

UNITED STATES BANKRUPTCY COURT  
Eastern District of California

**Honorable Ronald H. Sargis**  
Bankruptcy Judge  
Sacramento, California

**March 20, 2024 at 2:00 p.m.**

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1. [22-22625-E-7](#)      JASON/CHRISTINE EATMON      CONTINUED STATUS CONFERENCE  
[23-2086](#)      RE: AMENDED COMPLAINT  
CAE-1      12-26-23 [27]

LOCKWOOD ET AL V. EATMON ET AL

**The Court Has Adjusted the Suggested Dates to Set a  
Deadline for Hearing Dispositive Motions and The Pretrial Conference.**

**If the Parties Need to Set the Pretrial Conference For a Different Day  
(Including one specially set at 1:30 p.m. Chapter 13 Calendar or the court's  
Sacramento Thursday Chapter 11-12 Law and Motion Calendar) One of  
the Counsel May Appear at the March 20, 2024 Status Conference  
to Request that Date if it is Mutually Agreed by the Parties**

Plaintiff's Atty: Jamie P. Dreher, Sandra L. Sava  
Defendant's Atty: Patricia Wilson

Adv. Filed: 10/30/23  
Answer: none  
Amd. Cmplt. Filed: 12/26/23  
Answer: 1/8/24

Nature of Action:  
Objection/revocation of discharge

Notes:  
Continued from 2/21/24. The Parties requesting a short continuance so that they could meet and confer further, given the Amended Complaint, to work out consensual pre-trial conference dates and deadlines.

Joint Status Report and Proposed Pretrial Scheduling Dates and Deadlines filed 3/7/23 [Dckt 41]

**March 20, 2024 Continued Status Conference**

On March 7, 2024, the Parties filed their Joint Updated Status Report in which they proposed the deadlines and dates for the Pretrial Conference scheduling order. Dckt. 41.

**ISSUANCE OF PRE-TRIAL SCHEDULING ORDER**

The court shall issue a Pre-Trial Scheduling Order setting the following dates and deadlines:

- a. Plaintiff Daniel Lockwood and Roseanne Lockwood allege in the First Amended Complaint that jurisdiction for this Adversary Proceeding exists pursuant to 28 U.S.C. §§ 1334(b), that the claims arise under Title 11, § 727, and that this is a core matter proceeding as provided in 157(b)(2)(J). First Amended Complaint ¶ 5, Dckt. 27. In the Answer, Defendant Jason Eatmon and Christine Eatmon admit the allegations of jurisdiction and that this is a core proceeding. Answer ¶ 5; Dckt. 33.
- b. Initial Disclosures shall be made on or before **May 3, 2024**.
- c. Expert Witnesses shall be disclosed and Expert Witness Reports shall be produced on or before **July 11, 2024**.
- d. Rebuttal Expert Witnesses shall be disclosed and their Reports produced on or before **July 25, 2024**.
- e. Discovery closes, including the hearing of all discovery motions, **on September 12, 2024**.
- f. Dispositive Motions shall be heard before **October 24, 2024**.
- g. The Pre-Trial Conference in this Adversary Proceeding shall be conducted at **2:00 p.m. on November 13, 2024**.

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**SUMMARY OF COMPLAINT**

The First Amended Complaint filed by Daniel Lockwood and Roseanne Lockwood (“Plaintiff”), Dckt. 27, asserts claims for Denial of Defendant-Debtor’s discharge in their Chapter 7 Case (22-22625). The First Cause of Action asserts that Defendant-Debtor has failed to disclose pre-petition monies that are property of the Bankruptcy Estate. 11 U.S.C. § 727(a)(2), (a)(3), (a)(4), and (a)(5).

Additionally, it is asserted that Defendant-Debtor has failed to respond to the discovery requests, contending that this is part of Defendant-Debtor’s scheme to hide assets that are property of the Bankruptcy Estate.

Plaintiff asserts that it has identified seven bank accounts that the Defendant-Debtor failed to disclose on its schedules or to the Trustee. Additionally, the balances for the accounts disclosed were 1/3 of the actual monies in the accounts as of the filing of Defendant-Debtor's Bankruptcy Case.

