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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.

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

LBR 9011-1 SIGNATURE REQUIREMENT BECOMES EFFECTIVE DECEMBER 1, 2017

With the final approval of the amended LBRs that become effective December 1, 2017, one of the most substantive changes involves LBR 9011-1 Signatures which will change the Court's signature requirement for CM/ECF filings. The current practice of filing an Electronic Filing Declaration will no longer be accepted. Instead, signature pages must be signed in ink, scanned, and attached to the back of the document pdf that is being filed through CM/ECF. The Court Manual CM/ECF Procedures Section 3.4 and the CM/ECF Filing Agreement will be revised to reflect the changes. For more information about this new LBR and other LBR amendments that become effective December 1, 2017, please consult the redline of [the LBR amendments](#) on the Court's website.

PROPOSED AMENDMENTS TO FEDERAL RULES PUBLISHED FOR PUBLIC COMMENT

In 2017, the Judicial Conference Committee on Rules of Practice and Procedure approved publication of proposed amendments to the following rules and forms:

- Appellate Rules 3, 13, 26.1, 28 and 32;
- Bankruptcy Rules 2002, 4001, 6007, 9036, 9037, and Official Form 410;
- New Criminal Rule 16.1;
- Rule 5 of the Rules Governing Section 2254 Cases in the United States District Courts;
- Rule 5 of the Rules Governing Section 2255 Proceedings for the United States District Courts; and
- Evidence Rule 807.

To read the text of the amendments and the advisory committees' reports explaining the proposed changes, and to submit or review comments on the proposed amendments, visit [the dedicated page on the Judiciary's website](#).

The public comment period closes on **February 15, 2018**.

NORTHERN DIVISION CELEBRATES *PRO BONO* VOLUNTEERS AND RESOURCE CENTER DEDICATION

On July 7, the Northern Division hosted their Volunteer Appreciation Ceremony and Resource Center Dedication. Opening remarks were made by Operations Manager Cheri Davis followed

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For more information,
visit our web site at www.cacb.uscourts.gov.

COURT CLOSED



Monday, September 4—
Labor Day



Monday, October 9—
Columbus Day



Accessing Court Information by Twitter

The Court has tweeted over 3,500 times since 2011, and its Twitter account has over 750 followers. The Court tweets announcements, Notices of Sale, Public Notices, and other timely information.

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.

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by Chief Judge Sheri Bluebond who spoke about the Court's commitment to providing access to justice and assisting self-represented parties. Judge Bluebond acknowledged and thanked the Northern Division's Consumer Debt and Bankruptcy Clinic sponsor, the Legal Aid Foundation of Santa Barbara County. Judge Peter H. Carroll then presented certificates of appreciation to the attorney volunteers. Judge Deborah J. Saltzman spoke about how the Resource Center is an integral part of Northern Division's Consumer Debt and Bankruptcy Clinic, where each Friday members of the public can receive advice from clinic attorneys in addition to receiving forms, petition packets, filing fee information, and other reference materials. Additionally, a commemoration of former Clerk's Office employee Danielle Chackel was held as part of Northern Division's Resource Center Dedication. Ms. Chackel worked countless hours serving pro se debtors at the Resource Center window. Danielle was tragically killed in an automobile accident by a wrong-way driver on the 101 freeway in September 2016.

Following the reception, guests, including members of Danielle's family and former employees, moved inside to the front lobby for the dedication of the new Danielle Kay Chackel Resource Center. Judge Saltzman spoke eloquently about her experience working with Ms. Chackel, and the new Resource Center sign bearing her name was unveiled.

A SNAPSHOT OF BANKRUPTCY FILERS IN 2016

[Via uscourts.gov](http://Via.uscourts.gov)

Consumers filing for bankruptcy in 2016 reported aggregated assets of \$72 billion and aggregated total liabilities of \$191 billion, a decline from the previous year, according to an annual report filed by the Judiciary with Congress.

