



# COURT NEWS

Chief Judge Vincent P. Zurzolo

2009

Jon D. Ceretto, Executive Officer/Clerk

## REVISED LOCAL BANKRUPTCY RULES AND NEW COURT MANUAL EFFECTIVE JANUARY 5



A revised version of the Local Bankruptcy Rules (LBRs) and a Court Manual for the United States Bankruptcy Court, Central District of California, have been approved and become effective January 5, 2009.

The LBRs were reorganized to comply with the revised Uniform Numbering System for Local Bankruptcy Court Rules adopted by the Judicial Conference of the United States in May 2003. The revised LBRs incorporate several existing General Orders and new rules for mandatory electronic filing of documents and electronic service. The LBRs were also revised in accordance with the Guidelines for Drafting and Editing Court Rules, published by the Administrative Office of U.S. Courts, to make them easier to understand and apply. Because the modifications to the rules were so extensive, the Court has prepared a cross-reference guide between the old and new LBRs.

The new Court Manual replaces the Desk Reference Manual and consolidates procedures and forms previously located in various areas of the Court's web site, including the CM/ECF Manual and LOU Procedures.

The revised LBRs, Court Manual, and cross-reference guide are all available on the Court's web site, [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov) (under Local Bankruptcy Rules/General Orders), and for a fee at the Intake area of all five divisions.

## WEB-BASED CM/ECF TRAINING FOR ATTORNEYS NOW AVAILABLE ONLINE

Effective immediately, online CM/ECF training is available for attorneys and their support staff. The online training program replaces classroom training at the Court and upon successful completion of the program, attorneys will be able to receive their login to file documents electronically.

The online training program can be accessed any time and can be completed at the attorney's own pace. Online training consists of fifteen electronic learning modules (ELMs), ELM quizzes, and practice assignments in the CM/ECF training system. After CM/ECF registration, completion of all fifteen ELM/quizzes, and submission of a Certificate of Completion, a login ID to the CM/ECF training system will be issued to complete practice assignments. Modules can also be reviewed and repeated any time, even after an attorney has received his or her login.

For more information on the web-based CM/ECF training program, see Public Notice 08-025 on the Court's website or visit the CM/ECF home page via [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov) > Electronic Systems & Status > CM/ECF home page.

## NEW AND REVISED FORMS

Several new and amended Official Bankruptcy Forms took effect as of December and January 5, as specified in Public Notices 08-021, 08-023, and 08-027. Effective immediately, please use the revised forms B1, B8, B10, B23, and B22A, as well as new Chapter 11 forms B25A, B25B, B25C, and B26. Seven new Local Bankruptcy Rules forms (F 3015-1.15, F 3015-1.16, F 3015-1.17, F 3015-1.18, F 3015-1.20, F 9013-3.1 and F 9021-1.1) and a revised Chapter 13 Rights and Responsibilities Agreement form become effective January 5.



With regards to revised form B22A, the Chapter 7 Statement of Current Monthly Income and Means-Test Calculation, the form now includes a new Part 1C that provides a temporary exclusion from the means test for Reservists and members of the National Guard called to active duty or homeland defense activity after September 11, 2001, for at least 90 days, as specified by the National Guard and Reservists Debt Relief Act of 2008, Pub.L. 110-438.

The new forms are available on the Court's web site, [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov), under the Petition Forms, Court Forms, and Local Bankruptcy Rules & Forms sections. The forms will be made available in printed format at the Intake Sections of each division for a fee. CM/ECF filers may need to upgrade their petition preparation software and/or templates in order to file petitions, schedules, or other amended documents.

Additional information regarding many of these forms can be found on the Judiciary's web site at [www.uscourts.gov/bankform/index.html](http://www.uscourts.gov/bankform/index.html).

## COURT CLOSURES



Thursday, January 1, 2009  
New Years Day

Monday, January 19, 2009  
**Dr. Martin Luther King, Jr. Day**

Monday, February 16, 2009  
**Presidents' Day**

## CHANGE IN CM/ECF PROCEDURES REGARDING THE STATEMENT OF SOCIAL SECURITY NUMBER(S)

As of January 1, 2009, attorneys electronically filing petitions through CM/ECF are required to submit the Statement of Social Security Number(s) (Official Form B21) immediately after every new petition filed on behalf of an individual debtor. The form must be printed and signed by the debtor(s), scanned as a PDF file separate from the petition, and docketed using the private event code "Statement of Social Security Number(s) - B21." Using the proper event code ensures that the full social security number does not appear on the public docket and is in compliance with FRBP 9037.

