

FILED & ENTERED

NOV 14 2025

CLERK U.S. BANKRUPTCY COURT
Central District of California
BY evangeli DEPUTY CLERK

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

In re:

Ashot Gevork Egiazarian, an individual,

Debtor,

John J. Menchaca, in his capacity as
Chapter 7 Trustee,

Plaintiff,

vs.

Compagnie Monegasque De Banque, a bank
of Monaco of unknown form; MITRA
HOLDINGS SA, a Luxembourg entity of
unknown form; LEX THIELEN, an individual;
LEX THIELEN & ASSOCIES, a Luxembourg
entity of unknown form; PB MONTAIGNE
ATTORNEYS-AT-LAW LTD, a Swiss entity
of unknown form; SUREN YEGIAZARYAN,
also known as SUREN EGIАЗARIAN, an
individual; ARTEM YEGIAZARYAN, also
known as ARTEM EGIАЗARIAN, an
individual,

Defendants.

Case No.: 2:25-bk-13838-BB

Chapter: 7

Adversary No.: 2:25-ap-01197-BB

**MEMORANDUM DECISION DENYING
MOTION OF DEFENDANT COMPAGNIE
MONESGASQUE DE BANQUE TO DISMISS
FOR LACK OF IN PERSONAM
JURISDICTION**

Date: November 4, 2025

Time: 2:00 PM

Location: Courtroom 1539

1 For the reasons set forth below, the Court has denied (by order entered concurrently
2 herewith) the motion of defendant Compagnie Monegasque de Banque (“CMB”) to dismiss the
3 above adversary proceeding (the “Action”) as against defendant CMB for lack of in personam
4 jurisdiction [Docket No. 62] (the “Motion”).

5 I

6 **PROCEDURAL HISTORY**

7 Debtor Ashot Gevork Egiazarian (also known as Ashot Yegezarian) (the “Debtor”)
8 commenced the above bankruptcy case (the “Case”) by filing a voluntary petition under
9 chapter 7 of the Bankruptcy Code on May 8, 2025. John J. Menchaca (the “Trustee”) was
10 appointed chapter 7 trustee in the Case.

11 On May 19, 2025, the Trustee commenced the Action by filing a complaint [Docket No.
12 1 in the Action] (the “Complaint”). The Complaint seeks, among other things, a declaration
13 that:

14 (A) the following are assets of the Debtor’s bankruptcy estate (the “Estate”):

- 15 a. a piece of real property commonly known as Villa La Tortue located at 75 de
16 la Cornick d’Or, Theoule-sur-Mer, Cote d’Azur (the “Villa”);
17 b. a piece of real property located at 655 Endrino Place, Beverly Hills, CA
18 90210 (the “Endrino Property”); and
19 c. monies currently being held in a trust account for the Debtor established by
20 his Swiss lawyers at Banque Cantonale de Geneve (the “Funds”); and

21 (B) none of the defendants in the Action (collectively, the “Defendants”) holds any lien(s)
22 against the foregoing assets.

23 The Trustee obtained a replacement summons directed to CMB in the Action on August
24 22, 2025 (the “Summons”). The Court finds that the Summons and the Complaint were duly
25 served on CMB in a timely manner in accordance with Fed. R. Civ. P. 4(f)(1) and 4(h)(2) and
26 Article 5 of the 1965 Hague Convention on the Service Abroad of Judicial and Extrajudicial
27 Documents in Civil or Commercial Matters (the “Hague Convention”). See Certificate of
28 Service, Docket No. 64, filed October 21, 2025.

