECLARATION OF ATTORNEY FOR FILING PARTY**

I, the undersigned Attorney for the Filing Party, hereby declare under penalty of perjury that (1) the "/s/," followed by my name, on the signature lines for the Attorney for the Filing Party in the Filed Document serves as my signature and denotes the making of such declarations, requests, statements, verifications and certifications to the same extent and effect as my actual signature on such signature lines; (2) an authorized signatory of the Filing Party signed the Declaration of Authorized Signatory of Debtor or Other Party before I electronically submitted the Filed Document for filing with the United States Bankruptcy Court for the Central District of California; (3) I have actually signed a true and correct hard copy of the Filed Document in the locations that are indicated by "/s/," followed by my name, and have obtained the signature of the authorized signatory of the Filing Party in the locations that are indicated by "/s/," followed by the name of the Filing Party's authorized signatory, on the true and correct hard copy of the Filed Document; (4) I shall maintain the executed originals of this Declaration, the Declaration of Authorized Signatory of Debtor or Other Party, and the Filed Document for a period of five years after the closing of the case in which they are filed; and (5) I shall make the executed originals of this Declaration, the Declaration of Authorized Signatory of Debtor or Other Party, and the Filed Document available for review upon request of the Court or other parties.

  
 Signature of Attorney for Filing Party

Date

Jeffrey W. Dulberg

Printed Name of Attorney for Filing Party

This form is mandatory by Order of the United States Bankruptcy Court for the Central District of California.

**Exhibit "A"**

[If debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11 of the Bankruptcy Code, this Exhibit "A" shall be completed and attached to the petition.]

*[Caption as in Form 16B]*

**Exhibit "A" to Voluntary Petition**

- 1. If any of the debtor's securities are registered under Section 12 of the Securities Exchange Act of 1934, the SEC file number is Not Applicable.
- 2. The following financial data is the latest available information and refers to the debtor's condition on Not Applicable
  - a. Total assets \$ Not Applicable
  - b. Total debts (including debts listed in 2.c., below) \$ Not Applicable

				Approximate Number of holders
c. Debt securities held by more than 500 holders.				
<input type="checkbox"/> secured	<input type="checkbox"/> unsecured	<input type="checkbox"/> subordinated	\$ <u>Not Applicable</u>	<u>                    </u>
<input type="checkbox"/> secured	<input type="checkbox"/> unsecured	<input type="checkbox"/> subordinated	\$ <u>Not Applicable</u>	<u>                    </u>
<input type="checkbox"/> secured	<input type="checkbox"/> unsecured	<input type="checkbox"/> subordinated	\$ <u>Not Applicable</u>	<u>                    </u>
<input type="checkbox"/> secured	<input type="checkbox"/> unsecured	<input type="checkbox"/> subordinated	\$ <u>Not Applicable</u>	<u>                    </u>
<input type="checkbox"/> secured	<input type="checkbox"/> unsecured	<input type="checkbox"/> subordinated	\$ <u>Not Applicable</u>	<u>                    </u>
d. Number of shares of preferred stock			<u>Not Applicable</u>	<u>                    </u>
e. Number of shares common stock			<u>Not Applicable</u>	<u>                    </u>

Comments, if any:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- 3. Brief description of debtor's business:  
Not Applicable  
\_\_\_\_\_  
\_\_\_\_\_

- 4. List the names of any person who directly or indirectly owns, controls, or holds, with power to vote, 5% or more of the voting securities of debtor:  
Not Applicable  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATE**

The undersigned, Michael G. Zeiden, a member of the Board of Directors and authorized agent of Z Gallerie (the "Company"), a California corporation, hereby certifies as follows:

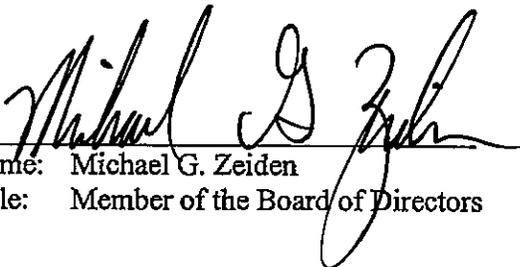
1. I am a duly qualified and elected member of the Board of Directors and, as such, I am familiar with the facts herein certified and I am duly authorized to certify same on behalf of the Company.

2. Attached hereto is a true, complete and correct copy of the resolutions of the Board of Directors of the Company, duly adopted at a properly convened meeting of the Board of Directors on March 16, 2009, by unanimous vote of the directors there present, in accordance with the by-laws of the Company.

3. Such resolutions have not been amended, altered, annulled, rescinded or revoked and are in full force and effect as of the date hereof. There exist no other resolutions of the Board of Directors of the Company relating to the matters set forth in the resolutions attached hereto.

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the

9<sup>th</sup> day of April, 2009.

  
Name: Michael G. Zeiden  
Title: Member of the Board of Directors

**RESOLUTIONS  
OF THE BOARD OF DIRECTORS OF  
Z GALLERIE**

The directors of Z Gallerie (the "Company"), a California corporation, hereby adopt the following resolutions, as the action of the Board of Directors of the Company.

