

United States Bankruptcy Court
Central District of California

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



COURT HOSTS ROADWAYS TO THE FEDERAL BENCH: WHO ME? A BANKRUPTCY OR MAGISTRATE JUDGE?

On April 3, 2023, the Court, in conjunction with the Judicial Conference Committees on the Administration of the Bankruptcy System and the Magistrate Judges System, hosted an event for lawyers and law students called "Roadways to the Federal Bench: Who Me? A Bankruptcy Judge or Magistrate Judge?" The event, which focused on increasing diversity on the bench, was held simultaneously in 38 cities across the United States and included a panel discussion on a wide range of topics, including the bankruptcy judge and magistrate judge application process, how to succeed as a judge, and the importance of diversity on the bench.

Following the panel discussion, local lawyers, law clerks, and law students participated in roundtable discussions with Ninth Circuit, District, Magistrate, and Bankruptcy judges about pathways to the federal bench. Circuit Judge Jacqueline H. Nguyen participated in the roundtable discussions as did District Judges Dolly M. Gee, John A. Kronstadt, Fernando M. Olguin, and Sunshine S. Sykes; Magistrate Judges Maria A. Audero, Pedro V. Castillo, Patricia Donahue, Margo A. Rocconi, Alicia G. Rosenberg, and Michael R. Wilner; Chief Bankruptcy Judge Theodor C. Albert, and Bankruptcy Judges Martin R. Barash, Neil W. Bason, Sheri Bluebond, Julia W. Brand, Ronald A. Clifford III, Sandra R. Klein, Robert N. Kwan, Magdalena Reyes Bordeaux, and Erithe A. Smith.

Judge Klein thanked and recognized all the judges who participated in the event, as well as the other members of the Central District of California Steering Committee and the Court's staff, whose hard work resulted in a very successful and seamlessly executed event. This is the judiciary's second iteration of a national diversity event for lawyers and law students. The first Roadways program, held in 2019, focused on diversity on the bankruptcy bench.



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.

Suggestions and comments are always welcome. Please email us at editor@cacb.uscourts.gov.

This issue and back issues of the Court News are available on the Court's website at <http://www.cacb.uscourts.gov/publications>

JUDGE ERNEST M. ROBLES RETIRES, CASES REASSIGNED

On September 30, Judge Ernest M. Robles will retire from the bench after serving over thirty years as a bankruptcy judge. Judge Robles was appointed to his first of three 14-year terms as a bankruptcy judge on June 12, 1993. Judge Robles presided over several notable bankruptcy cases, including Verity Health System of California, Inc., and Gardens Regional Hospital and Medical Center. On September 15, Judge Robles's pending bankruptcy cases and related bankruptcy proceedings will be reassigned to the other judges at the Los Angeles Division. Judge Robles would like to thank his judicial colleagues, Clerk of Court Kathleen Campbell, Lydia Gonzalez (his Courtroom Deputy since his first day on the job), and the talented women and men who served as his elbow law clerks over the years – all of whom made his job enjoyable and rewarding.



HIGH SCHOOL STUDENTS CONSIDER THE 28TH AMENDMENT IN ANNUAL CIVICS CONTEST

The U.S. District Court and U.S. Bankruptcy Court for the Central District of California recently hosted a civics contest for high school students in grades nine through twelve (Local Contest), which was held in conjunction with a civics contest sponsored by the Ninth Circuit for high school students in the Western United States (Ninth Circuit Civics Contest). This year's Ninth Circuit Civics Contest "The 28th Amendment to the United States Constitution: What Should Our Next Amendment Be?" challenged students to contemplate and focus on three questions: (1) What amendment would you propose for our Constitution?; (2) Why?; and (3) How would you get your amendment ratified?