1 CMB filed the Motion on September 16, 2025. The Trustee opposed that Motion, and
2 the Court conducted a hearing on the Motion on November 4, 2025, at 2:00 p.m. in Courtroom
3 1539 of the above-entitled Court (the “Hearing”). At the time CMB filed the Motion, it argued
4 not only that the Action should be dismissed for lack of in personam jurisdiction, but also that
5 the Summons and Complaint (and a preliminary injunction that this Court entered in the Action
6 on June 6, 2025 [Docket No. 30])¹ had not been properly served upon it in accordance with the
7 Hague Convention. Since the filing of the Motion, however, the Trustee has taken the steps
8 necessary to accomplish service of these items under the Hague Convention, and, as of the
9 time of the Hearing, the adequacy of service was longer at issue. See CMB’s Reply to
10 Trustee’s Opposition to the Motion, Docket No. 76, filed October 28, 2025, at p. 9, note 9
11 (“CMB no longer moves for dismissal due to lack of service following the Trustee’s statements
12 on Service”). At the conclusion of the Hearing, the Court denied the Motion. Concurrently
13 herewith, the Court will enter a written order to this effect.

14 III

15 **FACTUAL BACKGROUND**

16 As CMB has moved to dismiss for lack of personal jurisdiction under Federal Rule of
17 Civil Procedure 12(b)(2) based on the written record and not on an evidentiary hearing, the
18 Court need only determine if the plaintiff has made a prima facie showing of facts sufficient to
19 establish such jurisdiction. Sher v. Johnson, 911 F.2d 1357, 1361 (9th Cir. 1990).
20 Uncontroverted allegations in the complaint must be taken as true, and conflicts between the
21 parties over statements contained in affidavits must be resolved in the plaintiff’s favor.
22 Schwarzenegger v. Fred Martin Motor Co., 374 F.3d 797, 800 (9th Cir.2004). Therefore, the
23 following discussion sets forth the facts as alleged by the Trustee, some of which are alleged
24 “on information and belief.”

25 CMB is a foreign bank of unknown form, conducting business from, among other
26 locations, 17 Avenue des Spélugues 98000 Monaco. CMB utilizes the United States banking
27 system to conduct business all over the world.

28

¹ See infra, at note 2.

1 Defendant Mitra Holdings SA (“Mitra”) is a corporation organized and existing under the
2 laws of the nation of Luxembourg. Mitra was formed and is owned beneficially entirely by
3 Debtor. Mitra was created and exists for the exclusive purpose of holding title to the Villa, as
4 defined above, for the sole benefit of Debtor. Mitra owns no assets other than the Villa.
5 Because Mitra is a shell entity whose corporate form should be disregarded, the Villa is
6 property of the bankruptcy estate.

7 Defendant Suren Yegiarzaryan, also known as Suren Egiazarian (“Suren”), is an
8 individual who holds nominal title to the Endrino Property for the benefit of the Debtor. Suren is
9 Debtor’s cousin and lives in the Endrino Property, but works as a musician, and at all times
10 has been supported financially by Debtor. Suren has United States citizenship.

11 Defendant Artem Yegiarzaryan, also known as Artem Egiazarian (“Artem”), is an
12 individual to whom Debtor assigned nominal title to all shares of Mitra to hold for the benefit of
13 Debtor. Artem also holds U.S. citizenship and resides at the Endrino Property. Artem is
14 Debtor’s younger brother and has held no meaningful employment for any length of time. Like
15 Suren, Artem has been supported financially by Debtor.

16 Debtor lived in Russia for many years, where he was successful in both politics and
17 business. Having served as the chairman of the Moscow National Bank and having been
18 elected to the State Duma (the parliament of the Russian Federation), Debtor engaged in the
19 standard practice in Russia of appointing family members as “nominees” to hold assets on his
20 behalf. This was done to protect his assets and privacy rights from predatory business and
21 political rivals. Suren and Artem (jointly, the “Nominees”) were compensated for serving as
22 Nominees for the Debtor.