WHEREAS, the Board of Directors has considered the financial and operational aspects of the Company's business;

WHEREAS, the Board of Directors has reviewed the historical performance of the Company, the market for the Company's services, and the current and long-term liabilities of the Company;

WHEREAS, the Board of Directors has reviewed, considered, and received the recommendations of the senior management of the Company and the Company's professionals and advisors as to the terms of the proposed restructuring to be implemented during the course of chapter 11 bankruptcy proceedings;

NOW, THEREFORE, BE IT RESOLVED: That in the judgment of the Board of Directors, it is desirable and in the best interests of this Company, its creditors, stockholders and other interested parties, that a voluntary petition be filed by the Company under the provisions of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code");

BE IT FURTHER RESOLVED: That Michael G. Zeiden, Chief Financial Officer and Secretary of the Company, in his own discretion, be, and hereby is, authorized to execute and file on behalf of the Company all petitions, schedules, lists and other papers or documents and to take any and all action which he deems necessary or proper to obtain such relief;

BE IT FURTHER RESOLVED: That the Company be, and it hereby is, authorized and directed to employ the law firm of Pachulski Stang Ziehl & Jones LLP as general bankruptcy counsel to the Company to represent and assist the Company in carrying out its duties under the Bankruptcy Code, and to take any and all actions to advance the Company's rights, including filing any pleading, and in connection therewith, the Company is hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of Pachulski Stang Ziehl & Jones LLP;

BE IT FURTHER RESOLVED: That the Company be, and it hereby is, authorized and directed to employ additional professionals as the Company, in its reasonable discretion deems necessary to represent and assist the Company in carrying out its duties under the Bankruptcy Code or to carry out the purpose and

intent of the foregoing resolutions, including, but not limited to, Broadway Advisors and RCS Real Estate Advisors, and in connection therewith, the Company is hereby authorized and directed to execute appropriate retention agreements, pay appropriate retainers prior to and immediately upon the filing of the chapter 11 case, and to cause to be filed an appropriate application for authority to retain the services of any additional professional;

BE IT FURTHER RESOLVED: That the Company be, and it hereby is, authorized and empowered to take or cause to be taken any and all such other and further action, and to execute, acknowledge, deliver and file any and all such instruments as it, in its discretion, may deem necessary or advisable in order to carry out the purpose and intent of the foregoing resolutions;

BE IT FURTHER RESOLVED: That all of the acts and transactions relating to matters contemplated by the foregoing resolutions of management and members of the Board of Directors of the Company, in the name and on behalf of the Company, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to the execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

Attorney or Party Name, Address, Telephone & FAX Numbers, and California State Bar Number Jeffrey W. Dulberg (CA BAR No. 181200) Scotta E. McFarland (CA Bar No. 165391) PACHULSKI STANG ZIEHL & JONES LLP 10100 Santa Monica Blvd., 11 <sup>th</sup> Floor Los Angeles, CA 90067 <input checked="" type="checkbox"/> Attorney for Debtor	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT          CENTRAL DISTRICT OF CALIFORNIA</b>	
In re: Z GALLERIE   <div style="text-align: right;">           Debtor(s),             Plaintiff(s),             Defendant(s).         </div>	CASE NO.:09-  ADV. NO.:  CHAPTER:11

**Corporate Ownership Statement Pursuant to  
 F.R.B.P. 1007(a)(1) and 7007.1**

*Pursuant to F.R.B.P. 1007(a)(1) and 7007.1, any corporation, other than a governmental unit, that is a debtor in a voluntary case or a party to an adversary proceeding or a contested matter shall file this statement identifying all its parent corporations and listing any publicly held company, other than a governmental unit, that directly or indirectly own 10% or more of any class of the corporation's equity interest, or state that there are no entities to report. This Corporate Ownership Statement must be filed with the initial pleading filed by a corporate entity in a case or adversary proceeding. A supplemental statement must promptly be filed upon any change in circumstances that renders this Corporate Ownership Statement inaccurate.*

I, Michael G. Zeiden, the undersigned in the above-captioned case, hereby declare  
*(Print Name of Attorney or Declarant)*

under penalty of perjury under the laws of the United States of America that the following is true and correct:

**[Check the appropriate boxes and, if applicable, provide the required information.]**

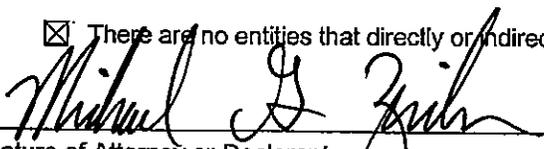
1. I have personal knowledge of the matters set forth in this Statement because:

- I am the president or other officer or an authorized agent of the debtor corporation
- I am a party to an adversary proceeding
- I am a party to a contested matter
- I am the attorney for the debtor corporation

2. a.  The following entities, other than the debtor or a governmental unit, directly or indirectly own 10% or more of any class of the corporation's equity interests:

*[For additional names, attach an addendum to this form.]*

b.  There are no entities that directly or indirectly own 10% or more of any class of the corporation's equity interest.