The report, required by Congress under the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005, describes the activities of individuals with predominantly consumer debt. Other highlights of the report are:

- Total assets by consumer debtors fell 7 percent from 2015 and total liabilities decreased by about 8 percent, according to the report. Seventy percent of assets were real property, and the remaining assets were personal property.
- Debtors in the Southern District of California and in the Northern District of California reported the highest average assets per petition at \$344,000 and \$224,000, respectively. Filers in the Western District of Tennessee reported the lowest average assets, \$43,000.
- The median average income reported by debtors was \$2,668 a month, and the median average monthly expenses were \$2,590.
- There was a total of 750,000 consumer bankruptcy petitions filed in 2016, 6 percent fewer than in 2015.
- About 61 percent of the petitions were filed under Chapter 7, in which a debtor's assets are liquidated and proceeds are distributed to creditors, except for exempt assets. About 38 percent were filed under Chapter 13, in which debtors make installment payments to creditors under court-ordered plans. Debtors were able to successfully pay their debts in a little over half of the Chapter 13 cases closed in 2016 – 52 percent.

- Only one-tenth of 1 percent of petitions by individuals with consumer debts were filed under Chapter 11, which allows businesses and individuals to continue operating while they make plans to reorganize and repay creditors.

The data for the report is provided by the debtors either at the time they file bankruptcy petitions or within two weeks of filing, which is required by federal bankruptcy rules.

NORTHERN DIVISION INTRODUCES THE LAW STUDENT BANKRUPTCY ASSISTANCE PROGRAM

On July 11, speaking to students at the Santa Barbara College of Law, Judge Peter H. Carroll, Law Clerk Ryan Zick, and attorney Randall Sutter promoted the Law Student Bankruptcy Assistance Program, the result of the Court's collaboration with the Legal Aid Foundation of Santa Barbara County and the Colleges of Law. Students participate in the division's weekly consumer debt and bankruptcy clinic and counsel *pro se* debtors prior to reaffirmation agreement hearings under the supervision of licensed attorneys. The program is designed both to serve the needs of self-represented parties in bankruptcy and consumer debt matters in Santa Barbara, Ventura, and San Luis Obispo Counties and to provide a meaningful internship experience for law students. The program started the week of August 14 and ends November 17.

GOVDELIVERY PROVIDES FREE COURT NEWS TO EMAIL SUBSCRIBERS

The Court now offers free notifications by email through the national GovDelivery service. Among the types of messages available to subscribers are news and announcements, job postings, Public Notices, CM/ECF updates, and systems status updates.

The Court's registered CM/ECF users have been automatically enrolled to receive CM/ECF system updates, systems status updates, and Public Notices. While GovDelivery replaces the ECF Support mailbox, please note that CM/ECF will continue to transmit Notices of Electronic Filing (NEF) directly.

To start, modify, or cancel your subscription, use the Email Notifications box in the lower right corner of the Court's homepage.

SAN FERNANDO VALLEY DIVISION CELEBRATES 21ST ANNIVERSARY

On August 18, the San Fernando Valley Division celebrated its 21st anniversary. Judge Barry Russell, retired Judge Kathleen Thompson, Clerk of Court Kathleen J. Campbell and Chief Deputy of Operations Ben Varela joined the division's judges, law clerks, and Clerk's Office staff to wish the office and courthouse a happy 21st anniversary.

CM/ECF TIPS

Request(s) to Be Removed from Notice of Electronic Filing (NEF)

The **Request to Be Removed from Notice of Electronic Filing (NEF)** can be filed in two different ways, depending on how you are associated with a case.

- A.) If your party is Courtesy NEF only, you must file a "Request to be Added or Removed from Courtesy Notification of Electronic Filing (NEF)." To file this document, please use: **BK – Courtesy NEF > Request for Removal from Courtesy Notice of Electronic Filing (NEF)**.
- B.) If your party is a Creditor /Client, you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)." To file this pleading, please use: **BK – Notices > Notice**. In the "Modify Text" box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."
- C.) If your party is Courtesy NEF and Creditor/Client, you must draft a document in standard pleading format entitled "Request to Be Removed from Notice of Electronic Filing (NEF)" and list all names the attorney is listed as representing. To file this pleading, please use: **BK – Notices > Notice**. In the "Modify Text" box, type out the full caption "Request to Be Removed from Notice of Electronic Filing."

Using the Search Feature in CM/ECF

The "Search" feature located on the blue menu bar in CM/ECF is a helpful tool when searching for an event code. By clicking on "Search" and entering a keyword (such as "relief" for relief from stay), CM will list all of the areas where the word occurs. This is an excellent way to verify event codes prior to filing your documents.

