

United States Bankruptcy Court
Central District of California

Theodor C. Albert, Chief Judge
Kathleen J. Campbell, Executive Officer / Clerk of Court



JUDGE THEODOR C. ALBERT APPOINTED CHIEF BANKRUPTCY JUDGE

On January 1, 2022, Judge Theodor C. Albert assumed the post of Chief Bankruptcy Judge for the Central District of California. Judge Albert succeeds Judge Maureen A. Tighe, who has served as Chief Bankruptcy Judge since 2019. He is the Central District's ninth Chief Bankruptcy Judge.

Judge Albert was appointed to the bench in 2005. In June 2019, judges of the United States Court of Appeals for the Ninth Circuit announced his reappointment to a second 14-year term. Judge Albert received his B.A. from Stanford University and J.D. from University of California, Los Angeles School of Law.

Judge Albert had been a founding partner of Albert, Weiland & Golden, LLP in Costa Mesa, CA, in 1995. Before this, he was a partner at the law firm of Buchalter, Nemer, Fields & Younger, LLP in Newport Beach, CA. He maintains chambers in Santa Ana, California, and has served on the Central District's Rules Committee and Executive Committee.



The Passing of the Gavel from Judge Tighe to Judge Albert has been postponed and will be rescheduled to a later date due to the recent surge in COVID-19 cases.

THE CENTRAL GUIDE HAS REPLACED THE COURT MANUAL

The Court has released [The Central Guide](#), a new digital tool that replaces [The Court Manual](#) and can be accessed through the [Court's website](#) under "Rules and Procedures". The Central Guide is a one-stop digital database with four sections that contain hundreds of links to content that no longer needs to be in the Court Manual because it is already published on the Court's website in other locations. Content that was located exclusively in the Court Manual is now in The Central Guide in many Supplements. [Public Notice 21-024](#) contains a chart of where to find Court Manual content in The Central Guide.

The four sections of The Central Guide are organized to improve on the goals of the Court Manual. General information on filing documents, obtaining records, and interacting with the court is in [Section 1: Common Bankruptcy Procedures and Information](#). Instructions for complying with Local Bankruptcy Rules ("LBR") is in [Section 4: Matching a Local Bankruptcy Rule with Forms](#). Users can -- *for the first time* -- look up a specific LBR to access forms and instructions that match that LBR, including pertinent information found on the websites of the U.S. Trustee, U.S. District Court for the Central District of California, Bankruptcy Appellate

(continued on page 2)

(continued from page 1)

Panel, and Ninth Circuit Court of Appeals. Additionally, [Section 2: Serving Documents and Giving Notice](#) and [Section 3: Judges' Procedures – Judges' Webpages](#) allow users to learn how rules and forms work together when providing due process and to follow instructions of individual judges on filing documents and making court appearances.

The Court welcomes your feedback on The Central Guide; see [Section 1-00](#) for methods of contacting the Court. The Court Manual will remain on the Court's website until March 31, 2022, to allow the public to transition to using The Central Guide.

| Free Public Orientations: The Central Guide | | | | |
|---|---------------|---------------|----------------|---------------------------|
| March 7, 2022 | March 8, 2022 | March 9, 2022 | March 10, 2022 | March 14, 2022 |
| 2:00pm-3:30pm | 2:00pm-3:30pm | 2:00pm-3:30pm | 2:00pm-3:30pm | 12:00pm-1:30pm |
| ZoomGov | ZoomGov | ZoomGov | ZoomGov | Judge Zurzolo's Courtroom |
| Registration information will be provided in February 2022 | | | | |

NEW BANKRUPTCY ADMINISTRATION IMPROVEMENT ACT OF 2020 (BAIA)

The Bankruptcy Administration Improvement Act of 2020 (BAIA) amends section 330 of the Bankruptcy Code (11 U.S.C. § 330) to include a new subsection (e) establishing a new payment for trustees serving in chapter 7 bankruptcy cases. The law was enacted on January 12, 2021 and is funded by excess collections in the U.S. Trustee System Fund and paid by the Judiciary.