The first-, second-, and third-place winners received cash prizes. Each year, the top essays and videos in the Central District's contest advance to the Ninth Circuit Civics Contest to compete with the essay and video winners from all the other districts in the Ninth Circuit. In addition to cash prizes, first place winners of the Local Contest and a parent/guardian are invited to attend the 2023 Ninth Circuit Judicial Conference. The Ninth Circuit Contest is sponsored by the Ninth Circuit's Public Information and Community Outreach (PICO) Committee, the U.S. Court of Appeals for the Ninth Circuit, and the U.S. District and Bankruptcy Courts in the 15 judicial districts that comprise the Ninth Circuit. In all, the Ninth Circuit Contest received 966 essays and 86 videos this year. For more information, please visit <http://www.ca9.uscourts.gov/civicscontest>.

JUDGES PARTICIPATE IN LABF'S ANNUAL NIGHT WITH THE JUDGES

On June 12, 2023, Judges Martin R. Barash, Neil W. Bason, Julia W. Brand, Wayne Johnson, Magdalena Reyes Bordeaux, Barry Russell, and Deborah J. Saltzman served as panelists at the Los Angeles Bankruptcy Forum's Annual Night with the Judges program. Held at the Griffin Club Los Angeles, the evening began with Chief Judge Theodor C. Albert providing the annual state of the court. Hon. Sheri Bluebond moderated the panel, which discussed recent cases. Also in attendance were Judges Ronald A. Clifford III, Geraldine Mund, and Ernest M. Robles.

CALIFORNIA CENTRAL BANKRUPTCY COURT HOSTS 2023 NATIONAL CONFERENCE OF BANKRUPTCY CLERKS (NCBC)

On May 30 – June 2, 2023, the Central District of California hosted the National Conference of Bankruptcy Clerks (NCBC) in Anaheim. With over 1,000 members, the NCBC is dedicated to the professional development of the Clerks of Court and the deputy clerks of the Federal Judiciary. The annual event welcomed over 450 Bankruptcy Court clerks, Bankruptcy judges, District Court clerks, District judges, Probation and Pretrial Services staff, as well as representatives from the Administrative Office of the U.S. Courts and the Federal Judicial Center. The national anthem at the Opening Ceremony was performed by the “Sidebars” quartet, whose members include Judge Sheri Bluebond, Superior Court Judge Maurice Leiter, DeLano Hull, Offices Services Coordinator, Fox Rothschild, and Debbie Flores, Associate, Fox Rothschild. Chief Judge Albert and Clerk of Court Kathleen Campbell provided welcome remarks, as attendees were treated to an exciting and eventful week that included an educational program, keynote speakers, annual updates from court leaders and optional off-site activities. At the conference opening session, NCBC Board President Andrea Redmon expressed the NCBC’S gratitude for the support of the conference sponsors, including BlueCross BlueShield, CourtCall, FedAdvantage, the Orange County Chapter of the Federal Bar Association, Kaiser Permanente, the Los Angeles Bankruptcy Forum, the National Association of Bankruptcy Trustees, the National Association of Chapter 13 Trustees, and Starr Wright USA.

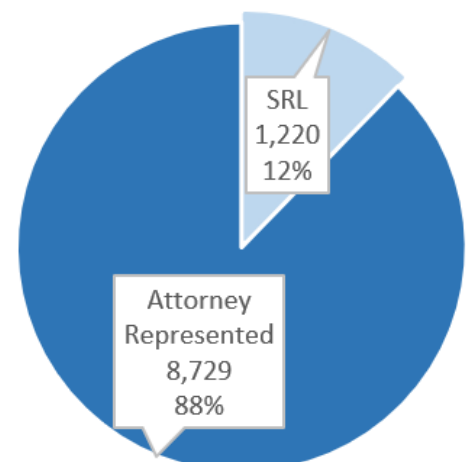
BANKRUPTCY STATISTICS

The data below represents filings year to date thru June 30, 2023. Statistics based on internal filings data.