Trouble Accessing Lodged Order Upload (LOU)

On occasion, nothing may happen after you click on the Lodged Order Upload link in CM/ECF. This indicates that your pop-up blocker is turned on. To turn off the pop-up blocker:

in Internet Explorer:

Click on Tools > hover over pop up blocker > click turn off pop up blocker

in Google Chrome:

Click on Settings > Advanced > Content settings > Popups > change to Allowed

in Mozilla Firefox:

Click on Options > Content > remove the check mark for Block Pop-up windows

After turning off the pop-up blocker, log back into CM/ECF and retry. For additional information, please contact the ECF Support Desk at (213) 894-2365.

Top 20 Cases of Interest*

Anchor R & R LLC

SA-17-10703-TA, Chapter 11, Filed 02/24/17. Assets \$10-50 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 9/27/17 at 11:30 a.m. Order granting motion to withdraw as debtor's bankruptcy counsel entered on 6/26/17.

Anzhey Barantsevich

SV-16-12073-MT, Chapter 11, Filed 07/18/16. Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 7/12/17 at 9:30 a.m. Hearing regarding Michael Jay Berger's motion to withdraw as debtor's bankruptcy counsel to be held on 6/21/17 at 9:30 a.m. Order approving in part stipulation to continue the deadline to file chapter 11 plan and disclosure statement entered 5/31/17.

British Motorcars Ventura, Inc. DBA Land Rover Jaguar Ventura

ND-17-10489-PC, Chapter 11, Filed 03/22/17. Assets \$1-10 million and Liabilities \$1-10 million. Chapter 11 status conference continued to 10/4/2017 at 10:00 a.m.; Confirmation hearing scheduled for 10/4/2017 at 10:00 a.m.

Cartel Management, Inc

LA-17-11179-DS, Chapter 11, Filed 01/03/17. Assets \$0.5-\$1 million and Liabilities \$1-10 million. Monthly Operating Report no. 6 for the month ending June 30, 2017 was filed on 7/17/17. Withdrawal of proof of claim no. 4 was filed on 7/28/17.

Cathy Jean, Inc.

SA-16-16-14633-TA, Chapter 7, Filed 11/09/16. Stipulation filed by Weneta M Kosmale re. dismissal/withdrawal of Motion for Designation filed 7/24/17; Order on Stipulation filed 7/25/17 Hearing Held per order on stipulation re. withdrawal continued to 6/27/17 filed 8/7/17.

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 9/7/17 at 1 p.m. Order approving motion for order granting 90-day extension of time to assume or reject real property lease entered on filed on 8/17/17.

Gardens Regional Hospital and Medical Center, Inc.

LA-16-17463-ER, Chapter 11, Filed 06/06/16. Assets \$1-10 million and Liabilities \$1-50 million. Dentons US LLP's 11th monthly fee application for allowance and payment of interim compensation/ reimbursement of expenses for the period of June 2017 was filed on 8/11/17. Order entered on 8/15/17 taking under submission California Department of Health Care Services' motion to allow payment of the quality assurance fee debt as Administrative Priority Claim.

Hoag Urgent Care Tustin Inc.

(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-17-13077-TA 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. Chapter 11 cases filed assigned to Judge Albert on 8/2/17 Motion for Joint Administration Notice of Ex Parte Motion filed 8/2/17; Order Granting Motion on JA

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 11/1/17 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. Hearing set on Motion to dismiss or convert set 9/6/2017 at 10:00, Monthly Operation Reports filed, Notice of Motion for relief from the automatic stay and declaration filed 7/21/17 hearing set for 8/23/17 at 10:00, Hearing continued on scheduling and case management conference and Hearing continued on Motion re. chapter 11 First Day Motions to 9/13/17 at 10:00. Withdrawal re. Motion for Order Setting Bar Date for filing proof of claim filed 7/28/17, Monthly Operating Report filed 8/22/17 for month ending July 2017.

