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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.

SHERI BLUEBOND

Chief Judge

KATHLEEN J. CAMPBELL

Executive Officer/Clerk of Court

Suggestions and comments are always welcome.

Please email us at editor@cacb.uscourts.gov.

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JUDGE PETER H. CARROLL RETIRES, ASSUMES RECALLED JUDGE STATUS

On February 2, Judge Peter H. Carroll retired from the bench and took on the status of a recalled bankruptcy judge. His appointment lasts through December 31, 2019. He continues to maintain chambers at the Northern Division.

First appointed in 2002, Judge Carroll served as chief judge of the U.S. Bankruptcy Court for the Central District of California from 2011 to 2014. He was appointed to a second 14-year term as a bankruptcy judge in 2016.



INTAKE SECTION OF LOS ANGELES DIVISION MOVES TO TERRACE LEVEL

On February 12, the Intake Section of the Court's Los Angeles Division permanently relocated to the Terrace Level, or first floor, of the Edward R. Roybal Federal Building and U.S. Courthouse. It is now in Room 100, adjacent to the Roybal Café.

Debtors and other parties visit the Intake Section to file paper documents in bankruptcy cases and adversary proceedings, to pay fees, and to request Court records.



LBR 3015-1(B)(3) DEADLINE TYPO CORRECTED

On February 13, the Court [posted](#) amended Local Bankruptcy Rules to correct a deadline-related typographical error in Local Bankruptcy Rule 3015-1(b)(3). A redline of the corrections to Local Bankruptcy Rule 3015-1(b)(3) follows:

Local Bankruptcy Rule 3015-1(b)(3)

(3) Notice and Service of Chapter 13 Plan and Notice of the Hearing on Confirmation. The debtor must serve a notice of the hearing on confirmation of debtor's chapter 13

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plan, along with a copy of the chapter 13 plan, on all creditors and the chapter 13 trustee at least **28 14** days before the date first set for the § 341(a) meeting of creditors, using the court-mandated F 3015-1.01.CHAPTER13.PLAN form. A proof of service must be filed with the court and served on the chapter 13 trustee at least **14 7** days prior to the date first set for the meeting of creditors. [LBR 3015-1(b)(3) (emphasis added)]

JUDGE JURY NAMED “2017 JUDGE OF THE YEAR” BY CENTRAL DISTRICT CONSUMER BANKRUPTCY ATTORNEY ASSOCIATION

On November 9, 2017, the Central District Consumer Bankruptcy Attorney Association (CDCBAA) named Judge Meredith A. Jury the “2017 Judge of the Year” at the annual Calvin Ashland Awards Dinner at the L.A. Hotel Downtown. Attorney Dennis McGoldrick reviewed highlights of Judge Jury’s career on the bench before presenting the award. In her acceptance speech, Judge Jury described how her mother taught by example, and addressed the legacy of Judge Calvin Ashland, the difficult job consumer lawyers have, and why she has “the best job in the world.”



Judge Meredith Jury receiving the 2017 Judge of the Year award at the Calvin Ashland Awards Dinner

CDCBAA has posted a [full transcript of Judge Jury’s remarks](#).

BANKRUPTCY LITIGATION CLINIC TO BE HELD AT SAN FERNANDO VALLEY DIVISION

The San Fernando Valley Division will host a bankruptcy litigation clinic sponsored by Neighborhood Legal Services of Los Angeles County and the University of West Los Angeles on Friday, March 9, at 10 a.m. and Friday, April 6, at 10 a.m.

The two-hour program, designed for people who have already filed a bankruptcy petition, will address the following issues:

- After filing for bankruptcy, have you been served with a lawsuit?
- Are you trying to collect, but the debtor filed bankruptcy?
- Were you served with a motion, such as a relief from stay?
- Are your creditors ignoring your discharge?
- Do you have overwhelming medical debt?

Reservations are not required. However, the program may be limited to the first six to eight people to arrive.

Accessing Court Information by Twitter

The Court has tweeted over 3,700 times since 2011, and its Twitter account has over 750 followers. The Court tweets announcements, Notices of Sale, Public Notices, and other timely information. In March 2015, the Court began tweeting judicial opinions.

You do not need a Twitter account to view the Court’s tweets—just click on the Twitter logo on the home page of the (www.cacb.uscourts.gov). The postings are arranged in chronological order, making it easy to quickly catch up with what is going on at the Court. If you have a Twitter account, follow @cacbnews.

WEBSITE FEEDBACK

The U.S. Bankruptcy Court for the Central District of California continues to enhance its website based on feedback from users. Please let us know your thoughts about what is working well and what could be improved at www.cacb.uscourts.gov/contact.