The Second Claim seeks the denial of Discharge as provided in 11 U.S.C. § 727(a)(2)(B). The Third Claim asserts the denial of Discharge as provided in 11 U.S.C. § 727(a)(3). The Fourth Claim asserts the denial of Discharge as provided in 11 U.S.C. § 727(a)(4). The Fifth Claim asserts the denial of Discharge as provided in 11 U.S.C. § 727(a)(5).

The Plaintiff also has made demand for a jury trial for the Objection to Discharge claims that arise under 11 U.S.C. § 727, which rights arose with the enactment of the Bankruptcy Code.

At the Status Conference, counsel for Plaintiff addressed this Demand for Jury Trial, stating that for the Amended Complaint as now requesting relief pursuant to 11 U.S.C. § 727, it is a core matter and not a matter for which a jury demand is made. It has been demanded in light of other claims that may be asserted if the court allows further amendments to the Amended Complaint.

## **SUMMARY OF ANSWER**

Jason Eatmon and Christine Eatmon ("Defendant-Debtor") has filed an Answer to the First Amended Complaint, Dckt. 33, admitting and denying specific allegations. They also have asserted two Affirmative Defenses.

## **FINAL BANKRUPTCY COURT JUDGMENT**

Plaintiff Daniel Lockwood and Roseanne Lockwood allege in the First Amended Complaint that jurisdiction for this Adversary Proceeding exists pursuant to 28 U.S.C. §§ 1334(b), that the claims arise under Title 11, § 727, and that this is a core matter proceeding as provided in 157(b)(2)(J). First Amended Complaint ¶ 5, Dckt. 27. In the Answer, Defendant Jason Eatmon and Christine Eatmon admit the allegations of jurisdiction and that this is a core proceeding. Answer ¶ 5; Dckt. 33.

The Parties requested a short continuance so that they could meet and confer further, given the Amended Complaint, to work out consensual pre-trial conference dates and deadlines.

2. [24-20265-E-12](#)  
[CAE-1](#)

**HARDAVE DULAI AND  
SUKHBINDER DULAI**

**STATUS CONFERENCE RE:  
VOLUNTARY PETITION  
1-23-24 [1]**

Debtors' Atty: Ryan C. Wood

Notes:

Trustee's Final Report and Account filed: 2/27/24, 3/5/24

Substitution of Attorney filed 2/2/24 [Dckt 19]; Order granting filed 2/6/24 [Dckt 24]

[RCW-1] *Ex Parte* Motion to Extend Time to Complete Petition; Memorandum of Points and Authorities filed 2/5/24 [Dckt 15]; Orders granting filed 2/6/24 [Dckt 22 & 25]

[RCW-2] *Ex Parte* Application to Employ Attorney for the Debtors filed 2/21/24 [Dckt 31]; Order granting filed 2/26/24 [Dckt 34]

[CAE-1] Status Conference Statement filed 3/11/24 [Dckt 46]

**The Status Conference is XXXXXXX**

### **MARCH 20, 2024 CHAPTER 12 STATUS CONFERENCE**

On January 23, 2024, Debtor Hardave Dulai and Sukbinder Dulai commenced this voluntary Chapter 12 Case. Debtor's prior Chapter 12 case that was filed on December 8, 2022, was dismissed on July 21, 2023. 22-23180.

In the Debtor in Possession Status Conference Report, it is stated that the Debtor has amended and updated the schedules and reports in this case to list all claims against third-parties. The Debtor in Possession is obtaining an appraisal of the real property in this bankruptcy case.

Debtor did not address in the Status Report as to Debtor qualifying for relief under Chapter 12. See, Order Setting Status Conference, p. 2, second full paragraph; Dckt. 10. With respect to Debtor qualifying to be a debtor under Chapter 12, XXXXXXX

At the Status Conference, XXXXXXX

3. [23-23292-E-7](#) IAN LONG  
[23-2105](#)  
CAE-1

CONTINUED STATUS CONFERENCE  
RE: COMPLAINT

**TRUSTED BRIDGE, LLC V. LONG 12-18-23 [1]**

Plaintiff's Atty: Barry H. Spitzer; Christopher W. Peterman  
Defendant's Atty: Patricia Wilson

Adv. Filed: 12/18/23  
Answer: 1/22/24

Nature of Action:  
Dischargeability - false pretenses, false representation, actual fraud  
Dischargeability - fraud as fiduciary, embezzlement, larceny  
Dischargeability - willful and malicious injury

