

Attorney or Party Name, Address, Telephone & FAX Nos., State Bar No. & Email Address	FOR COURT USE ONLY
CRAIG MARGULIES (State Bar No. 185925) MEGHANN TRIPLETT (State Bar No. 268005) MARGULIES FAITH LLP 16030 Ventura Blvd., Suite 470 Encino California 91436 Telephone: (818) 705-2777 Facsimile: (818) 705-3777 Email: Craig@MarguliesFaithlaw.com	
<input type="checkbox"/> Individual appearing without attorney <input checked="" type="checkbox"/> Attorney for: Jeremy W. Faith, Chapter 7 Trustee	

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - NORTHERN DIVISION**

In re: DOLORES R TREJO	CASE NO.: 9:13-bk-10970-RR CHAPTER: 7
Debtor(s).	NOTICE OF SALE OF ESTATE PROPERTY

Sale Date: 11/20/2013	Time: 10:00 am
Location: 1415 State Street, Ctrm. 201, Santa Barbara, California 93101	

Type of Sale: Public Private **Last date to file objections:** 11/06/2013

Description of property to be sold:

Three (3) annual lottery payments remaining for the years 2014 through and including 2016, from a prize Debtor won on January 29, 1997, from the California State Lottery ("Lottery Payment Stream"). The Debtor's payments of \$1,700,000 are scheduled to be paid annually on or around January 20th in those years (2014, 2015 and 2016). The Lottery Payment Stream totals \$5,100,000.

Terms and conditions of sale:

Purchase Price: \$4,701,000.00 subject to overbid at the hearing on the Motion.
 Condition of Property: "as-is," "where-is" basis, free and clear of liens, claims and encumbrances.

Proposed sale price: \$ 4,701,000.00

This form is mandatory. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

Overbid procedure (if any): In order to participate, overbidders must provide a good faith deposit in the amount of \$65,000 and otherwise satisfy the requirements of becoming a Qualified Overbidder as that term is defined in the Bidding Procedures which are attached to this notice.

If property is to be sold free and clear of liens or other interests, list date, time and location of hearing:

Date: November 20, 2013

Time: 10:00 am

Place: Courtroom 201

1415 State Street

Santa Barbara, CA 93101

Contact person for potential bidders (include name, address, telephone, fax and/or email address):

Craig G. Margulies, Esq. or Meghann Triplett, Esq.

MARGULIES FAITH, LLP

16030 Ventura Blvd., Suite 470

Encino, CA 91436

Telephone: (818) 705-2777

Facsimile: (818) 705-3777

E-mail: Craig@MarguliesFaithLaw.com

E-mail: Meghann@MarguliesFaithLaw.com

Date: 10/30/2013

DOLORES R. TREJO, CASE NO. 9:13-bk-10970-RR

I. Bidding Procedures

Set forth below are the bidding procedures (the "Bidding Procedures") to be employed with respect to the prospective sale (the "Sale") of three (3) annual lottery payments remaining for the years 2014 through and including 2016, from a prize debtor Dolores R. Trejo (the "Debtor") won on January 29, 1997, from the California State Lottery (the "Lottery Payment Stream"). The Debtor's payments of \$1,700,000 are scheduled to be paid annually on or around January 20th in those years (2014, 2015 and 2016). The Lottery Payment Stream totals \$5,100,000.

The Trustee has entered into a Sale Agreement for the purchase and sale of the Lottery Payment Stream for \$4,701,000 (subject to overbid) with Stone Street Capital, LLC (the "Purchaser"). The Trustee will seek entry of an order by the United States Bankruptcy Court (the "Bankruptcy Court"), among other things, authorizing and approving the Sale to the Purchaser or to a Qualified Overbidder (defined below) which the Bankruptcy Court may determine to have made the highest or otherwise best offer to purchase the Lottery Payment Stream (the "Successful Over-Bidder(s)").

II. The Bidding Process and Participation Requirements

Only Qualified Overbidders may participate in the sale process. Qualified Overbidders are those prospective over-bidders, as determined by the Trustee in his sole discretion, who deliver to the Trustee (i) a written offer to purchase the Lottery Payment Stream on the same or more favorable terms as the terms in the Sale Agreement, including a price at least \$15,000 over the Purchase Price (i.e., \$4,716,000 or more); (ii) accompanied by a good faith deposit in the amount of \$65,000 in the form of a cashier's check payable to "Jeremy W. Faith, Chapter 7 Trustee" or wire transfer (wire transfer instructions can be provided upon request to the Trustee's counsel); and (iii) current financial statements or other financial information of the bidder or its equity holder(s) demonstrating the bidder's financial capability to consummate the proposed "all cash" transaction.