Signatures

To ensure compliance with the current CM/ECF signature requirements, effective as of December 2017, please review Section 3.4(b)(1) of the Court Manual:

(b) Debtor(s) or Party Other than CM/ECF User.

1. Handwritten (Holographic) Signatures. Except as set forth in paragraphs (a)(1) and (c), every signature by a debtor or party on a document to be filed or lodged must be handwritten in ink (holographic). The handwritten signatures must be included in the electronic (.pdf) version of any document filed or lodged through CM/ECF by either

- (A) Scanning the entire signed document; or
- (B) Scanning the executed signature page(s) and inserting the executed signature page(s) at the appropriate location(s) within the document.

Under no circumstances may a reproduction of the same holographic signature be used on multiple pages or in multiple documents. Scanned executed signature pages may not be filed as a stand-alone document. Each page that bears the signature of a person must actually have been signed by the person whose signature appears on the page.

Correcting Documents Filed in Error

To avoid duplicate payments and other filing errors, please review Section 3.5(j) (1-4) of the Court Manual:

- (1) When a document has been filed electronically, the official record is the electronic recording of the document as stored by the Court. Only the Clerk's Office can make changes to the docket entry.
- (2) A document incorrectly filed in a case may be the result of posting the wrong PDF file to a docket entry, selecting the wrong document type from the menu, or entering the wrong case number. If an error is detected after an item is on the docket, DO NOT ATTEMPT TO RE-FILE THE DOCUMENT.
- (3) After an error is discovered, contact the CM/ECF Help Desk at (213) 894-2365 as soon as possible. Be sure to have the case number and document number for which the correction is being requested. If appropriate, the Court will make an entry indicating that the document was filed in error. You will be advised if you need to re-file the document. The CM/ECF system will not permit you to make changes to a document or docket entry once the transaction has been accepted.
- (4) If an error regarding a fee occurs, do not pay the fee until after speaking with someone at the CM/ECF Help Desk.



Chinese Tax Officials



Chief Judge Sheri Bluebond, Delegation leader Zhu Guangyong

CHINESE TAX OFFICIALS VISIT LOS ANGELES DIVISION

On January 8, a group of 20 Chinese tax officials from the Local Taxation Bureaus of Jiangxi Province visited the Los Angeles Division. The officials are studying tax administration in the United States through an eight-week program at California State Polytechnic University in Pomona.



Chief Judge Sheri Bluebond, Delegation leader Zhu Guangyong, Judge Robert N. Kwan

Judge Robert N. Kwan and Clerk of Court Kathy Campbell welcomed the officials in Judge Kwan's courtroom. In a PowerPoint presentation, Judge Kwan described the structure of the federal court system, the mission and work of the bankruptcy courts, the functions of the Central District's divisional offices, and trends in the district's case filing statistics.

After the delegation toured the Los Angeles Division, they met with Chief Judge Bluebond. In her welcoming remarks, Chief Judge Bluebond said, "We hope to build lasting bridges with our colleagues in China and throughout the world, to strengthen the rule of law, and to support and enhance the impartiality and integrity of governments and legal systems around the world."

The visit concluded with a Q&A session with Assistant U.S. Attorney Jolene Tanner of the Tax Division of the U.S. Attorney's Office. Judge Kwan presented lapel pins with the logo of the U.S. Bankruptcy Court for the Central District of California to each of the officials.

Top 20 Cases of Interest*

Auto Strap Transport, LLC

RS-16-19936-MH, Chapter 11, Filed 12/01/17. Assets \$1-10 million and Liabilities \$10-50 million. Order granting motion to set proof of claims deadlines entered 12/22/17. The general bar date for creditors to file proofs of claim is 3/2/18; governmental units, 5/30/18. Scheduling order entered 1/12/18 continuing case management conference to 4/10/18 at 2 p.m. Courtroom 303 and setting the deadline of 3/26/18 for debtor to file a plan and disclosure statement. Meeting of creditors continued to 3/15/18 at 2 p.m. Rm 720, 3801 University Ave., Riverside, CA.