Menco Pacific Inc

SV-16-12791-MT, Chapter 11, Filed 09/26/16, Assets \$1-10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 11/1/17 at 9:30 a.m. The motion to convert chapter 11 case to a chapter 7 case or dismiss was denied at the 7/27/17 hearing. Hearing regarding application for accountant compensation to be held on 9/6/17 at 9:30 a.m. Hearing regarding motion for order awarding attorneys' fees against Fidelity Insurance Company to be held on 9/6/17 at 9:30 a.m. Hearing regarding motion for relief from stay to be held on 9/6/17 at 9:30 a.m.

Miyagi Sushi, Inc.

RS-16-16990-MJ, Chapter 11, Filed 08/07/16, Assets \$50-100 million and Liabilities \$500-1 million. Summary of ballots filed by debtor 7/12/17; confirmation of plan hearing held 7/19/17, plan confirmed; order granting confirmation of chapter 11 plan of reorganization entered 7/28/17; order of discharge entered 7/31/17.

Nasty Gal Inc.

LA-16-24862-BB, Chapter 11, Filed 11/09/16, Assets \$10- 50 million and Liabilities \$10-50 million. Motion for authority to compromise with Calgary Foreign Exchange LTD dba Gointerpay was filed by debtor on 8/16/17. Motion for authority to compromise with Island Pacific Systems, Inc. was filed by debtor on 8/17/17.

Ronald Gillyard

SV-17-11693-VK, Chapter 11, Filed 06/27/17, Assets \$1- 10 million and Liabilities \$1-10 million. Scheduling and case management conference continued to 9/7/17 at 1 p.m. Hearing regarding US Trustee motion to dismiss or convert case with an order directing payment of quarterly fees and for judgment thereon to be held on 9/7/17 at 1:00 p.m.

Shepherd University

LA-17-19964-BB, Chapter 11, Filed 08/14/17, Assets \$1- 10 million and Liabilities \$1-10 million. 341(a) Meeting of Creditors to be held on 9/18/17 at 9 a.m. Application of debtor and debtor in possession to employ the law office of Jaenam Coe PC as Bankruptcy Counsel was filed on 8/17/17. Order entered on 8/18/17 setting scheduling and case management conference to 10/18/17 @ 10 a.m.

Solid Landing Behavioral Health Inc.

(Lead case to JNTADMIN cases) Cedar Creek Recovery Inc, EMS Toxicology, Silver Rock Recovery, 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. Motion for Relief from automatic stay filed 8/15/17 hearing set for 9/6/17 at 10:00 Personal Property & 9/20/17 at 10:00 on Proposed Order granting stay filed by creditor Jeffrey Ptk filed 8/15/17; Hearing set Motion in Action in Non Bankruptcy Forum set for 9/12/17 at 10:00 filed 8/16/17. Limited Opposition filed 8/23/17.

Stronghold Asset Management Corp.

SV-16-11961-MT, Chapter 11, Filed 07/06/16. Assets \$1-10 million and Liabilities \$1-10 million. Order approving stipulation to dismiss case pursuant to 11 USC section 1112(b) with judgment for quarterly fees entered on 8/9/17.

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 9/13/17 at 9:30 a.m. Stipulation by Tours Incorporated Inc. and JP Morgan Chase for use of cash collateral filed 5/15/17.

WHAA LLC

RS-17014661-MW, Chapter 11, Filed 6/2/17, Assets \$1-10 million and Liabilities \$1-10 million. Notice of order setting chapter 11 status conference filed 8/8/17; debtor's status report filed 8/11/17; San Bernardino County Treasurer and Tax Collector's statement of debtor's tax obligations re chapter 11 status conference; Monthly Operating Report no. 2 filed 8/15/17.

WJA Asset Management, LLC

(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 Investments; 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. Monthly Operating reports filed 8/2/17; Motion for sale of Property filed 7/27/17; Motion for Order approving retention Plan filed 8/3/17; Order (1) Approving procedures for foreclosure sale, short sale, REO sales, and Payoff settlements (2) Authorizing Payment of fee and expenses of BSI filed 8/4/14; Declaration that No Party Requested a Hearing on Motion and Order Granting Motion for authority to honor pre petition accrued paid time off filed 8/8/17; Order granting Motion for Order authorizing compromise of controversy filed 8/8/17; Motion for sale of property of the estate under section 363(b) filed 8/17/17; Declaration that no part requested a hearing on Motion filed 8/23/17.

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