  
 Signature of Attorney or Declarant  
 Michael G. Zeiden, Chief Financial Officer and Secretary  
 Printed Name of Attorney or Declarant

4/10, 2009  
 Date

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

In re: ) Chapter 11  
Z GALLERIE )  
Debtor. ) Case No. 09-\_\_\_\_\_ ( )

**DECLARATION UNDER PENALTY OF PERJURY CONCERNING  
LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS**

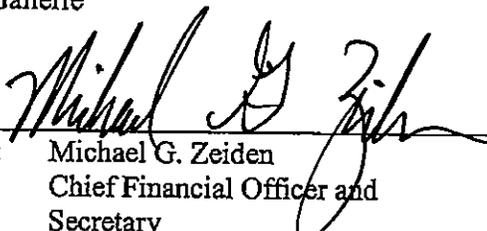
The debtor and debtor in possession (the "Debtor") in the above-captioned case hereby certifies under penalty of perjury that the *List of Creditors Holding 20 Largest Unsecured Claims*, submitted herewith, is complete and to the best of the Debtor's knowledge correct and consistent with Debtor's books and records.

The information contained herein is based upon a review of the Debtor's books and records. However, no comprehensive legal and/or factual investigations with regard to possible defenses to any claims set forth in the *List of Creditors Holding 20 Largest Unsecured Claims* have been completed. Therefore, the listing does not and should not be deemed to constitute: (1) a waiver of any defense to any listed claims; (2) an acknowledgement of the allowability of any list claims; and/or (3) a waiver of any other right or legal position of the Debtor.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 4/10/09, 2009

Z Gallerie

  
By: Michael G. Zeiden  
Its: Chief Financial Officer and  
Secretary

**Z Gallerie**

List of Creditors Holding 20 Largest Unsecured Claims  
Form 4

	(1) Name of creditor and mailing address	(2) Contact information	(3) Nature of Claim	(4) C/U/D/Setoff	(5) Amount of Claim
1	River District Development Group LLC 6737 South 85th East Avenue Tulsa, OK 74133	Abe J. Shear, Partner Amlal Golden Gregory, LLP 171 17th Street Suite 2100 Atlanta, GA 30363 404-873-8752 FAX 404-873-8753	Tenant Improvement Allowance	Disputed	\$ 500,000
2	GDH INVESTMENTS, LLC c/o GK Development, Inc. 303 E. Main St. Suite 201 Barrington, IL 60010 847-277-9930	GDH INVESTMENTS, LLC c/o GK Development, Inc. 303 E. Main St. Suite 201 Barrington, IL 60010 847-277-9930 FAX 847-277-9940 Accounts Payable	Rent	N/A	284,421
3	ESCALATE RETAIL P.O. Box 200240 Pittsburgh, PA 15251 800-854-2263	ESCALATE RETAIL P.O. Box 200240 Pittsburgh, PA 15251 800-854-2263 FAX 858-457-2145 Accounts Payable	Trade	N/A	271,045
4	TYSON'S CORNER HOLDINGS LLC c/o Wilmore Property Mgmt, LLC 265 Scottsville Rd Rochester, NY 14624 866-811-1095 ext 2622	TYSON'S CORNER HOLDINGS LLC c/o Wilmore Property Mgmt, LLC 265 Scottsville Road Rochester, NY 14624 866-811-1095 ext 2622 FAX 703-847-3089 Leonard Treherne	Rent	N/A	198,339
5	SCOTTSDALE FASHION SQUARE LLC Scottsdale Fashion Square Partnership 7014-590 East Camelback Road Scottsdale, AZ 85251 602-423-1455	SCOTTSDALE FASHION SQUARE LLC Scottsdale Fashion Square Partnership 7014-590 East Camelback Road Scottsdale, AZ 85251 602-423-1455 FAX 602-423-1455 Tamara Ortega	Rent	N/A	164,264
6	TAMPA WESTSHORE ASSOCIATES LP Tampa Westshore Associates Limited Partnership 200 East Long Lake Road PO Box 200 Bloomfield Hills, MI 48303 248-258-7518	TAMPA WESTSHORE ASSOCIATES LP Tampa Westshore Associates Limited Partnership 200 East Long Lake Road PO Box 200 Bloomfield Hills, MI 48303 248-258-7518 FAX 248-258-7683 Renay Moyles	Rent	N/A	163,421
7	OAKBROOK SHOPPING CENTER, LLC. Oakbrook Shopping Center, LLC c/o General Growth Properties, Inc. 10275 Little Patuxent Parkway Columbia, MD 21044 630-573-0700	OAKBROOK SHOPPING CENTER, LLC. Oakbrook Shopping Center, LLC c/o General Growth Properties, Inc. 10275 Little Patuxent Parkway Columbia, MD 21044 630-573-0700 FAX 630-573-0710 Mary Growth	Rent	N/A	155,243
8	TIC RETAIL PROPERTIES - FASHION ISLAND The Irvine Company c/o Madison Marquette Retail Services 401 Newport Center Dr., #A-150 Newport Beach, CA 92660 949-720-2554	TIC RETAIL PROPERTIES - FASHION ISLAND The Irvine Company c/o Madison Marquette Retail Services 401 Newport Center Dr., #A-150 Newport Beach, CA 92660 949-720-2554 FAX 949-720-2672 Russell H. Lowe	Rent	N/A	151,979