For more information on how to submit the Statement of Social Security Number(s) or an Amended Statement of Social Security Number(s), see Public Notice 08-024 on the Court's website, [www.cacb.uscourts.gov](http://www.cacb.uscourts.gov) or from the homepage, click on Electronic Systems & Status > CM/ECF Home Page > Procedures and Rules > Statement of Social Security Number(s).

## JUDGES FEATURED IN THE LOS ANGELES DAILY JOURNAL

As part of the publication's Judicial Profile feature, Judge Alan M. Ahart and Judge Barry Russell were featured in the November 14 and November 19, 2008 editions of the Los Angeles Daily Journal respectively. Judge Ahart was praised by local bankruptcy lawyers for his fairness and pragmatism in the courtroom and spoke about the challenges of presiding over a district with a large pro se population. Judge Russell's profile highlighted his work with the Court's Mediation Program and his creation of the "Bankruptcy Bible," The Bankruptcy Evidence Manual, in 1987.

Both profiles can be found on the Los Angeles Daily Journal's website, [www.dailyjournal.com](http://www.dailyjournal.com) (subscription required).

## CM/ECF TIPS

### 1. Payment of Filing Fees on Electronic Documents

The filing fees on documents filed electronically are due and payable immediately after the filing of the document.

### 2. Running the Judge/Trustee Assignment

Upon filing a bankruptcy petition, you must upload the creditors in **.txt ASCII** readable format and run the judge/trustee assignment to complete the filing *before* filing any additional documents.

### 3. Instructions for Filing Request for Courtesy Notification of Electronic Filing (NEF)

When filing a Request for Courtesy Notification of Electronic Filing, at the **Select the Party** screen, select **"Courtesy NEF."** If not listed on the case, select **Add/Create New Party**. At the **Search for a Party** screen, type in **"Courtesy NEF"** under Last/Business name. Click **Search**. Select the **"Courtesy NEF"** name from the party search results. Click **Select name from list**. Do not create a new party.

## Court News

is published by the United States Bankruptcy Court for the Central District of California as an informational service for the practitioners and public of our Court.

### Jon D. Ceretto

Executive Officer/Clerk

### Michael E. Rotberg

Chief Deputy - Operations

Suggestions and comments are always welcome.

Please call (213) 894-1266 or e-mail us at <Vanessa\_Keith Garcia@cacb.uscourts.gov>.

## FILING STATISTICS

|                                       | 2008 Estimated<br>Jan-Dec | 2007 Actual<br>Jan - Dec | Percentage<br>Change |
|---------------------------------------|---------------------------|--------------------------|----------------------|
| <b>Central District of California</b> |                           |                          |                      |
| Chapter 7                             | 48,964                    | 25,584                   | 92%                  |
| Chapter 11                            | 799                       | 342                      | 134%                 |
| Chapter 13                            | 15,483                    | 8,017                    | 94%                  |
| Total <sup>1</sup>                    | 65,248                    | 33,943                   | 93%                  |

|                    | 12 Month Period<br>Ending 9/30/08 | 12 Month Period<br>Ending 9/30/07 | Percentage<br>Change |
|--------------------|-----------------------------------|-----------------------------------|----------------------|
| <b>Nationally</b>  |                                   |                                   |                      |
| Chapter 7          | 679,982                           | 484,162                           | 40%                  |
| Chapter 11         | 8,799                             | 5,888                             | 49%                  |
| Chapter 13         | 353,828                           | 310,802                           | 14%                  |
| Total <sup>1</sup> | 1,042,609                         | 800,852                           | 30%                  |

1 - Excludes Chapter 9, Chapter 12, Chapter 15, and Section 304 filings.