Divisional Filings YTD	Ch 7	Ch 11	Ch 13	Total	% change from previous YTD
Los Angeles	3,270	83	828	4,181	13.12%
Northern	456	7	75	538	7.81%
Riverside	2,391	25	506	2,922	14.36%
San Fernando Valley	758	22	165	945	17.53%
Santa Ana	1,135	24	203	1,362	21.50%
Total	8,010	161	1,777	9,948	14.67%

Business Filings	Ch 7	Ch 11	Ch 13	Total
2023 YTD	472	142	32	646
2022 YTD	358	88	24	470

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://cacb-ecf.sso.dcn/ecfstatsdash/>

TOP 10 CASES OF INTEREST*

Debtor	Case Number	Chapter	Filed	Assets	Liabilities
AfterShock Comics, LLC	SV-22-11456-MB	11	12/19/22	\$10 - \$50 million	\$10 - \$50 million
Better Nutritionals, LLC.	RS-22-14723-MH	11	12/20/22	\$50 - \$100 million	\$100 - \$500 million
Beverly Community Hospital Asso.	LA-23-12359-SK	11	04/19/23	\$1 - \$10 million	\$100 - \$500 million
Chinecherem Eze LLC	SV-22-10954-MB	11	08/16/22	\$1 - \$10 million	\$1 - \$10 million
Elite Aerospace Group, Inc.	SA-21-12231-TA	11	09/13/21	\$10 - \$50 million	\$10 - \$50 million
Glenroy Coachella, LLC	LA-21-11188-BB	11	02/15/21	\$50 - \$100 million	\$10 - \$50 million
Alex A. Khadavi	LA-21-14449-BB	11	05/27/21	\$50 - \$100 million	\$50 - \$100 million
The Litigation Practice Group P.C.	SA-23-10571-SC	11	03/20/23	\$1 - \$10 million	\$10 - \$50 million
Arian Mowlavi	SA-23-10296-ES	11	02/21/22	\$1 - \$10 million	\$100 - \$500 million
TRX Holdco, LLC	SA-22-10948-SC	11	06/08/22	\$10 - \$50 million	\$10 - \$50 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:

People of the State of California v. Robert Sedlar

Robert Sedlar, the former president of Grand View Financial, LLC, was found guilty by a state-court jury on May 12, 2023, of 100 felony counts relating to the operation of a mortgage fraud rescue scheme operated in multiple states including California. Sedlar and his co-conspirators falsely promised financially distressed homeowners, including elderly individuals, that if they paid fees and transferred their homes to Grand View Financial, the company would eliminate the mortgage liens and return the properties to the homeowners. Instead, the defendants filed false court documents, false bankruptcy cases, and false documents with county recorders' offices that stalled the foreclosures but did not eliminate the liens, all while collecting fees from the victims. All of the victims lost their homes because of the scheme, resulting in a combined loss of more than \$7 million. The U.S. Trustee's Los Angeles office provided substantial assistance to the California State Attorney General, and to the joint federal and state agencies' investigation of the yearslong scheme. In addition, a Los Angeles based U.S. Trustee office Paralegal Specialist testified at the criminal trial about the bankruptcy process and the bankruptcy filings. Sedlar's co-conspirators entered guilty pleas before trial. Sentencing for Sedlar is set for July 21, 2023.

USA v. Zamir Siddiqi

On February 10, 2020, Zamir Siddiqi pleaded guilty to one count of making a false statement in a bankruptcy for failing to disclose his interest in an LLC. At the chapter 7 meeting of creditors, in response to the question, "Did you list all of your assets?" Siddiqi responded "Yes, sir." In fact, as Siddiqi then knew, at the time he filed his bankruptcy papers, he had additional substantial assets that were not listed, including an interest in Lagoon CCP, LLC. On March 9, 2023, the District Court entered a judgment and commitment order sentencing Siddiqi to 18 months imprisonment, followed by 2 years of supervised release, \$100 special assessment, and \$336,373.77 in restitution.