# Z Gallerie

## List of Creditors Holding 20 Largest Unsecured Claims Form 4

(1)	(2)	(3)	(4)	(5)
Name of creditor and mailing address	Contact information	Nature of Claim	C/U/D/Setoff	Amount of Claim
9 SOMERSET COLLECTION LIMITED PT Somerset Collection Limited Partnership 100 Galleria Offcentre, #427 PO Box 667 Southfield, MI 48037 248-827-4600	SOMERSET COLLECTION LIMITED PT Somerset Collection Limited Partnership 100 Galleria Offcentre, #427 PO Box 667 Southfield, MI 48037 248-827-4600 FAX 248-649-7186 Accounts Payable	Rent	N/A	145,708
10 FRIT SAN JOSE TOWN & COUNTRY VILLAGE LLC c/o Federal Realty Investment Trust 1626 East Jefferson Street Rockville, MD 20852-4041 301-998-8232	FRIT SAN JOSE TOWN & COUNTRY VILLAGE LLC c/o Federal Realty Investment Trust 1626 East Jefferson Street Rockville, MD 20852-4041 301-998-8232 FAX 301-998-3700 Mary Wise	Rent	N/A	144,403
11 FORBES TAUBMAN ORLANDO, L.L.C. 100 Galleria Offcentre, #427 PO Box 667 Southfield, MI 48037 407-363-3555	FORBES TAUBMAN ORLANDO, L.L.C. 100 Galleria Offcentre, #427 PO Box 667 Southfield, MI 48037 407-363-3555 FAX 407-363-6877 Accounts Payable	Rent	N/A	142,184
12 KIERLAND GREENWAY LLC PHXAZ Limited Partnership c/o Woodbine Southwest Corporation 2398 E. Camelback Road, #300 Phoenix, AZ 85016 602-953-6328	KIERLAND GREENWAY LLC PHXAZ Limited Partnership c/o Woodbine Southwest Corporation 2398 E. Camelback Road, #300 Phoenix, AZ 85016 602-953-6328 FAX 480-348-1497 Tamara Ortega	Rent	N/A	135,041
13 340 UNIVERSITY AVENUE ASSOCIATES PO Box 204 Palo Alto, CA 94302 650-323-5295	340 UNIVERSITY AVENUE ASSOCIATES PO Box 204 Palo Alto, CA 94302 650-323-5295 FAX 650-323-5295 Elizabeth Wong	Rent	N/A	133,200
14 WOODFIELD MALL LLC 200 East Long Lake Road PO Box 200 Bloomfield Hills, MI 48303 248-258-6800	WOODFIELD MALL LLC 200 East Long Lake Road PO Box 200 Bloomfield Hills, MI 48303 248-258-6800 FAX 248-258-7683 Mary Stoll	Rent	N/A	128,086
15 HART GALLERIA NORTH, LLC c/o UCR Asset Services 191 Wacker Drive, #2500 Chicago, IL 60606 468-232-3451	HART GALLERIA NORTH, LLC c/o Heitman Capital Management LLC 191 Wacker Drive, #2500 Chicago, IL 60606 468-232-3451 FAX 469-232-3498 Scott Weaver	Rent	N/A	127,820
16 MISSION VIEJO ASSOCIATES L.P. 225 W Washington Street Indianapolis, IN 46204 317-263-2313	MISSION VIEJO ASSOCIATES L.P. 225 W Washington Street Indianapolis, IN 46204 317-263-2313 FAX 317-263-2339 Drew Deffner	Rent	N/A	127,127

**Z Gallerie**

List of Creditors Holding 20 Largest Unsecured Claims  
Form 4

(1) Name of creditor and mailing address	(2) Contact information	(3) Nature of Claim	(4) C/U/D/Setoff	(5) Amount of Claim
17 DOWNTOWN PLAZA, LLC 101 Fourth Street San Francisco, CA 94103 916-442-4000	DOWNTOWN PLAZA, LLC 101 Fourth Street San Francisco, CA 94103 916-442-4000 FAX 916-442-3117 Susan Young	Rent	N/A	124,891
18 HIGHWOODS REALTY LIMITED PARTNERSHIP 3100 Smoketree Court, #600 Raleigh, NC 27604 816-561-3456	HIGHWOODS REALTY LIMITED PARTNERSHIP 3100 Smoketree Court, #600 Raleigh, NC 27604 816-561-3456 FAX 404-325-4173 Accounts Payable	Rent	N/A	123,815
19 LARIMER SQUARE NORTH, LLC Hermanson Family Trust Larimer Square Associates Ltd. 1430 Larimer Street, #200 Denver, CO 80202 303-534-2367	LARIMER SQUARE NORTH, LLC Hermanson Family Trust Larimer Square Associates Ltd. 1430 Larimer Street, #200 Denver, CO 80202 FAX 303-623-1041 303-534-2367 Brandy Jackson	Rent	N/A	123,380
20 CLP-SPF ROOKWOOD COMMONS, LLC c/o Jeffrey R. Anderson Real Estate, Inc. 3805 Edwards Road, #700 Cincinnati, OH 45209 513-241-5800	CLP-SPF ROOKWOOD COMMONS, LLC c/o Jeffrey R. Anderson Real Estate, Inc. 3805 Edwards Road, #700 Cincinnati, OH 45209 513-241-5800 FAX 513-241-2637 Cheryl Sparks	Rent	N/A	116,134

TOTAL \$ 2,960,502

Date: \_\_\_\_\_

DEBTOR \_\_\_\_\_

United States Bankruptcy Court  
Central District of California

IN RE:

Case No. \_\_\_\_\_

Z Gallerie

Chapter 11

Debtor(s)