Bikram's Yoga College of India LP, a Limited Partnership

(Lead case to JNTADM cases) Bikram Choudhury Yoga, Inc, a California Corporation, Bikram Inc, a Delaware Corporation, Yuz Inc., a California Corporation International Trading Representative, LLC, a Delaware Limited Liability Company ND-17-12045-DS, ND-17-12046-DS, ND-17-12047-DS, ND-17-12048-DS, Chapter 11, Filed 11/09/2017, Assets Under \$1 and Liabilities \$10-50 million. Motion for entry of an order extending deadlines for debtor to assume or reject non-residential real property leases hearing scheduled for 3/8/18 at 11:30 a.m. Motion for entry of an order extending the exclusivity periods for the debtors to file a plan of reorganization and obtain acceptance thereof hearing scheduled for 3/8/18 at 11:30 a.m. Application to Employ The Watley Group, LLC as Chief Restructuring Advisor / Motion Of Debtors And Debtors In Possession For Order Pursuant To 11 U.S.C. §§ 105 And 363 Authorizing Debtors To (1) Employ And Retain The Watley Group, LLC As The Debtors' Exclusive Restructuring Advisor To Provide Officers And Temporary Employees; And (2) Designate A. John A. Bryan, Jr. As Chief Executive Officer And Chief Restructuring Officer, And Sturges Karban As Co-Chief Restructuring Officer hearing scheduled for 3/8/18 at 11:30 a.m. U.S. Trustee Motion to dismiss or convert Case with an Order Directing Payment of Quarterly Fees and for Judgment Thereon hearing scheduled for 3/8/2018 at 11:30 a.m.

British Motorcars Ventura, Inc. DBA Land Rover Jaguar Ventura

ND-17-10489-DS, Chapter 11, Filed 03/22/17. Assets \$1-10 million and Liabilities \$1-10 million. Case transferred to Judge Deborah J. Saltzman on 1/22/18. Motion for final decree and order closing case filed 2/1/18.

Cartel Management, Inc

LA-17-11179-DS, Chapter 11, Filed 01/03/17. Assets \$0.5-\$1 million and Liabilities \$1-10 million. Debtor's status report dated February 7, 2018 and declaration of Griffin Guess in support thereof was filed on 2/7/18.

Cathy Jean, Inc.

SA-16-16-14633-TA, Chapter 7, Filed 11/09/16. Notice of assets filed by trustee 10/25/17. Order for relief in an Involuntary case filed 1/5/17. List of all creditors filed 1/3/18 on Involuntary Case and Corporate Ownership Statement, Amended Schedule D, E/F filed by trustee Weneta M. Kosmala on 1/4/18 additional creditors added. 341A meeting to be held on 3/1/18 at 11 a.m. room 3-110.

ColorFX, Inc.

SV-17-10830-VK, Chapter 11, Filed 03/31/17. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 3/29/18 at 1 p.m. Disclosure statement hearing regarding debtor's plan of reorganization continued to 3/29/18 at 1 p.m.

Hoag Urgent Care Tustin Inc.

SA-17-13077-TA, (Lead case to JNTADMIN cases) Hoag Urgent Care -Huntington Harbour, Hoag Urgent Care -Orange Inc., Hoag Urgent Care -Anaheim Hills, Inc., Cypress Urgent Care, Inc. Laguna Dana Urgent Care Inc. SA-17-13078-TA SA-17-13079-TA SA-17-13080-TA SA-17-13089-TA SA-17-13090-TA, Chapter 11, Filed 8/2/17, Assets \$1-10 million and Liabilities \$1-10 million. U.S. Trustee Motion to dismiss or convert Case To One Under Chapter 7 filed 2/13/18 hearing set 3/28/18 at 10 a.m. crtrm 5B. Hearing continued for emergency Motion for Order authorizing the Interim use of cash collateral continued to 4/11/18 at 11 a.m. and Status Conference. Notice of lodgment granting continued use of cash collateral by Cypress and Laguna Dana debtors, Notice of lodgment of Order denying the continued use of cash collateral by Hoag debtors filed by creditors Opus Bank, Notice of Lodgment of Order denying debtor's Motion to extend exclusive period of propose and solicit approval of Plan of Reorganization all filed 2/16/18. Notice of Resignation of Patient Care Ombudsman filed by US Trustee 2/18/18. Statement /Professional fee statement-affect: Hoag Urgent Care (Huntington Harbour, Orange, Cypress, Laguna-Dana) filed 2/21/18. Notice of Lodgment of Order denying the continued use of cash collateral by Hoag debtors filed 2/23/18. Objection filed 2/26/18. Notice of appointment of Successor Patient Care Ombudsman.

K&A Global Management Company

SV-16-13295-MT, Chapter 11, Filed 11/17/16. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 3/21/18 at 9:30 a.m.

Lindley Fire Protection Co. Inc.

