	Case 2:20-ap-01073-BB Doc 224 Filed 06/1 Main Document	
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6		CLERK U.S. BANKRUPTCY COURT Central District of California
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9	CENTRAL DISTRICT OF CALIFORNIA	
10	In re:	Case No.: 2:20-bk-10969-BB
11	Sherrie Nicole Lockhart-Johnson,	Chapter: 7
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13		Adversary No.: 2:20-ap-01073-BB
14		ORDER DENYING MOTION FOR NEW
15	Debtor(s),	TRIAL OR FOR RECONSIDERATION
16	Sharlene Willard	
17	Plaintiff(s),	(No hearing required)
18		
19 20	Vs.	
20	Sherrie Nicole Lockhart-Johnson	
21	Defendant(s).	
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On June 12, 2024, plaintiff Sharlene Willard ("Plaintiff") filed a Notice of Motion and Motion to Vacate Judgment or Order (the "Motion") and a memorandum of points and authorities (the "Memorandum") and declaration of Plaintiff in support thereof (the "Declaration") [collectively, Docket No. 223]. In the Motion, Plaintiff seeks the entry of an order (a) vacating this Court's May 23, 2024 "Judgment Fully Resolving Adversary Proceeding" (the

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"Judgment") [Docket No. 220] and (b) setting a new trial date in the above adversary proceeding (the "Action") pursuant to "FRBP 9024, FRCP 55(c), FRCP 59 and FRCP 60(b)."

The Court, having reviewed and considered the Motion, the Memorandum and the Declaration, and having reviewed and considered its records and files in this Action, hereby finds as follows:

- The Federal Rules of Civil Procedure are only applicable in adversary proceedings in bankruptcy to the extent that they are incorporated by reference into the Federal Rules of Bankruptcy Procedure.
- Fed. R. Civ. Proc. 55(c) is incorporated by reference into the Federal Rules of Bankruptcy Procedure by Fed. R. Bankr. Proc. 7055 and provides that, "The court may set aside the entry of default for good cause, and it may set aside a final default judgment under Rule 60(b)."
- 3. Fed. R. Civ. Proc. 55(c), made applicable by Fed. R. Bankr. Proc. 7055(c), has no application here, as the Plaintiff's default was not entered and the Judgment is not a "default judgment" within the meaning of Rule 55(c).
- 4. Fed. R. Civ. Proc. 59 (New Trial; Altering or Amending a Judgment) is incorporated into the Federal Rules of Bankruptcy Procedure with certain modifications by Fed. R. Bankr. Proc. 9023. Under that rule, "A motion for a new trial or to alter or amend a judgment shall be filed, and a court may on its own order a new trial, **no later than 14 days after entry of judgment.**" (Emphasis added.) The Judgment was entered on May 23, 2024. The Motion was filed **twenty** days later on June 12, 2024 and is therefore untimely under Fed. R. Bankr. Proc. 9023.

 Fed. R. Civ. Proc. 60(b) is incorporated by reference into the Federal Rules of Bankruptcy Procedure with certain modifications by Fed. R. Bankr. Proc. 9024. Under that rule, on motion and just terms, the court may relieve a party from a final judgment for the following reasons:

- i. Mistake, inadvertence, surprise, or excusable neglect;
- ii. Newly discovered evidence that, with reasonable diligence, could not have been discovered in time to move for a new trial under Rule 59(b);

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iii. Fraud (whether previously called intrinsic or extrinsic), misrepresentation, or misconduct by an opposing party; iv. The judgment is void; v. The judgment has been satisfied, released or discharged; it is based on an earlier judgment that has been reversed or vacated; or applying it prospectively is no longer equitable; or vi. Any other reason that justifies relief. 6. Plaintiff does not claim in the Motion that the Judgment was entered by mistake, inadvertence or surprise and does not assert that any of the other bases set forth in subparts 2 through 6 of Rule 60(b) apply here. The only theory that Plaintiff asserts in the Motion as a basis for reconsideration of, or relief from, the Judgment is "excusable neglect." 7. In support of the Motion and her contention that the Judgment should be set aside for "excusable neglect," the Plaintiff cites Pioneer Investment Servs. Co. v. Brunswith Assoc. Ltd. Partnership, 507 U.S. 380 (1993), which discussed the showing that a creditor should be required to make in order to be permitted to file a late proof of claim, and United States v. Mesle, 615 F.3d 1085 (9th Cir. 2010) and Falk v. Allen, 739 F.2d 461 (9th Cir. 1984), both of which cases discuss when a court should set aside a default and default judgment attributable to a defendant's failure to file a timely response to a complaint. None of these cases, and none of the other

cases cited in the Motion, involves a Plaintiff who was given adequate notice of the time and date of trial and failed to show up in a timely manner to present her case.