23 Debtor and his ex-wife, Natalia Tsagolova, purchased the Villa in August 2006 for EUR
24 9.2 million, paying EUR 3 million in cash and financing the rest with SG Private Banking. They
25 took title to the Villa through Mitra, which was specially formed solely for that purpose. Mitra
26 owns no other assets and conducts no business. The Nominees – Artem and Suren – have
27 nominally owned the equity of Mitra, but the beneficial ownership of Mitra has always belonged
28 to, and currently belongs to, Debtor and Ms. Tsagolova. In December 2006, Mitra obtained a

1 second loan for EUR 4.5 million for renovation costs for the Villa, also from SG Private
2 Banking. Both SG Private Banking loans were refinanced in 2019 with CMB.

3 The Debtor, CMB, Suren and Artem were all defendants in an action brought by Vitaly
4 Ivanovich Smagin (“Smagin”) in 2020 in the United States District Court for the Central District
5 of California, entitled Vitaly Ivanovich Smagin v. Compagnie Monegasque De Banque et al.,
6 Central District of California Case No. 2:20-cv-11236-RGK-MAA (the “Smagin Action”). That
7 action was pending in this judicial district between December of 2020 and June of 2024 and
8 was resolved by a confidential settlement agreement (the “Settlement Agreement”).

9 The Settlement provided that (A) “Any controversy or claim arising out of or relating to
10 the [Settlement] Agreement or the performance of any Party thereunder including any alleged
11 breach of the terms or conditions of this Agreement (‘Settlement Dispute’) shall be governed
12 by California law;” and (B) the parties, which included the Debtor and CMB, were “to submit
13 any Settlement Dispute to final and binding arbitration under the JAMS international arbitration
14 rules before the Honorable James Ware (Ret.) of Judicial Arbitration and Mediation Services
15 (JAMS)” in California.

16 Although the Villa was, at one time, encumbered by an approximately \$8 million lien in
17 favor of CMB, the Debtor claims that the Settlement Agreement included a general release by
18 CMB that eliminated the indebtedness tied to that lien (the “Villa Loan”) and, therefore, that
19 CMB no longer has a valid security interest in the Villa. CMB, on the other hand, claims that it
20 is still owed money secured by a lien against the Villa, and therefore commenced foreclosure
21 proceedings in France in an effort to enforce its rights as against the Villa.²

22 As a result, on or about September 18, 2024, the Debtor submitted a Settlement
23 Dispute within the meaning of the Settlement Agreement to JAMS, commencing JAMS case
24 no. 5100002443 (the “JAMS Arbitration”) to, among other things, determine the validity of the
25 lien that CMB claims to hold, as well as the amount, if any, of any indebtedness due CMB.

26
27
28 ² The Complaint also seeks injunctive relief to prevent this foreclosure, and it was in furtherance of this objective that the
Trustee sought and obtained the Preliminary Injunction referenced above, prohibiting CMB from proceeding with its
foreclosure pending the outcome of the Action.

Both the Debtor and CMB appeared in proceedings before Judge Ware in connection with the JAMS Arbitration prior to the commencement of the Case.

III

DISCUSSION

A. General v. Special Personal Jurisdiction

Personal jurisdiction can be either general or specific. General personal jurisdiction requires that a defendant have systematic and continuous contacts with the forum such that the forum may appropriately be considered his home. In such an instance, the defendant can reasonably expect that he may be required to defend any litigation arising in that forum. For an individual, that jurisdiction is generally that person's domicile. A corporation is typically "at home" where it is incorporated or where it maintains its principal place of business. Based on the facts alleged, it appears that CMB's domicile or home is Monaco, and the Trustee has not alleged or introduced into the record sufficient facts to persuade this Court that general jurisdiction over CMB in this forum would be appropriate.

However, a defendant over whom a court may not exercise general jurisdiction may nevertheless be subject to a court's specific jurisdiction where an alleged injury for which a complaint seeks redress "arises out of or relates to actions by the defendant himself that are purposefully directed toward the forum or its residents and where an exercise of jurisdiction would not otherwise offend fair play and substantial justice." Burger King Corp. v. Rudzewicz, 471 U.S. 462, 463 (1985). Specific personal jurisdiction exists in a given forum when the litigation relates to and arises out of a defendant's contacts with and activities in that forum. Aurora Mgmt. Partners, Inc. v. GC Fin. Servs. (In re Protected Vehicles, Inc.), 429 B.R. 856, 862 (Bankr. D.S.C. 2010).