SA-17-10929-CB, Chapter 11, Filed 03/12/17. Assets \$1-10 million and Liabilities \$1-10 million. Monthly Operating reports filed. Hearing continued per stipulation order entered on 1/9/18. Debtor's Emergency Motion authorizing use of cash collateral of IRS and EDD hearing set for 2/28/2018 at 10 a.m. crtrm 5D filed 1/10/18. UST Motion to Dismiss or Convert case filed by UST hearing date set 3/7/18 at 10 a.m. crtrm 5D entered 2/5/2018. Notice to Creditors re. UST and request for judgment for quarterly fees due and payable to US Trustee at the time of the hearing 3/7/18 at 10 a.m.

Menco Pacific Inc

SV-16-12791-MT, Chapter 11, Filed 09/26/16, Assets \$1-10 million and Liabilities \$1-10 million. Post confirmation status conference continued to 3/21/18 at 9:30 a.m.

Nasty Gal Inc.

LA-16-24862-BB, Chapter 11, Filed 11/09/16, Assets \$10- 50 million and Liabilities \$10-50 million. Orders entered on 2/20/18 granting Argo Partners as Assignee of CMS Associates PVT Ltd's, Colonial Tag & Label Co. Inc.'s, Purple & Me, Inc.'s, Solemio's and Very J. Inc's Motion for Payment of Administrative Expense pursuant to 11 U.S.C. Section 503(b)(9).

Penthouse Global Media Inc

SV-18-10098-MB (Lead case to JNTADMIN cases) Penthouse Global Broadcasting, Inc, Penthouse Global Licensing, Inc, Penthouse Global Digital, Inc, Penthouse Global Publishing, Inc, GMI Online Ventures, Ltd, Penthouse Digital Media Productions, Inc, Tan Door Media, Inc, Penthouse Images Acquisitions, Ltd, Pure Entertainment Telecommunications, Inc, fka For Your Ears Only, Ltd, XVHUB Group, Inc, fka Giant Swallowtail Inc. General Media Communications, Inc, General Media Entertainment, Inc, fka Penthouse Video, Inc, Danni Ashe, Inc, Streamray Studios, Inc. SV-18-10099-MB, SV-18-10101-MB, SV-18-10102-MB, SV-18-10103-MB, SV-18-10104-MB, SV-18-10105-MB, SV-18-10106-MB, SV-18-10107-MB, SV-18-10108-MB, SV-18-10109-MB, SV-18-10110-MB, , SV-18-10111-MB, SV-18-10112-MB, SV-18-10113-MB, Chapter 11, Filed 01/11/18, Assets \$0- 50 million and Liabilities \$10-50 million. Scheduling and case management conference continued to 2/27/18 at 2:30 p.m. Hearing regarding motion for relief from stay continued to 2/27/18 at 2:30 p.m. Order approving amended stipulation for use of cash collateral and adequate protection through January 26, 2018 entered on 2/21/18. Hearing regarding amended motion for authority to enter into license agreement with Androcles Entertainment, PVY Ltd., outside the ordinary course of business continued to 2/27/18 at 2:30 p.m.

Shepherd University

LA-17-19964-BB, Chapter 11, Filed 08/14/17, Assets \$1- 10 million and Liabilities \$1-10 million. Order entered on 2/21/18 approving first and final application for chapter 11 compensation and reimbursement of expenses by Mark Hashimoto, Examiner.

Solid Landing Behavioral Health Inc.

SA-17-12213-CB (Lead case to JNTADMIN cases) Cedar Creek Recovery Inc, EMS Toxicology, Silver RockRecovery, Sure Haven Inc. SA-17-12213, SA-17-12218, SA-17-12221, SA-17-12222, SA-17-12223, Chapter 11, Filed 6/1/17, Assets \$50- 100 million and Liabilities \$10-50 million. Order (1) Approving Disclosure Statement (2) Setting procedures, deadlines and hearing on confirmation of joint chapter 11 Liquidating Plan confirmation hearing to be held 2/28/18 at 10 a.m. crtrm 5D. Order Granting Motion for relief from stay personal property filed by creditor Financial Services Vehicle Trust filed 1/10/18. Monthly Operating Reports filed ending Nov & Dec 2017. Motion to reclassify secured claims filed 1/29/18, hearing set for 2/28/2018 at 10:00 a.m. crtrm 5D. Status hearing continued on Vol. Petition 2/28/18 at 10:00 a.m. crtrm 5D. Monthly Operating Reports filed 2/14/18 for the month ending Jan. 31, 2018.

Styles For Less Inc.