**LIST OF EQUITY SECURITY HOLDERS**

Registered name and last known address of security holder	Shares (or Percentage)	Security Class (or kind of interest)
<b>Carole Malfatti</b> 1855 W. 139th St Gardena, CA 90249	30	Common Stockholder
<b>Joseph Zeiden</b> 1855 W. 139th St Gardena, CA 90249	40	Common Stockholder
<b>Michael Zeiden</b> 1855 W. 139th St Gardena, CA 90249	30	Common Stockholder

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

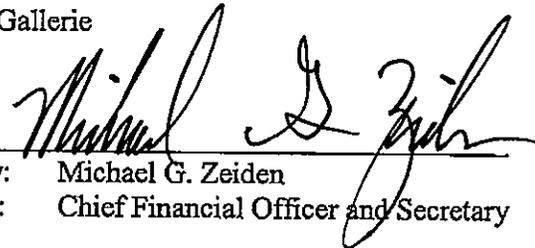
In re: ) Chapter 11  
 )  
Z GALLERIE ) Case No. 09-\_\_\_\_\_ ( )  
 )  
Debtor. )

**DECLARATION UNDER PENALTY OF PERJURY  
REGARDING LIST OF EQUITY SECURITY HOLDERS**

I, Michael G. Zeiden, Chief Financial Officer and Secretary of Z Gallerie, a California corporation, the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Dated: 4/10/09, 2009

Z Gallerie

  
By: Michael G. Zeiden  
Its: Chief Financial Officer and Secretary

Party Name, Address, and Telephone Number (CA State Bar No. If Applicable) Jeffrey W. Dulberg (CA Bar No. 181200) Scotta E. McFarland (CA Bar No. 165391) Pachulski Stang Ziehl & Jones LLP 10100 Santa Monica Boulevard, 11 <sup>th</sup> Floor Los Angeles, California 90067 Tel: (310) 277-6910 Fax: (310) 201-0760	FOR COURT USE ONLY
<b>UNITED STATES BANKRUPTCY COURT  CENTRAL DISTRICT OF CALIFORNIA</b>	
In re: Z GALLERIE          Debtor.	CHAPTER 11 CASE NUMBER          (No Hearing Required)

**VENUE DISCLOSURE FORM  
FOR CORPORATIONS FILING CHAPTER 11  
(Required by General Order 97-02)**

*\*Attach additional sheets as necessary and indicate so in each section\**

1. Specify the address of the principal office of the Debtor currently on file with the California Secretary of State (from Form S0100, S0200, or S0300):

1855 West 139<sup>th</sup> Street  
Gardena, CA 90249

2. Specify the address of the principal office of the Debtor listed on the Debtor's most recent federal tax return:

1855 West 139<sup>th</sup> Street  
Gardena, CA 90249

3. Disclose the current business address(es) for all corporate officers:

1855 West 139<sup>th</sup> Street  
Gardena, CA 90249

4. Disclose the current business address(es) where the Debtor's books and records are located:

1855 West 139<sup>th</sup> Street  
Gardena, CA 90249

In re Z Gallerie  Debtor.	CHAPTER 11  CASE NUMBER
------------------------------------	-------------------------------

5. List the address(es) where the majority of the Debtor's assets are located based on a book value determination as set forth on the Debtor's most recent balance sheet:

1855 West 139<sup>th</sup> Street  
 Gardena, CA 90249

6. Disclose any different address(es) to those listed above within six months prior to the filing of this petition and state the reasons for the change in address(es):

None

7. State the name and address of the officer signing this Statement and the relationship of such person to the Debtor (specify):

Michael G. Zeiden, Chief Financial Officer and Secretary  
 1855 West 139<sup>th</sup> Street  
 Gardena, CA 90249

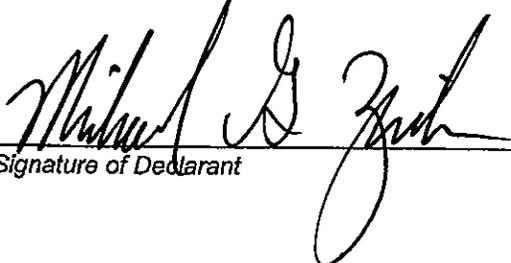
8. Total number of attached pages of supporting documentation: 2

9. I declare under penalty of perjury under the laws of the United States of America, that the foregoing is true and correct.

Executed on the 10<sup>th</sup> day of April, 2009, at Gardena, California.

Michael G. Zeiden  
 Type Name of Officer

Chief Financial Officer and Secretary  
 Position or Title of Officer

  
 Signature of Declarant

**STATEMENT OF RELATED CASES**  
**INFORMATION REQUIRED BY LOCAL BANKRUPTCY RULE 1015-2**  
**UNITED STATES BANKRUPTCY COURT, CENTRAL DISTRICT OF CALIFORNIA**

1. A petition under the Bankruptcy Act of 1898 or the Bankruptcy Reform Act of 1978 has previously been filed by or against the debtor, his/her spouse, an affiliate of the debtor, any copartnership or joint venture of which debtor is or formerly was a general or limited partner, or member, or any corporation of which the debtor is a director, officer, or person in control, as follows: (Set forth the complete number and title of each such of prior proceeding, date filed, nature thereof, the Bankruptcy Judge and court to whom assigned, whether still pending and, if not, the disposition thereof. If none, so indicate. Also, list any real property included in Schedule A that was filed with any such prior proceeding(s).)