1 And, in the bankruptcy context, the forum in question is not the specific state or judicial
2 district in which the litigation is pending, it is the United States as a whole. Personal
3 jurisdiction over a foreign defendant can be established if the defendant consents to
4 jurisdiction or has sufficient minimum contacts with the United States as a whole, consistent
5 with the Fifth Amendment's due process standard. Aurora Mgmt. Partners, Inc. v. GC Fin.
6 Servs. (In re Protected Vehicles, Inc.), 429 B.R. 856, 861 (Bankr. D.S.C. 2010). If there are
7 sufficient minimum contacts with the United States, the court must weigh whether exercising
8 jurisdiction would offend "traditional notions of fair play and substantial justice." Asahi Metal
9 Indus. Co., Ltd. v. Super. Ct. Cal., 480 U.S. 102, 113, 107 S. Ct. 1026, 94 L. Ed. 2d 92 (1987).
10 Evidence should be construed in the light most favorable to the plaintiff and factual disputes
11 should be resolved in the plaintiff's favor. Picard v. Cohmad Securities Corp. (In re Bernard L.
12 Madoff Invest. Securities, LLC), 418 B.R. 75, 80 (Bankr. S.D.N.Y. 2009) (citing Distefano v.
13 Carozzi North America Inc., 286 F.3d 81, 84 (2d Cir. 2001)).

14 **B. The Action Arises Out of and Relates To CMB's Contacts with the United States**
15 **and the Central District of California.**

16
17 CMB lent funds to Mitra in 2019 to refinance loans against the Villa. Mitra's owners of
18 record are Suren and Artem, who are U.S. citizens who live in Beverly Hills, California. Mitra is
19 not an operating business and exists solely for the purpose of holding title to the Villa. (The
20 Debtor claims further that Mitra was always beneficially owned by the Debtor and his ex-wife
21 and is a mere shell that should be disregarded.) CMB was sued in the United States District
22 Court for the Central District of California in the Smagin Action, and Suren, Artem and the
23 Debtor were parties to that action. CMB entered into the Settlement Agreement to resolve the
24 Smagin Action, and there is no contention that CMB entered into that agreement under duress
25 or that it did not willingly accept all of the terms of that agreement.

1 The Settlement Agreement contains releases that the Debtor contends resulted in the
2 release of his obligations to CMB under the Villa Loan and therefore of the lien that secured its
3 repayment. When CMB entered into the Settlement Agreement, it voluntarily agreed that the
4 terms of the agreement would be interpreted under California law and that any disputes arising
5 under the Settlement Agreement would be resolved through binding arbitration before the
6 Honorable James Ware (Ret.) of JAMS in California.³ A dispute did arise under the Settlement
7 Agreement, and the Debtor commenced the JAMS Arbitration to resolve that dispute. CMB
8 participated in that arbitration prior to the commencement of this bankruptcy case and did not
9 assert that Judge Ware lacked personal jurisdiction over it.⁴

12 The trustee's claims therefore arise not only out of CMB's business relationship with
13 California residents and U.S. citizens Suren and Arten, which gave rise to the Villa Loan, but
14 also under the Settlement Agreement that CMB executed to resolve litigation pending in this
15 district. In that agreement, CMB expressly consented to the application of California law to
16 resolve disputes arising out or under the Settlement Agreement and expressly agreed that
17 these disputes would be resolved in California. Therefore, the dispute that the trustee seeks to
18 litigate relates directly to CMB's conduct in the United States and in this judicial district –
19 whether or not the Settlement Agreement released the lien that CMB would like to enforce.