SA-17-14396-MW, Chapter 11, Filed 11/6/2017, Assets \$10- 50 million and Liabilities \$10-50 million, Motion to Reject Lease Executory Contract with Ex-Application hearing Granted on Order Authorizing Rejection of Leases. Order Granted to employ Smiley Wang-Ekvall LLP as special conflicts counsel filed 1/5/18. Objection filed 1/11/18, hearing continued to 2/26/18 at 9 a.m. crtrm 6C. Hearing continued to 2/26/18 and Administrative Claim Bar Date 2/15/18 with Notice of bar date due by 1/17/2018. Status Conference hearing continued to 2/16/18. Order approving Stipulation Resolving Request for Allowance and Payment of Administrative expense claim of United Parcel Service Inc. allowing UPS \$20,502.65 (allowed Claims) for post-petition services provided by the debtor.

Tours Incorporated, Inc.

SV-17-10256-MT, Chapter 11, Filed 1/31/17. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 3/21/18 at 9:30 a.m.

WHAA LLC

RS-17014661-MW, Chapter 11, Filed 6/2/17, Assets \$1-10 million and Liabilities \$1-10 million. Order entered 1/12/18 setting plan confirmation deadlines and continuing status conference to 3/29/18 at 9 a.m. Set 6/30/18 as deadline for filing a plan and disclosure statement and deadline of 9/30/18 for confirming a plan or reorganization. Monthly operating report number 8 filed 2/15/18.

WJA Asset Management, LLC

SA-17-11996-SC (Lead case to JNTADMIN cases) 5827 Winland Hills Drive Development Fund, Alabama Housing Fund, CA Express Fund, CA See Jane Go Fund, CA Whirl Fund, Clairton Residential Renewal, Equity Indexed Managed Fund, Luxury Asset Purchasing International, LVNV Multi Family, PMB Managed Fund, Prosper Managed Fund, TD Opportunity Fund, TD Reo Fund, Urban Produce Fund, Whirl Fund, WJA Express Fund, WJA Real Estate Opportunity Fund I, WJA Real Estate Opportunity Fund II, WJA Secure Real Estate Fund, WJA Secure Income Fund, William Jordan Investmens; CA Real Estate Opportunities Fund I, CA Real Estate Opportunity Fund II, California Indexed Growth Fund, Secure California Income Fund, CA Real Estate Opportunity Fund III. SA-17-11996, SA-17-11997, SA-17-11998, SA-17-11999, SA-17-12000, SA-17-12001, SA-17-12002, SA-17-12003, SA-17-12004, SA-17-12005, SA-17-12006, SA-17-12008, SA-17-12009, SA-17-12010, SA-17-12011, SA-17-12012, SA-17-12013, SA-17-12015, SA-17-12016, SA-17-12018, SA-17-12019, SA-17-12124, SA-17-12125, SA-17-12126, SA-17-12127, SA-17-12285, Chapter 11, Filed 5/18/2017 & 5/25/2017 & 6/6/17, Assets \$1-5 million and Liabilities \$1-10 million. Status Conference continued to May 31, 2018 at 11:00 a.m. Motion to Approve Compromise under rule 9019 filed 1/29/18. Order Granting Motion to Extend Exclusivity Periods to file Chapter 11 Plan and Disclosure Statement is Extended to and including June 18, 2018 for each debtor Extended to September 18, 2018 entered on docket 2/6/18. Order granting Motion of WJA real estate opportunity fund II approving sales of Membership interest in CSO, OPP, VII, LLC and relieving Kingdom Trust Company of its obligations as custodian of membership interest filed 2/9/18. Order Granting Application of TD Opportunity Fund, LLC for approval of employment of A CORE consultants, Inc. as real estate appraiser filed 2/13/18. Notice of report of staffing compensation earned and expenses incurred by Howard Grobstein, Chief Restructuring Officer for the period Jan. 1, 2018 through Jan. 31, 2018.

Zetta Jet USA, Inc.

LA-17-21386-SK, Chapter 11, Filed 09/15/17. Assets \$50-100 million and Liabilities \$50-100 million. Order under 28 U.S.C. § 156 (c) entered on 2/15/18 authorizing the retention of Rust Consulting/Omni Bankruptcy, a Division of Rust Consulting, Inc. as the chapter 11 claims, noticing, and administrative agent, Nunc Pro Tunc to October 12, 2017, and through December 3, 2017.

Zetta Jet PTE Ltd.

LA-17-21387-SK, Chapter 11, Filed 09/15/17. Assets \$50-100 million and Liabilities \$50-100 million. Notice of Assets filed by trustee on 1/19/18. Motion filed on 2/9/18 for order (1) fixing last date for filing requests for payment of unpaid post-petition chapter 11 claims and (2) approving the form of (A) Notice of bar date for such claims, and (B) Claim forms; supporting memorandum of points and authorities.

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