

UNITED STATES BANKRUPTCY COURT
Eastern District of California

Honorable Ronald H. Sargis
Chief Bankruptcy Judge
Modesto, California

June 6, 2019 at 2:00 p.m.

1. [18-90428](#)-E-11 **RANDHAWA TRUCKING, LLC** **CONTINUED STATUS CONFERENCE RE:
VOLUNTARY PETITION
6-7-18 [1]**

Final Ruling: No appearance at the June 6, 2019 Status Conference is required.

The court having continued a Motion for Sanctions for Violation of the Automatic Stay, the Status Conference is continued to 10:00 a.m. on June 27, 2019 (specially set time).

2. [18-90030-E-11](#) **FILBIN LAND & CATTLE** **STATUS CONFERENCE RE: COMPLAINT**
[19-9008](#) **CO., INC.** **3-29-19 [1]**
FILBIN LAND & CATTLE CO., INC.
V. FUEL SOURCE, INC.

Final Ruling: No appearance at the June 6, 2019 Status Conference is required.

The Status Conference is continued to 2:00 p.m. on September 19, 2019.

JUNE 6, 2019 STATUS CONFERENCE

In its Status Report filed on May 30, 2019, the now Plaintiff-Plan Administrator reports that the Defendant is in the process of recovering its ability to exercise its powers as a corporation by reviving its now suspended corporate status. Dckt. 14. It is reported that the Plaintiff-Plan Administrator and Defendant will stipulate to setting aside Defendant's default and proceed with the prosecution of this Adversary Proceeding. Only once the Defendant and Plaintiff-Plan Administrator have set aside the default and Defendant has appeared, the Adversary Proceeding will be prosecuted.

Further, the Parties have agreed to suspend this Adversary Proceeding for ninety days to allow the Defendant to be revived and able to participate in this Adversary Proceeding.

The court continues this Status Conference to allow the Parties to address these issues.

3. [17-90577-E-7](#) WILSON SARHAD
[17-9019](#)
GARCIA V. SARHAD 11-6-17 [1]

CONTINUED PRE-TRIAL CONFERENCE
RE: COMPLAINT

Final Ruling: No appearance at the June 6, 2019 Status Conference is required.

The Pre-Trial Conference is continued to 2:00 p.m. on July 18, 2019.

JUNE 6, 2019 STATUS CONFERENCE

No updated Status Reports have been filed by any parties to this Adversary Proceeding. While it would appear that this matter should be completed and further proceedings done, that has not happened.

The court continues the Pre-Trial Conference one final time for this matter to be resolved and dismissed, or it will be set for trial.

FEBRUARY 14, 2019 STATUS CONFERENCE

The court continued the Status Conference based on a perception that this matter was not being concluded. At the February 14, 2019 Status Conference Counsel for Defendant-Debtor explained that resolutions of other matters with other parties (such as the Trustee) are resolving disputes in this Adversary Proceeding. This allows a distribution in the Chapter 7 case, of which Plaintiff will received a substantial part.

The Status Conference is continued to allow Debtor and siblings to sell a jointly owned property (which has now been abandoned by the Trustee) and the final amounts of this dispute determined.

JANUARY 24, 2019 STATUS CONFERENCE

On January 23, 2019, Wilson Sarhad, Defendant-Debtor, filed an updated Status Report. Dckt. 22. He reports that the matter has been resolved in a settlement approved by the court, and that the \$20,000 payment required thereunder has been paid to the Trustee. *Id.* ¶ 1.

Defendant-Debtor states that he intends to object to the claim of the Internal Revenue Service in his Chapter 7 case, and that the hearing on the Objection should be in 60 days. *Id.* ¶ 3. The Defendant-Debtor made the same representation to the court in his Status Conference Statement filed on November 26, 2018. Dckt. 20, ¶ 3. A review of the Docket in Defendant-Debtor's Chapter 7 case shows that no such objection has been filed. CH 7 Case, 17-90577.

The Status Report concludes with Defendant-Debtor's counsel stating that he has been unable to address this case due to extraordinary family health issues.

The Chapter 7 bankruptcy case has been pending since July 14, 2017. The settlement was approved by order filed on August 26, 2018. 17-90577.

At the hearing the Defendant-Debtor stated that the promised objection to claim would be filed, stating that the Internal Revenue Service was claiming amount in excess of what was owed. The court reviewed with counsel for Debtor Proof of Claim No. 1-1 filed by the Internal Revenue on December 1, 2017, in the amount of \$537.85. Counsel for the Debtor believed that the amount was higher, based on what had been asserted by the Internal Revenue Service in one of Debtor's three prior recent bankruptcy cases (in which he was represented by the same counsel as in this case), and there was no objection to the Internal Revenue Service having a claim for \$537.85.

Counsel for Defendant-Debtor explained that as part of the settlement with Plaintiff, Defendant-Debtor was to assign over his 1/9 interest in property which he inherited with his siblings. Earlier the property had been in escrow, but Debtor failed to take the necessary action for that to close. It was represented that Defendant-Debtor would promptly get the 1/9 interest abandoned by the Trustee, confirmed in amount for Plaintiff by the other eight owners, and assigned over to Plaintiff.

The last component part is the payment of \$20,000, which is to come from a loan, refinance, or sale of the Debtor's residence. No steps have been taken to date to generate these monies. Counsel for the Debtor stated that it is the Debtor's wife, Avelain Sarhad, who has the responsibility for this.

The court was left with the sense that Defendant-Debtor is not taking the necessary action to resolve this matter, but is intentionally not acting to delay this matter. Such causes the court's time and resources to be wasted, as well as those of the Plaintiff.

It being represented to the court that Avelain Sarhad, the Defendant-Debtor's wife, is responsible for generating the \$20,000 payment and the settlement being consummated, her attendance at the continued Pretrial Conference is necessary.

The court shall issue a minute order substantially in the following form holding that:

Findings of Fact and Conclusions of Law are stated in the Civil Minutes for the hearing.

The Pre-Trial Conference having been scheduled, the court having reviewed the file and there being no updated status reports and this Adversary Proceeding not having been dismissed, and upon review of the pleadings and good cause appearing,

IT IS ORDERED that the Status Conference is continued to 2:00 p.m. on July 18, 2019.

IT IS FURTHER ORDERED that on or before July 11, 2019, the Parties shall file an updated status report, if this Adversary Proceeding, advising the court of why this Adversary Proceeding has not been resolved, and at the Pre-Trial Conference be prepared to select a trial date and time.