21 Or, as the trustee puts it in his opposition to the Motion, "CMB affirmatively and
22 voluntarily entered into a Settlement Agreement which is subject to the laws of California, and
23 which includes provisions mandating mediation and arbitration of any disputes thereunder in
24 California. There can be no reasonable argument that CMB did not purposefully direct its

27 ³ CMB has not brought a motion to compel arbitration of the Action, and the Court does not in this memorandum express any
28 opinion as to whether such a motion would have merit in the instant case.

⁴ CMB argued at the Hearing that it was not required to come to the United States to participate in the JAMS Arbitration, in
that Judge Ware permitted CMB to appear by Zoom. The JAMS arbitration nevertheless occurred in this forum, even if
participants appeared only virtually, and the Court noted at the Hearing that it is this Court's practice to permit parties to
appear by Zoom as well.

1 actions in connection with the Settlement Agreement and the Smagin Action to this forum, or
2 that it did not purposefully avail itself of this forum's protections by agreeing to resolve disputes
3 relating to the Settlement Agreement under California law and within the State of California."
4 Because the Trustee's claim against CMB arises directly from CMB's contacts with and actions
5 in the forum, CMB must show that an exercise of jurisdiction in this forum would be
6 unreasonable in order to prevail on a Rule 12(b)(2) motion. The Court finds that CMB has not
7 carried this burden.
8

9 In the Ninth Circuit, courts consider seven factors when determining the reasonableness
10 of a proposed exercise of in personam jurisdiction:
11

- 12 (1) the extent of defendant's purposeful injection into the forum state's affairs;
- 13 (2) the burden on defendant of defending in the forum;
- 14 (3) the extent of conflict with the sovereignty of the defendant's state;
- 15 (4) the forum state's interest in adjudicating the dispute;
- 16 (5) the most efficient judicial resolution of the controversy;
- 17 (6) the importance of the forum to the plaintiff's interest in convenient and effective
18 relief; and
- 19 (7) the existence of an alternate forum.

20 Dole Food Co., Inc. v. Watts, 303 F.3d 1104, 1114 (9th Cir. 2002).

21 These factors weigh strongly in favor of an exercise of in personam jurisdiction in the
22 instant case. Although CMB did not inject itself sufficiently into the United States to give rise to
23 general personal jurisdiction, it lent money to an entity owned by California residents and in
24 connection with litigation pending in this forum expressly agreed to the application of California
25 law and the use of a California forum for the resolution of disputes arising under a settlement
26 of that litigation. While it may be inconvenient for CMB defend litigation in the Central District
27 of California, it agreed to bear this inconvenience for disputes arising under the Settlement
28 Agreement, and this inconvenience will be relatively nominal given this Court's willingness to
permit virtual appearances. Moreover, there is no reason to believe that any inconvenience

1 associated with litigating this dispute with the Debtor in the Central District of California would
2 be any less if CMB were to litigate this dispute in Luxembourg, where Mitra was incorporated,
3 rather than in California.

4 The parties agreed in entering into the Settlement Agreement that disputes would be
5 resolved under California law. Thus, it is difficult to see how permitting this dispute to be
6 resolved in a federal court in California would interfere or conflict with the sovereignty of
7 Monaco or any other country. On the other hand, as a bankruptcy case is now pending in the
8 Central District of California with regard to the Debtor, and the Debtor and the Trustee contend
9 that the Villa is property of the Estate, this forum has a strong interest in resolving any disputes
10 that may exist as to the enforceability of liens against the Villa and is well-positioned to resolve
11 this dispute promptly and efficiently. In light of the fact that the Debtor's bankruptcy case is
12 pending here, and the Trustee, Suren and Artem are all subject to in personam jurisdiction
13 here, it is difficult to see how any other forum would be appropriate or convenient for the
14 resolution of this dispute. Knowing whether the Villa is an asset of the Estate and whether or
15 not it is encumbered by a sizeable lien in favor of CMB will dramatically affect the outcome of
16 this bankruptcy case and will have a major impact on the size of any distributions that may be
17 available to creditors and other parties in interest in the Case. For these reasons, an exercise
18 of special personal jurisdiction over CMB in the Action would not be unreasonable, and the
19 Court will therefore declines to dismiss the Trustee's claims against CMB for lack of personal
20 jurisdiction.

