

United States Bankruptcy Court
Central District of California

Julia W. Brand, Chief Judge
Kathleen J. Campbell, Executive Officer / Clerk of Court



JUDGE ZURZOLO RECEIVES PUBLIC OUTREACH AWARD

The Honorable Vincent P. Zurzolo, United States Bankruptcy Judge for the Central District of California, received the Public Outreach Award from the National Conference of Bankruptcy Judges (NCBJ) at its annual meeting held September 17–20, 2025, at the Marriott Marquis in Chicago, Illinois. The award was presented by the Honorable Selene D. Maddox, U.S. Bankruptcy Judge for the Northern District of Mississippi, who praised Judge Zurzolo as someone who “has gone above and beyond in assisting in the pro bono world.”



Judge Maddox highlighted several of Judge Zurzolo’s achievements in expanding access to justice for self-represented litigants. He was instrumental in establishing the Debtor Assistance Project (DAP) in 1997, a program jointly developed by the Los Angeles County Bar Association’s Commercial Law and Bankruptcy Section and Public Counsel, which has provided thousands of individuals with free legal assistance. Judge Zurzolo also helped create the first pro bono clinic in the Los Angeles Division in 1999, played a key role in forming the Court’s Pro Bono Committee and later the Self-Represented Litigants Committee, and spearheaded the initiative to coordinate reaffirmation agreement hearings so that volunteer attorneys could more easily provide pro bono counseling opportunities on a division-wide basis. These efforts reflect his long-standing commitment to ensuring fairness and accessibility in the bankruptcy process.

In accepting the award, Judge Zurzolo expressed his gratitude with characteristic humility, noting: “First thank you so much. Second, I was completely shocked when I learned I was receiving this award. Third, it belongs equally to the dozens and dozens of public interest lawyers, court staff employees, and attorney volunteers who give life to the many programs our Court provides to help self-represented litigants.” His remarks underscore not only his leadership but also his recognition of the collaborative spirit that sustains the pro bono community.

SAVE THE DATE: PASSING OF THE GAVEL CEREMONY

The Passing of the Gavel ceremony will take place on January 29, 2026, at 4:00 PM at the U.S. Court of Appeals in Pasadena, CA (125 South Grand Avenue). The event will mark the transition of Chief Bankruptcy Judge from the late Honorable Theodor C. Albert to the Honorable Julia W. Brand. The ceremony will not only honor Judge Albert’s years of distinguished service but also celebrate Judge Brand as she assumes her new role as Chief Judge.

(continued on page 2)

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>

(continued from page 1)

In recognition of Judge Albert's remarkable career and lasting contributions to the Court, a portrait of him will be unveiled during the ceremony. This tribute will serve as a lasting reminder of his integrity, dedication, and impact on the legal community.

PACER SERVICE CENTER REQUEST TO ONLY ENROLL IN MFA WHEN PROMPTED

On Friday, September 9, 2025, a message from the Administrative Office of the U.S. Courts noted that the PACER Service Center (PSC) has been experiencing long wait times due to the ongoing enforcement of the multifactor authentication (MFA) requirement to help enhance the security of PACER accounts with filing and CM/ECF-level access. The PSC is requesting that users enroll in MFA only when prompted to assist in reducing the call wait times.

HONOR ROLL RECOGNITION DURING NATIONAL PRO BONO CELEBRATION WEEK

The annual National Celebration of Pro Bono week takes place October 19-25. Created by the American Bar Association, the celebration recognizes the volunteers who help those who do not have an attorney, providing pro bono assistance, and promotes training for pro bono volunteers. The National Celebration of Pro Bono launched in 2009 because of the increasing need for pro bono services during harsh economic times and the unprecedented response of attorneys to meet this demand. The Court celebrates National Celebration of Pro Bono Week with the publication of the Honor Roll to its website, listing the names of bankruptcy pro bono volunteers assisting the Central District.

The Honor Roll is published under "Programs and Services" and "For Attorneys," and is based on the names submitted by each of the Court's self-help desks (for the 12 months ending in October) to recognize volunteers for each organization. In previous years, and with funding provided by District Court's Attorney Admission Fund (AAF), the Court has hosted its own Honor Roll receptions or recognized volunteers by partnering with local bar association events.