- 8. Nevertheless, even under the standard that Plaintiff asserts is applicable on the facts of this case, Plaintiff has failed to make the showing necessary to persuade the Court that the Judgment should be vacated and a new trial date set.
- In <u>Pioneer</u>, the Supreme Court identified the following factors as relevant to the determination of whether a party's failure to comply with a deadline is excusable: "the danger of prejudice to the debtor, the length of the delay and its potential impact on judicial proceedings, the reason for the delay, including whether it was within the

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reasonable control of the movant, and whether the movant acted in good faith." <u>Pioneer</u>, 507 U.S. at 395.

- 10. Although Plaintiff cites these factors, she fails utterly to demonstrate how the facts of this case satisfy this standard. She does not acknowledge the existence of any prejudice or inconvenience to opposing parties or the Court from her failure to show up at trial, and, more importantly, she does not provide any meaningful explanation as to why she failed to appear in a timely manner.
- 11. The entirety of the explanation that Plaintiff provides in her declaration as to why she failed to appear at trial is the following: "I made every reasonable effort to arrive at the hearing on time but couldn't due to the sickness and physical debilitation I was experiencing following the onset of a sudden, unpredictable, recurring medical issue that I could neither control nor alleviate." <u>Declaration</u>, p. 13, at par. 5.
- 12. The Plaintiff has never advised the Court at any time during the 4-year pendency of the Action that she has any medical condition or issues that might prevent her from appearing at trial in a timely manner, and she has never failed to appear at any of the prior hearings in this matter due to a medical condition or issue. The Debtor does not disclose what efforts she made to arrive on time and does not disclose what it was that prevented her from doing so. Nor does she explain why or when the sickness or condition or issue (whatever it was) that suddenly appeared miraculously dissipated such that she was able to get into the car and head to court later that morning.<sup>1</sup> And no corroborating records or information of any kind are attached to the Declaration.<sup>2</sup>
  - 13. Also missing from the Declaration is any discussion of why neither of two witnesses that were to assist her in presenting her case in chief – Tamika Johnson and Marcus Curry – appeared at trial on the morning of May 23, 2024 either.

<sup>&</sup>lt;sup>1</sup> Notably, the Plaintiff does not say in the Declaration that she ever even attempted to come to court. In the Memorandum, however, she asserts that she called the Court from the vicinity of the federal building at 10:36 a.m. on May 23, 2024. <sup>2</sup> If Plaintiff felt uncomfortable about providing personal health information in a publicly-filed document, she could have applied to the Court for leave to provide a declaration containing such information under seal. She did not do so.

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- 14. The only other information provided in the Motion concerning Plaintiff's reason for failing to appear are the following vague unsupported references made in the Memorandum:
  - Plaintiff's failure to appear for trial was "due to unpredictable, disabling medical issues beyond Plaintiff's control." <u>Memorandum</u>, p. 5 at lines 6-7;
  - b. "Moving party further contends that the judgment and order were taken against her due to her excusable neglect due to unpredictable medical issues that were beyond Plaintiff's ability to alleviate." <u>Memorandum</u>, p. 6 at lines 22-24.
  - c. Plaintiff's failure to appear on time for trial "was due to excusable neglect in that Plaintiff was overcome with an unpredictable, recurring medical issue that was beyond Plaintiff's control or ability to alleviate – not bad faith conduct!" <u>Memorandum</u>, p. 7 at lines 16-18.
- 15. According to the Supreme Court in <u>Pioneer</u>, the determination of what conduct constitutes excusable neglect "is at bottom an equitable one, taking account of all relevant circumstances surrounding the party's omission." <u>Pioneer</u>, 507 U.S. at 395. The problem here is, among other things, that the Plaintiff has failed utterly to set forth the specific facts and circumstances surrounding her failure to appear that the Court would need in order to make the required determination. In essence, the Plaintiff's position is, trust me, I did the best I could in light of what I was dealing with. I won't tell you what was going on with me or how it affected me or why it prevented me (for just a little while, apparently) from getting into a car (or using some other mode of transportation) and coming to court. This is insufficient to establish that Plaintiff's failure to appear was the result of excusable neglect or that she is acting in good faith in claiming that it was.
  - 16. The Court outlined in detail in its "Findings of Fact and Conclusions of Law in Support of Judgment in Favor of Defendants" the lack of evidence in the record to support the claims that Plaintiff has alleged. Nothing contained in the Motion persuades the Court that there is any reason for it to vacate these findings and

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conclusions or the Judgment that it entered based upon these findings and	
conclusions. The time for Plaintiff to present her case in chief to the Court in the	
Action was May 23, 2024 at 10:00 a.m. Plaintiff failed to appear for trial and has not	
demonstrated that such failure was due to excusable neglect.	

In light of the foregoing, the Motion is **DENIED**.

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Julm Xu

Sheri Bluebond United States Bankruptcy Judge

Date: June 14, 2024