21 **C. The Bankruptcy Court Also Has *In Rem* Jurisdiction to Determine the Validity of**
22 **CMB's Lien against the Villa.**

23 Pursuant to 28 USCS § 1334(e), bankruptcy courts have exclusive jurisdiction over all
24 property of the debtor's estate, "wherever located," as of the commencement of the bankruptcy
25 case. This *in rem* jurisdiction includes property located outside the United States, as the
26 statute creates a legal fiction that such property is within the jurisdictional boundaries of the
27 court. United States v. Obaid, 971 F.3d 1095 (9th Cir. 2019); H.K. & Shanghai Banking Corp.
28 v. Simon (in Re Simon), 153 F.3d 991, 996 (9th Cir. 1998). The bankruptcy court's *in rem*
jurisdiction allows the court to determine all claims that anyone, whether named in the action or

1 not, has to the property in question, regardless of the property's physical location. This
2 jurisdiction is premised on the debtor and the estate, not on the creditors, and enables the
3 court to adjudicate rights in the property that are binding against the world. Tenn. Student
4 Assistance Corp. v. Hood, 541 U.S. 440, 448 (2004); Obaid at p. 1100. In the absence of in
5 personam jurisdiction over a claimant, a bankruptcy court with *in rem* jurisdiction cannot
6 impose personal liability on the claimant (i.e., enter a money judgment against it), but it can
7 adjudicate the validity of that claimant's liens and interests in the property. Hood, at p. 448
8 [internal citations omitted].

9 It is notable here that the Trustee is not merely trying to avoid transfers to Suren, Artem
10 and Mitra in an effort to bring the Villa into the Estate. The Trustee claims the Debtor and his
11 ex-wife *have always been* the true beneficial owners of Mitra and that Mitra is a shell entity
12 whose corporate form may be disregarded, such that the Villa already constitutes property of
13 the Estate. Therefore, the bankruptcy court has *in rem* jurisdiction to determine the validity of
14 any interests in and liens against the Villa, as property of the estate includes all of the debtor's
15 legal and *equitable interests* in property as of the commencement of the case. 11 U.S.C. §
16 541(a)(1).

17 Therefore, even if the Court did not have in personam jurisdiction over CMB, it would
18 nevertheless have *in rem* jurisdiction to determine whether CMB's lien against the Villa
19 remains enforceable in light of the releases contained in the Settlement Agreement. Such a
20 determination, even in the absence of in personam jurisdiction, would be binding on CMB and
21 all other parties asserting an interest in or lien against the Villa.

22 23 IV

24 CONCLUSION

25 It has often been said that a party cannot create subject matter jurisdiction by consent,
26 but the same is not true with regard to in personam jurisdiction. A party can waive an objection
27 to an exercise of in personam jurisdiction in a variety of ways and can expressly consent to
28 personal jurisdiction, as, for example, in a contract. The issue is whether the defendant took
some action that he knew or should have known would subject him to jurisdiction in a particular

forum – thus expressly or impliedly consenting to that jurisdiction. See SEC v. Stanford Int'l Bank, Ltd., 112 F.4th 284, 295 (5th Cir. 2024).

CMB expressly agreed in the Settlement Agreement that, if disputes arose under that agreement, these disputes could be resolved in California. And such a dispute has arisen. The Debtor (and therefore the Trustee) contends that CMB released the Debtor from any obligation to repay the Villa Loan and therefore released the associated lien. Thus, the Action is precisely the kind of dispute that CMB agreed to resolve in California, and its motion to dismiss for lack of in personam jurisdiction should therefore be denied. An order to this effect will be entered concurrently herewith.

#

Date: November 14, 2025



Sheri Bluebond
United States Bankruptcy Judge