The above items (i) through (iii) shall be delivered to the Trustee's general counsel, Margulies Faith LLP, 16030 Ventura Blvd., Suite 470, Encino, California 91436, attn: Craig G. Margulies, Esq., so that all the above are actually received on or before 4:00 p.m. PST on the fifth day prior to the Sale Hearing (i.e., if November 20, 2013 is approved as the hearing on the Sale Motion, then **November 15, 2013 at 4:00 p.m.** will be the applicable deadline)..

The Trustee, by and through his counsel, will authorize and determine Qualified Overbidders in writing prior to the hearing on the Sale Motion. Qualified Overbidders by and through their respective agent or representative must appear at the hearing on the Sale Motion and Auction.

III. Due Diligence

Neither the Trustee nor any of his representatives are obligated to furnish any information relating to the Lottery Payment Stream to any person except to a Qualified Overbidder.

IV. "As Is, Where Is"

The Sale of the Lottery Payment Stream shall be on an "As Is, Where Is" basis and without representations or warranties of any kind, nature, or description by Trustee, his agents or the bankruptcy estate. Furthermore, all of the Trustee's rights, title and interests in and to the Lottery Payment Stream shall be sold free and clear of all liens, security interests, encumbrances, claims, charges, options and interests pursuant to 11 U.S.C. § 363.

V. Auction

The Trustee will conduct an auction (the "Auction") for the Sale of the Lottery Payment Stream. Such Auction shall take place at the United State Bankruptcy Court for the Central District of California, Northern Division, Courtroom 201, located at 1415 State Street, Santa Barbara, California 93101, before the Honorable Robin L. Riblet, United States Bankruptcy Judge. Qualified Overbidders, as determined in writing in advance by the Trustee, will be eligible to participate at the Auction. At such Auction, the Purchaser and Qualified Overbidders will be permitted to increase their bids. The Trustee believes and has proposed to the Court that the Auction be held on November 20, 2013 at 10:00 a.m., or as soon thereafter as possible based upon the Court's calendar.

VI. Sale Hearing

The sale hearing (the "Sale Hearing") shall take place at the Bankruptcy Court immediately following the Auction on **November 20, 2013 at 10:00 a.m. PST**. At the Sale Hearing, if there are Qualified Overbidders, the bidding shall start at \$4,716,000, with incremental overbids of \$1,000. Following the hearing approving the Sale of the Lottery Payment Stream to the Successful Over-Bidder(s), if such Successful Over-Bidder(s) fails to consummate an approved sale because of a breach or failure to perform on the part of such Successful Over-Bidder(s), (a) it will forfeit its Good Faith Deposit to the Estate and the Trustee may pursue any and all of its options at law and in

equity with respect to such breach, and (b) the next highest and otherwise best Qualified Overbid, as disclosed at the Sale Hearing, shall be deemed to be the Successful Over-Bid and the Trustee shall be authorized to effectuate such sale without further order of the Bankruptcy Court, or (c) the Trustee may reschedule the Auction to a later date and time convenient to the Court.

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
16030 Ventura Blvd., Suite 470, Encino, CA 91436

A true and correct copy of the foregoing document entitled: **NOTICE OF SALE OF ESTATE PROPERTY** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On *(date)* 10/30/2013, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On *(date)* 10/30/2013, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

Honorable Robin Riblet, 1415 State Street, Suite 103, Santa Barbara, CA 93101

Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL *(state method for each person or entity served)*: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on *(date)* _____, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Service information continued on attached page

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

10/30/2013
Date

Dennisse Aguilar
Printed Name

/s/Dennisse Aguilar
Signature

ADDITIONAL SERVICE INFORMATION (if needed):

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- Jeremy W. Faith (TR) jfaith@7trustee.net,
C118@ecfcbis.com;Helen@MarguliesFaithLaw.com;leedowding@gmail.com
- Yelena Gurevich ecf@calgroup.org
- Craig G Margulies craig@marguliesfaithlaw.com,
staci@marguliesfaithlaw.com;denisse@marguliesfaithlaw.com;fahim@marguliesfaith
law.com
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Helen@MarguliesFaithlaw.com;MF_ecf@ecf.inforuptcy.com;Marta@MarguliesFaithL
aw.com
- United States Trustee (ND) ustpreion16.nd.ecf@usdoj.gov