N/A

2. (If petitioner is a partnership or joint venture) A petition under the Bankruptcy Act of 1898 or the Bankruptcy Reform Act of 1978 has previously been filed by or against the debtor or an affiliate of the debtor, or a general partner in the debtor, a relative of the general partner, general partner of, or person in control of the debtor, partnership in which the debtor is a general partner, general partner of the debtor, or person in control of the debtor as follows: (Set forth the complete number and title of each such prior proceeding, date filed, nature of the proceeding, the Bankruptcy Judge and court to whom assigned, whether still pending and, if not, the disposition thereof. If none, so indicate. Also, list any real property included in Schedule A that was filed with any such prior proceeding(s).)

N/A

3. (If petitioner is a corporation) A petition under the Bankruptcy Act of 1898 or the Bankruptcy Reform Act of 1978 has previously been filed by or against the debtor, or any of its affiliates or subsidiaries, a director of the debtor, an officer of the debtor, a person in control of the debtor, a partnership in which the debtor is general partner, a general partner of the debtor, a relative of the general partner, director, officer, or person in control of the debtor, or any persons, firms or corporations owning 20% or more of its voting stock as follows: (Set forth the complete number and title of each such prior proceeding, date filed, nature of proceeding, the Bankruptcy Judge and court to whom assigned, whether still pending, and if not, the disposition thereof. If none, so indicate. Also, list any real property included in Schedule A that was filed with any such prior proceeding(s).)

N/A

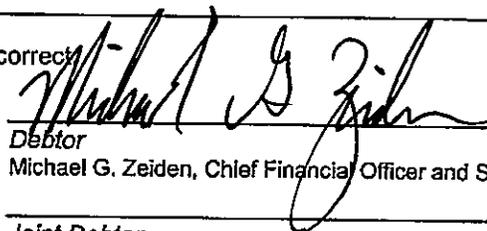
4. (If petitioner is an individual) A petition under the Bankruptcy Reform Act of 1978, including amendments thereof, has been filed by or against the debtor within the last 180 days: (Set forth the complete number and title of each such prior proceeding, date filed, nature of proceeding, the Bankruptcy Judge and court to whom assigned, whether still pending, and if not, the disposition thereof. If none, so indicate. Also, list any real property included in Schedule A that was filed with any such prior proceeding(s).)

N/A

I declare, under penalty of perjury, that the foregoing is true and correct.

Executed at Gardena, California.

Dated 4/10, 2009

  
Debtor

Michael G. Zeiden, Chief Financial Officer and Secretary

Joint Debtor

This form is mandatory by Order of the United States Bankruptcy Court for the Central District of California.

Name: Jeffrey W. Dulberg, Esq. (CA Bar No. 181200)Address: Pachulski Stang Ziehl & Jones LLP10100 Santa Monica Blvd., 11<sup>th</sup> Floor, Los Angeles, CA 90067Telephone: (310) 277-6910 Fax: (310) 201-0760 Attorney for Debtor Debtor in Pro Per

**UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA**

List all names including trade names, used by Debtor(s) within last 8 years:

Z Gallerie  
Z Gallerie, Inc.  
Z Gallerie.Com

Case No.:

**NOTICE OF AVAILABLE  
CHAPTERS**

(Notice to Individual Consumer Debtor Under § 342(b) of the Bankruptcy Code)

In accordance with § 342(b) of the Bankruptcy Code, this notice: (1) Describes briefly the services available from credit counseling services; (2) Describes briefly the purposes, benefits and costs of the four types of bankruptcy proceedings you may commence; and (3) Informs you about bankruptcy crimes and notifies you that the Attorney General may examine all information you supply in connection with a bankruptcy case. You are cautioned that bankruptcy law is complicated and not easily described. Thus, you may wish to seek the advice of an attorney to learn of your rights and responsibilities should you decide to file a petition. Court employees cannot give you legal advice.

**1. Services Available from Credit Counseling Agencies**

**With limited exceptions, § 109(h) of the Bankruptcy Code requires that all individual debtors who file for bankruptcy relief on or after October 17, 2005, receive a briefing that outlines the available opportunities for credit counseling and provides assistance in performing a budget analysis.** The briefing must be given within 180 days **before** the bankruptcy filing. The briefing may be provided individually or in a group (including briefings conducted by telephone or on the Internet) and must be provided by a nonprofit budget and credit counseling agency approved by the United States trustee or bankruptcy administrator. The clerk of the bankruptcy court has a list that you may consult of the approved budget and credit counseling agencies.

**In addition, after filing a bankruptcy case, an individual debtor generally must complete a financial management instructional course before he or she can receive a discharge.** The clerk also has a list of approved financial management instructional courses.

**2. The Four Chapters of the Bankruptcy Code Available to Individual Consumer Debtors**

**Chapter 7: Liquidation (\$245 filing fee, \$39 administrative fee, \$15 trustee surcharge: Total fee \$299)**

- Chapter 7 is designed for debtors in financial difficulty who do not have the ability to pay their existing debts. Debtors whose debts are primarily consumer debts are subject to a "means tests" designed to determine whether the case should be permitted to proceed under chapter 7. If your income is greater than the median income for your state of residence and family size, in some cases, creditors have the right to file a motion requesting that the court dismiss your case under § 707(b) of the Code. It is up to the court to decide whether the case should be dismissed.