Chapter 7 trustees serving in cases filed on or after January 12, 2021, and through September 30, 2026 (or cases originally filed under chapters 11, 12, or 13 on or after January 12, 2021, and later converted to chapter 7 on or before September 30, 2026) are eligible to receive up to \$60 in compensation for each applicable case. The amount of the §330(e) payments will be determined annually, and the judiciary will post an annual notice on uscourts.gov stating that payments can commence for the prior fiscal year.

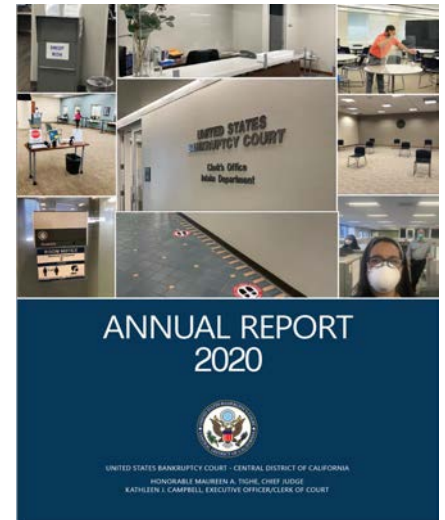
NINTH CIRCUIT CIVICS CONTEST ON STUDENTS' FREE SPEECH RIGHTS ANNOUNCED

The Ninth Circuit has announced the theme of its annual civics contest for high school students. In 2022, contestants will consider “The First Amendment and the Schoolhouse Gate: Students’ Free Speech Rights.” Participants are asked to consider what rights the First Amendment provides to students engaging in free speech – both inside and outside of school. Participants should also consider the responsibilities, if any, that students, schools, or the government have with respect to speech by students, including whether it may cause harm to others. Individual students may submit an essay or a video, and teams of up to three students may collaborate on a video. A student may participate in both the essay and video competitions but may submit only one essay and be involved in producing only one video.

High school students in the Central District are encouraged to enter the local contest, whose winners will receive cash prizes—\$1,000 for first place, \$750 for second place, and \$500 for third place—and advance to the circuit-wide contest. The Central District’s first-place prize also includes a trip to this year’s Ninth Circuit Judicial Conference in Big Sky, Montana, with a parent or guardian. Contest rules and entry instructions are available at <https://www.ca9.uscourts.gov/civicscontest/>.

COURT PUBLISHES 2020 ANNUAL REPORT

The Court marks each year with the publication of its annual report, which records the year’s achievements and challenges. Published by the Court in December, the 2020 Annual Report details the Court’s ongoing efforts to improve service and extend access to justice through technological innovation, participation in national and regional initiatives, and community outreach. While the delayed report completion was a result of the Court’s shifting of resources in response to the COVID-19 pandemic, the 2020 Annual Report is readily available via pdf as [posted on the Court’s website](#) and hard copies by request from Clerk of Court Kathleen J. Campbell at (213) 894-6244.



HOLIDAY CLOSURES

Monday, January 17 - Birthday of Martin Luther King, Jr.

Monday, February 21 - President’s Day

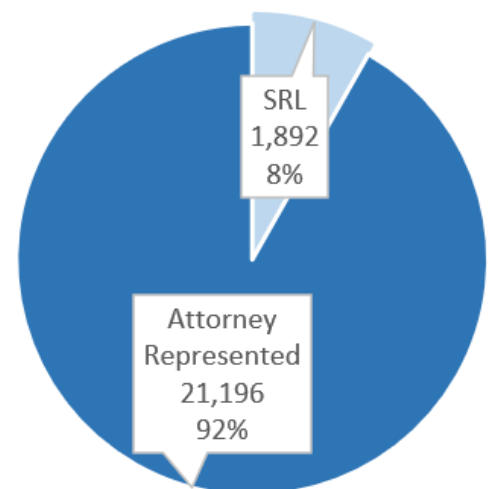
BANKRUPTCY STATISTICS

The data below represents filings year to date thru December 31, 2021. Statistics based on internal filings data.