**20 Largest and Other Cases of Interest Filed in the Last 24 Months\***

| Debtor Name  | Case Number                  | Date Filed | Chapter | Asset Level in Millions | Liability Level in Millions | Milestones   |
|--|------------------------------|------------|---------|-------------------------|-----------------------------|--|
| Thorpe Insulation Company                                      | LA-07-19271-BB               | 10/15/2007 | 11      | Over \$100              | Over \$100                  | Hearing set on 1/8/09 re: motion to amend orders authorizing the use of qualified settlement funds for payment of administrative expenses.   |
| Solidus Networks, Inc., dba Pay by Touch                       | LA-07-20027-TD               | 10/31/2007 | 7       | unknown                 | unknown                     | Order entered on 12/1/08 granting application for compensation.  |
| Axiom International, Inc.                                      | LA-08-10277-BB               | 1/8/2008   | 7       | Over \$100              | Over \$100                  | Hearing set on 1/8/09 re trustee's motion for order authorizing further extension of time to assume, assign or reject certain executory contracts.   |
| eStyle, Inc.   | LA-08-13518-SB               | 3/19/2008  | 11      | \$1-100                 | \$1-100                     | Order entered on 11/7/08 approving stipulation between debtor-in-possession, official unsecured creditors committee and "Bridge Lenders".  |
| IndyMac Bancorp, Inc.  | LA-08-21752-BB               | 7/31/2008  | 7       | \$1-100                 | \$100 to \$500              | 341(a) meeting of creditors continued to 1/13/09 pending further review and additional questioning.  |
| Century City Doctors Hospital, LLC                             | LA-08-23318-SB               | 8/22/2008  | 7       | \$1-100                 | \$1-100                     | Order entered on 12/8/08 granting the application to employ Miller Health Law Group, ARC Group Associates and CMRE Financial Services.   |
| Alert Cellular, LC   | ND-07-10918-RR               | 7/3/2007   | 11      | \$1-100                 | \$1-100                     | Ch. 11 status conference continued to 4/20/09. Hearing re: objection to over 200 claims continued to 12/18/08.   |
| Estate Financial Mortgage Fund, LLC                            | ND-08-11535-RR               | 7/1/2008   | 11      | Over \$100              | \$1-100                     | Hearing re: Motion for relief from stay action in non-bankruptcy form scheduled for 1/27/09.   |
| National R V Holdings, Inc                                     | RS-07-17941-PC               | 11/30/2007 | 11      | \$1-100                 | \$1 - 100                   | Hearings set for omnibus objections to claims set for 1/13/09.   |
| Valley Health Systems, Inc.                                    | RS-07-18293-PC               | 12/13/2007 | 9       | \$100                   | \$100                       | Relief from stay hearings set for 1/8/09. Status conferences set for 2/24/09.  |
| Woodside Group, LLC  | RS-08-20682-PC               | 8/20/2008  | 11      | Unknown                 | Unknown                     | Proof of claim deadline is 1/31/09. Order entered 12/2/08 extending debtor's exclusive period to file plan to 1/14/09. Order entered 12/2/08, establishing interim fee application and expense procedures. |
| Great Circle Family Foods, LLC, DBA: Krispy Kreme Doughnuts    | SA-07-12600-ES (LEAD of 6)   | 8/22/2007  | 11      | \$1-100                 | \$1-100                     | Amended Ch. 11 Plan & Disclosure Statement filed 11/10/2008. Status Conference Order cont'd 12/16/08 @ 10:30am   |
| Real Estate Partners, Inc., dba Coldwell Banker Commercial REP | SA-07-13239-TA (LEAD of 8)   | 10/8/2007  | 11      | \$1-100                 | \$1-100                     | Statement Professional Fee Statement of Winthrop Couchot, P.C. Professional Fee Statement, No. 13, October 2008 Filed by Debtor Real Estate Partners, Inc.. (Winthrop, Marc). Filed 11/26/08.              |
| Fremont General Corporation                                    | SA-08-13421-ES               | 6/18/2008  | 11      | Over \$100              | Over \$100                  | Status Conference continued to 2/19/2009 @ 10:30a.m.   |
| StarRibs North, LP   | SA-08-17182- TA (LEAD of 24) | 11/6/2008  | 11      | \$1-100                 | \$1-100                     | 341a Meeting set for 12/18/08 @ 10:00 am   |
| Palmdale Hills Property, LLC                                   | SA-08-17206- ES (LEAD of 14) | 11/6/2008  | 11      | Over \$100              | Over \$100                  | 341a Meeting set for 12/17/08 @ 1:00 pm  |
| Ronco Corporation  | SV-07-12000-GM (LEAD of 2)   | 6/14/2007  | 7       | Unknown                 | Unknown                     | Order granting further stipulation between Ch. 7 trustee & Laurus Master Fund Ltd. And its affiliates re: deadline to assert challenges to secured claims.   |
| Quality Home Loans   | SV-07-13006-GM               | 8/21/2007  | 11      | \$1 - 100               | Over \$100                  | Amended Disclosure Statement filed on 10/20/08. Order Denying Approval of Disclosure Statement signed 11/6/08.   |
| Shoe Pavilion, Inc.  | SV-08-14939-MT               | 7/15/2008  | 11      | \$1 - 100               | \$1 - 100                   | Claims bar date set for 11/20/08. The following adversary cases were filed during this time; 1:08-ap-01556, 1:08-ap-01601 thru 01610. Motion for Sale of Property hearing 12/15/08 @ 10:00 AM.             |
| Karykeion Inc.   | SV-08-17254-MT               | 9/22/2008  | 11      | \$1 - 100               | \$1 - 100                   | Motion to Extend Exclusivity Period for Filing a Ch. 11 Plan and Disclosure Statement filed 12/12/2008. Adversary case 1:08-ap-01598-MT filed 11/17/2008.  |

\*Based on a combination of Asset and Liability Levels, Number of creditors, high activity, and/or name recognition