2. Under chapter 7, you may claim certain of your property as exempt under governing law. A trustee may have the right to take possession of and sell the remaining property that is not exempt and use the sale proceeds to pay your creditors.
3. The purpose of filing a chapter 7 case is to obtain a discharge of your existing debts. If, however, you are found to have committed certain kinds of improper conduct described in the Bankruptcy Code, the court may deny your discharge and, if it does, the purpose for which you filed the bankruptcy petition will be defeated.
4. Even if you receive a general discharge, some particular debts are not discharged under the law. Therefore, you may still be responsible for most taxes and student loans; debts incurred to pay nondischargeable taxes; domestic support and property settlement obligations; most fines, penalties, forfeitures, and criminal restitution obligations; certain debts which are not properly listed in your bankruptcy papers; and debts for death or personal injury caused by operating a motor vehicle, vessel, or aircraft while intoxicated from alcohol or drugs. Also, if a creditor can prove that a debt arose from fraud, breach of fiduciary duty, or theft, or from a willful and malicious injury, the bankruptcy court may determine that the debt is not discharged.

**Chapter 13: Repayment of All or Part of the Debts of an Individual with Regular Income (\$235 filing fee, \$39 administrative fee: Total fee \$274)**

1. Chapter 13 is designed for individuals with regular income who would like to pay all or part of their debts in installments over a period of time. You are only eligible for chapter 13 if your debts do not exceed certain dollar amounts set forth in the Bankruptcy Code.
2. Under chapter 13, you must file with the court a plan to repay your creditors all or part of the money that you owe them, using your future earnings. The period allowed by the court to repay your debts may be three years or five years, depending upon your income and other factors. The court must approve your plan before it can take effect.
3. After completing the payments under your plan, your debts are generally discharged except for domestic support obligations; most student loans; certain taxes; most criminal fines and restitution obligations; certain debts which are not properly listed in your bankruptcy papers; certain debts for acts that caused death or personal injury; and certain long term secured obligations.

**Chapter 11: Reorganization (\$1000 filing fee, \$39 administrative fee: Total fee \$1039)**

Chapter 11 is designed for the reorganization of a business but is also available to consumer debtors. Its provisions are quite complicated, and any decision by an individual to file a chapter 11 petition should be reviewed with an attorney.

**Chapter 12: Family Farmer or Fisherman (\$200 filing fee, \$39 administrative fee: Total fee \$239)**

Chapter 12 is designed to permit family farmers and fishermen to repay their debts over a period of time from future earnings and is similar to chapter 13. The eligibility requirements are restrictive, limiting its use to those whose income arises primarily from a family-owned farm or commercial fishing operation.

**3. Bankruptcy Crimes and Availability of Bankruptcy Papers to Law Enforcement Officials**

A person who knowingly and fraudulently conceals assets or makes a false oath or statement under penalty of perjury, either orally or in writing, in connection with a bankruptcy case is subject to a fine, imprisonment, or both. All information supplied by a debtor in connection with a bankruptcy case is subject to examination by the Attorney General acting through the Office of the United States Trustee, the Office of the United States Attorney, and other components and employees of the Department of Justice.

**WARNING:** Section 521(a)(1) of the Bankruptcy Code requires that you promptly file detailed information regarding your creditors, assets, liabilities, income, expenses and general financial condition. Your bankruptcy case may be dismissed if this information is not filed with the court within the time deadlines set by the Bankruptcy Code, the Bankruptcy Rules, and the local rules of the court.

**Certificate of [Non-Attorney] Bankruptcy Petition Preparer**

I, the [non-attorney] bankruptcy petition preparer signing the debtor's petition, hereby certify that I delivered to the debtor this notice required by § 342(b) of the Bankruptcy Code.

By: \_\_\_\_\_  
Printed Name and title, if any, of Bankruptcy Petition Preparer  
Address:  
[Proposed] Attorneys for Debtor  
\_\_\_\_\_

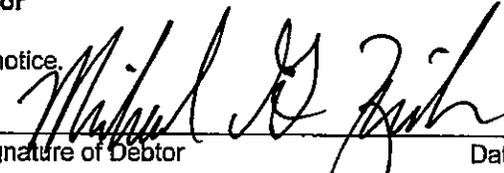
\_\_\_\_\_  
Social Security number (If the bankruptcy petition preparer is not an individual, state the Social Security number of the officer, principal, responsible person, or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

X \_\_\_\_\_  
Signature of Bankruptcy Petition Preparer or officer, principal, responsible person, or partner whose Social Security number is provided above.

**Certificate of the Debtor**

I (We), the debtor(s), affirm that I (we) have received and read this notice.