| Divisional Filings YTD | Ch 7 | Ch 11 | Ch 13 | Total | % change from previous YTD |
|------------------------|-------|-------|-------|-------|----------------------------|
| Los Angeles | 8517 | 179 | 1134 | 9830 | -15.83% |
| Northern | 1149 | 14 | 151 | 1314 | -18.93% |
| Riverside | 6017 | 19 | 628 | 6664 | -21.26% |
| San Fernando Valley | 1836 | 64 | 271 | 2171 | -10.62% |
| Santa Ana | 2756 | 61 | 286 | 3103 | -15.88% |
| Total | 20275 | 337 | 2470 | 23082 | -17.21% |

| Business Filings | Ch 7 | Ch 11 | Ch 13 | Total |
|------------------|------|-------|-------|-------|
| 2021 YTD | 855 | 260 | 33 | 1148 |
| 2020 YTD | 1010 | 272 | 55 | 1337 |

Central District of CA - Filings YTD



The interactive Statistics Dashboard is a feature on the Court’s website that provides up-to-date filing and closing data for chapter 7, 11, and 13 cases, as well as adversary proceedings. Users can view data sorted by division or from the entire Central District, or they can choose to view only pro se (SRL) or business cases. The Statistics Dashboard also displays year-by-year and month-by-month comparisons; another option compares each month of the current year to the corresponding month of the prior year. Access the “Interactive Statistics” through the link: <https://ecf.cacb.uscourts.gov/ecfstatsdash/>

TOP 10 CASES OF INTEREST*

| Debtor | Case Number | Chapter | Filed | Assets | Liabilities |
|-----------------------------|----------------|---------|----------|-----------------------|-----------------------|
| Airport Van Rental, Inc. | LA-20-20876-BB | 11 | 12/11/20 | \$10 - \$50 million | \$10 - \$50 million |
| Elite Aerospace Group, Inc. | SA-21-12231-TA | 11 | 09/13/21 | \$10 - \$50 million | \$10 - \$50 million |
| Thomas Vincent Girardi | LA 20-21020-BR | 7 | 12/18/20 | \$50 - \$100 million | \$50 - \$100 million |
| Glenroy Coachella, LLC | LA-21-11188-BB | 11 | 02/15/21 | \$50 - \$100 million | \$10 - \$50 million |
| Glostation USA, Inc. | SV-20-11435-MB | 11 | 08/13/20 | \$1 - \$10 million | \$10 - \$50 million |
| Alex A. Khadavi | LA-21-14449-BB | 11 | 05/27/21 | \$50 - \$100 million | \$50 - \$100 million |
| Plamex Investment, LLC | SA-21-10958-ES | 11 | 04/14/21 | \$100 - \$500 million | \$100 - \$500 million |
| PS On Tap, LLC | SV-21-10757-MB | 11 | 04/28/21 | \$1 - \$10 million | \$10 - \$50 million |
| The Source Hotel, LLC | SA-21-10525-ES | 11 | 02/26/21 | \$50 - \$100 million | \$50 - \$100 million |
| Western Community Energy | RS-21-12821-SY | 9 | 05/24/21 | \$50 - \$100 million | \$50 - \$100 million |

*Based on a combination of asset and liability levels, and/or name recognition.

BANKRUPTCY FRAUD PROSECUTIONS

The following information has been provided by the Office of the United States Trustee:

USA v. Ernesto Diaz

- Former real estate agent Ernesto Diaz ran a scheme to defraud homeowners by promising them that their mortgage could be “eliminated” through various means, including the filing of unauthorized bankruptcy petitions. A federal criminal complaint was filed against Ernesto Diaz on August 28, 2012 and Diaz entered his plea agreement on August 28, 2012. Sometime before the plea hearing Diaz fled the country. The FBI found Diaz and arrested him in October 2019, and a superseding indictment was returned in February 2020. In September 2021 a jury found Diaz guilty on one count of conspiracy, two counts of mails fraud affecting a financial institution and one count of mail fraud. On November 16, 2021 Diaz was sentenced to 48 months in federal prison and ordered to pay \$3,061,159.00 in restitution. For more information see [USAO press release](#)

USA v. Douglas J. Christmas

- On March 16, 2021 an indictment was filed against Douglas J. Christmas charging him with three counts of embezzlement against a bankruptcy estate. On July 27, 2021 Christmas was arrested and on August 6, 2021 he was released on bail. Christmas is accused of embezzling more than \$260,000 from the chapter 11 bankruptcy estate of Ace Gallery while he was acting as the president of the debtor in possession. Trial is currently set for April 18, 2022. For more information see [USAO press release](#)