The San Fernando Valley Division hosted a celebration of pro bono volunteers on July 14. On Tuesday, October 21, from 3:30PM – 5:00PM the Northern Division will be hosting a Bankruptcy Clinic Pro Bono Celebration in the court patio area. The recognition of pro bono volunteers in Riverside is traditionally celebrated at the Inland Empire Bankruptcy Forum (IEBF)'s annual Judges' Night.

For volunteers named on the Honor Roll who served at Help Desks in the Northern, San Fernando Valley, Santa Ana, Riverside and Los Angeles divisions, certificates of appreciation will be available for pick up at the division hosting the Help Desk where each volunteer has served. The Court greatly appreciates the services and meaningful work of pro bono volunteers in assisting the public.

REQUEST FOR PUBLIC COMMENT ON PROPOSED NATIONAL RULES AND FORMS AMENDMENTS

The Judicial Conference Committee on Rules of Practice and Procedure (Standing Committee) has proposed amendments to their respective rules and form and requested that the proposals be circulated to the bench, bar, and public for comment. The public comment period ends February 16, 2026.

To view the proposed revisions, reports explaining the proposed changes, as well as information about submitting written comments or testimony at public hearings, please visit the Rules and Policies webpage on the U.S. Courts website at <https://www.uscourts.gov/forms-rules/proposed-amendments-published-public-comment>.

HOLIDAY CLOSURES

Monday, October 13 - Columbus Day

Tuesday, November 11 - Veterans Day

Thursday, November 27 - Thanksgiving Day

Friday, November 28 - Day after Thanksgiving

Friday, December 26 - Admin leave day

Thursday, December 25 - Christmas Day

Friday, January 2 - Admin leave day

Thursday, January 1 - New Year's Day

To view the 2025 Federal Holiday Public Notice on the Court's website click [here](#).

BANKRUPTCY FRAUD SECTION

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

Shoe Lady's Discharge of \$233,031 in Unsecured Debt and \$500,000 in EIDL Loan Guarantee is Denied.

On August 15, 2025, debtor Edna Baghoumian agreed to the denial of her discharge following the filing by the U.S. Trustee's Los Angeles Office complaint under §727(a)(4) and §727(a)(3). Debtor owns and operates a retail shoe store in upscale Montrose, California. The day after she received the balance of her \$500,000 SBA EIDL loan, Debtor transferred \$300,000 from her business account to her personal account. Shortly thereafter she used \$107,00 of the EIDL funds to purchase a personal residence and gave friends and family another \$100,000. The EIDL loan, per contract, was supposed to be used for working capital. In response to UST questioning at her 341(a) meeting, Debtor testified that the SBA loan was used exclusively for business purposes and was all spent. (In re Edna Baghoumian, 2:25-111155-BR).

Court grants U.S. Trustee's Emergency Motion to Convert Chapter 11 Case After Debtor Submits False Monthly Operating Reports and Bank Statements.

On August 22, 2025, the Bankruptcy Court for the Central District of California, Riverside Division, granted the U.S. Trustee's emergency motion to convert the Chapter 11 case of Fidel Miguel Garcia, Jr. to Chapter 7. The Court also ordered the Chapter 11 debtor-in-possession bank account to be frozen pending the appointment of a Chapter 7 trustee. While performing a quarterly review of the collateralization of the DIP Account, the U.S. Trustee discovered a \$1.5 million disparity between the bank account balance reported to the U.S. Trustee by the bank and the balance reported by the Debtor in his sworn Court-filed monthly operating report. Upon inquiry, a bank representative confirmed to the U.S. Trustee that the bank statements submitted by the Debtor with the June and July 2025 monthly operating reports had been altered and were not genuine. The actual bank statements for the DIP Account evidenced several sizeable withdrawals and transfers, and that the Debtor had failed to deposit approximately \$1.4 million in net proceeds from a Court-approved real property sale into the account. The U.S. Trustee filed an emergency motion to convert the Debtor's case to Chapter 7, which the Court granted. (In Re Fidel Miguel Garcia, Jr., 6:25-bk-11836-SY).

Court grants U.S. Trustee's Motion to Convert Chapter 11 Case on 24 hours' Notice after Debtor Files False Monthly Operating Reports and Bank Statements with the Court.