By: Michael G. Zeiden, Chief Financial Officer/Secretary  
Printed Name(s) of Debtor(s)

X   
Signature of Debtor Date

Case No. (if known) \_\_\_\_\_

X \_\_\_\_\_  
Signature of Joint Debtor (if any) Date

UNITED STATES BANKRUPTCY COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SAN FERNANDO VALLEY DIVISION

In re Z Gallerie,

Case No. SV 09-

Debtor

**DISCLOSURE OF COMPENSATION OF ATTORNEY FOR DEBTOR**

1. Pursuant to 11 U.S.C. §329(a) and Bankruptcy Rule 2016(b), I certify that I am the attorney for the above-named Debtor and that compensation paid to Pachulski Stang Ziehl & Jones LLP (the "Firm") within one year before the filing of the petition in bankruptcy, or agreed to be paid to the Firm, for services rendered or to be rendered on behalf of the Debtor in contemplation of or in connection with the bankruptcy case is as follows:

For legal services, in the one year prior to the petition date, the Firm has been paid: \$272,868.00

Prior to the filing of this statement, the Firm has received: \$749,057.00<sup>1</sup>

Balance Due: TBD<sup>2</sup>

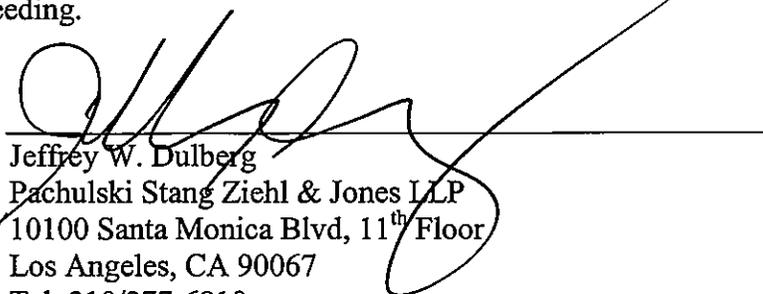
2. The source of the compensation paid to the Firm was: the Debtor.
3. The source of the compensation to be paid to the Firm is: the Debtor.
4. The Firm has not agreed to share the above-disclosed compensation with any other person unless they are members and associates of the Firm.
5. In return for the above-disclosed fee, we have agreed to render legal service for all aspects of the bankruptcy case, including:
  - Analysis of the debtor's financial situation, and rendering advice and assistance to the Debtor in determining whether to file a petition in bankruptcy.
  - Preparation and filing of the petition, schedules, statement of affairs, and plan which may be required.
  - Representation of the debtor at the meeting of creditors and confirmation hearing, and any adjourned hearings thereof.
  - Advising the Debtor on the requirements of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and the requirements of the United States Trustee pertaining to the administration of the Debtor's estate.
  - Prepare motions, applications, answers, orders, memoranda, reports, and papers, etc., in connection with the administration of the Debtor's estate.
  - Render such other advice and services as the Debtor may require in connection with the Case.

<sup>1</sup> Upon the commencement of its engagement, on 1/26/09, the Firm received \$40,000.00 as a retainer against future fees and expenses; on 2/10/09, the Firm received \$22,189.00 which is being held in trust; on 2/24/09, the Firm received \$200,000.00 which is being held in trust; on 2/25/09, the Firm received \$41,623.15 which was applied against current fees and expenses; on 2/25/09, the Firm received \$254,000.00, which is being held in trust; on 3/25/09 the Firm received \$100,954.87 against current fees and expenses; and on 4/9/09 the Firm received \$90,289.98 against current fees and expenses. Upon completion of its reconciliation of all pre-petition expenses, the Firm will "true-up" its bill and add any amount remaining after the "true-up" to the post-petition retainer.

<sup>2</sup> The above-referenced amount is not a fixed price for counsel's services, and the Firm reserves the right to seek additional compensation beyond the amounts covered by the retainer in accordance with applicable provisions of the Bankruptcy Code and Bankruptcy Rules.

I certify that the foregoing is a complete statement of any agreement or arrangement for payment to the Firm for representation of the Debtor in this bankruptcy proceeding.

Dated: April 10, 2009



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Jeffrey W. Dulberg  
Pachulski Stang Ziehl & Jones LLP  
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IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

In re: ) Chapter 11  
Z GALLERIE )  
Debtor. ) Case No. 09- \_\_\_\_\_ ( )

**DECLARATION UNDER PENALTY OF PERJURY  
REGARDING CREDITOR MATRIX**

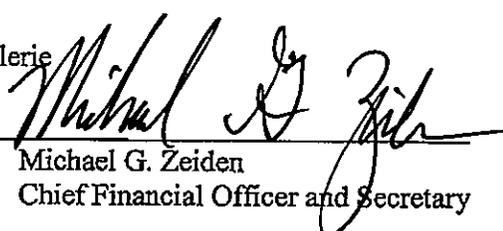
The debtor in this chapter 11 case (the "Debtor") filed a petition in this Court on the date hereof for relief under title 11 of the United States Code. The Debtor hereby certifies under penalty of perjury that the Creditor Matrix submitted to the Court, pursuant to Local Rule 1007-1(a) of the Local Bankruptcy Rules of the Central District of California, formatted in the manner prescribed on the Court's website, containing the list of creditors of the Debtor, is complete and to the best of the Debtor's knowledge correct and consistent with the Debtor's books and records. The Creditor Matrix contains the Debtor's list of known creditors and known potential creditors of which the Debtor is currently aware and will be supplemented to the extent additional creditors are identified.

The information contained herein is based upon a review of the Debtor's books and records. However, no comprehensive legal and/or factual investigation with regard to the possible defense of any claims set forth in the Creditor Matrix has been completed. Therefore, the listing does not and should not be deemed to constitute an acknowledgement of the accuracy of the identity of any interest holder (2) waiver of any defense to any listed claims; (3) an acknowledgment of the allowability of any listed claims; and/or (4) a waiver of any other right or legal position of the Debtor.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: 4/10, 2009

Z Gallerie

  
By: Michael G. Zeiden  
Its: Chief Financial Officer and Secretary