On September 16, 2025, the Bankruptcy Court for the Central District of California, Woodland Hills Division, granted the U.S. Trustee's motion to convert the Chapter 11 case of Megna Real Estate Investments, Inc. to Chapter 7. While performing a quarterly review of the collateralization of the DIP Accounts, the U.S. Trustee discovered a \$484,309.06 disparity between the bank account balance reported to the U.S. Trustee by the bank and the balances reported by the Debtor in its sworn, Court-filed monthly operating reports. The Debtor had been ordered by the Court to maintain these funds in a segregated DIP account pending resolution of a disputed secured claim. Upon inquiry, a bank representative confirmed to the U.S. Trustee that the bank statements submitted by the Debtor with the June 2025 monthly operating reports had been altered and were not genuine. The actual bank statements for the DIP Accounts showed a collective balance of less than \$100.00. The U.S. Trustee filed a motion to convert the case that was heard on 24 hours' notice. The Court conducted an evidentiary hearing and the Debtor's principal asserted his 5th Amendment privilege in response to questions about the disposition and location of funds that were supposed to be maintained in the segregated DIP account pending further order of the Court. (In Re Megna Estate Investments, Inc., 1:23:bk-10809-MB).

TOP 10 CASES OF INTEREST*

Debtor	Case Number	Chapter	Filed	Assets	Liabilities
Beverly Community Hospital Asso.	LA-23-12359-VZ	11	04/19/23	\$1 - \$10 million	\$100 - \$500 million
Frisco Baking Company, Inc.	LA-25-11395-NB	11	02/24/25	\$1 - \$10 million	\$10 - \$50 million
Thomas Vincent Girardi	LA 20-21020-BR	7	12/18/20	\$50 - \$100 million	\$50 - \$100 million
GRDN Hospitality	LA-25-16321-DS	11	07/24/25	\$1 - \$10 million	\$1 - \$10 million
Ittella International, LLC	LA-23-14154-SK	11	07/02/23	\$10 - \$50 million	\$10 - \$50 million
The Litigation Practice Group P.C.	SA-23-10571-SC	11	03/20/23	\$1 - \$10 million	\$10 - \$50 million
Manning Land Company, LLC	LA:24-16757-VZ	11	08/22/24	\$10 - \$50 million	\$10 - \$50 million
Synapse Financial Technologies, Inc.	SV-24-10646-MB	11	04/22/24	\$10 - \$50 million	\$10 - \$50 million
Ronald Stephen Welty	SA-25-11408-MH	11	05/25/25	\$1 - \$10 million	\$1 - \$10 million
Windsor Terrace Healthcare, LLC	SV-23-11200-VK	11	08/23/23	\$1 - \$10 million	\$1 - \$10 million

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

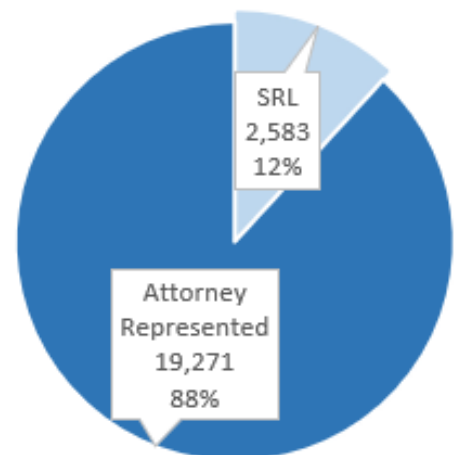
BANKRUPTCY STATISTICS

The data below represents filings year to date thru September 30, 2025. Statistics based on internal filings data.

Divisional Filings YTD	Ch 7	Ch 11	Ch 13	Total	% change from previous YTD
Los Angeles	7,351	143	1,284	8,778	8.46%
Northern	1,158	19	164	1,341	18.15%
Riverside	6,081	31	981	7,093	20.01%
San Fernando Valley	1,498	50	292	1,840	9.33%
Santa Ana	2,403	68	330	2,801	11.11%
Total	18,491	311	3,051	21,853	12.98%

Business Filings	Ch 7	Ch 11	Ch 13	Total
2025 YTD	1,005	269	50	1,324
2024 YTD	929	239	42	1,210

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/ecfststatsdash/ecfststatsdash-new.html>