Notes:  
Continued from 2/21/24 by Stipulation of the Parties filed 2/20/24 [Dckt 9]. Order approving filed 2/20/24 [Dckt 10]

**The Status Conference is xxxxxxx**

### MARCH 20, 2024 STATUS CONFERENCE

Pursuant to the Stipulation of the Parties the court continued the Status Conference to March 20, 2024. The continuance had been requested as the Parties and their counsel in conducting their Discovery Conference and other communications recognized that additional time to prepare for the scheduling in this Adversary Proceeding was required. The Stipulation provided for a discovery plan to be filed by March 19, 2024.

At the March 20, 2024 Status Conference xxxxxxx

### ISSUANCE OF PRE-TRIAL SCHEDULING ORDER

The court shall issue a Pre-Trial Scheduling Order setting the following dates and deadlines:

- a. Plaintiff xxxxxxx alleges in the Complaint that jurisdiction for this Adversary Proceeding exists pursuant to 28 U.S.C. §§ 1334 and 157(b)(2), and that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(I). Complaint ¶¶ xx, 2, Dckt. xx. In the Answer, Defendant xx admit the allegations of jurisdiction and that this is a core proceeding. Answer ¶¶ xx, xx, xx; Dckt. Xx. To the extent that any issues in the existing Complaint as of the Status Conference at which the Pre-Trial Conference Order was issued in this Adversary Proceeding are “related

to” matters, the parties consented on the record to this bankruptcy court entering the final orders and judgement in this Adversary Proceeding as provided in 28 U.S.C. § 157(c)(2) for all issues and claims in this Adversary Proceeding referred to the bankruptcy court.

- b. Initial Disclosures shall be made on or before **xxxxxxx, 2024**.
- c. Expert Witnesses shall be disclosed on or before **xxxxxxx, 2024**, and Rebuttal Expert Witnesses, if any, shall be disclosed on or before **xxxxxxx, 2024**.
- d. Discovery closes, including the hearing of all discovery motions, on **xxxxxxx, 2024**.
- e. Dispositive Motions shall be heard before **xxxxxxx, 2024**.
- f. The Pre-Trial Conference in this Adversary Proceeding shall be conducted at **2:00 p.m. on xxxxxx, 2024**.

### **FEBRUARY 12, 2024 STATUS CONFERENCE**

#### **STIPULATION FOR POSTPONEMENT OF HEARING AND EXTENSION OF DEADLINES**

On February 20, 2024, Trusted Bridge, LLC (“Plaintiff”) and Ian Long (“Defendant-Debtor”) submitted to the court a Stipulation (Docket 9) which the court construes to be an *Ex Parte* Motion to extend deadlines and to postpone the status conference. The Ex Parte Motion is granted, and the following deadlines are set in the proceeding:

- 1. Initial disclosures shall be made by March 19, 2024.
- 2. The Discovery Plan shall be submitted by March 19, 2024.
- 3. The Status Conference is continued to March 20, 2024 at 2:00 p.m.

#### **SUMMARY OF COMPLAINT**

The Complaint filed by Trusted Bridge, LLC (“Plaintiff”), Dckt. 1, asserts claims for determining the Nondischargeability of Debt pursuant to 11 U.S.C. §§ 523(a)(2), 523(a)(4), and 523(a)(6). Plaintiff cites the court to exhibits to the Complaint upon which it is asserted that Plaintiff has a judgment for fraud.

The Limited Judgement from the State Court, Exhibit E, and General Judgment, Exhibit F, are filed in support of the Complaint. Dckt. 6.

The Limited Judgement states that Plaintiff shall have a judgment for fraud in the principal amount of \$600,000, together with post-judgment interest of 9%. Exhibit E; Dckt. 6.

The General Judgment, which states that Plaintiff has been granted judgment under the Limited Judgment for fraud, awards Plaintiff the following:

A. The “Plaintiffs” in the State Court Action are awarded jointly \$1,884.01 for costs.

B. Plaintiff is awarded \$64,807.90 in costs and attorney’s fees.

Exhibit F.

## **SUMMARY OF ANSWER**

Ian Long (“Defendant-Debtor”) has filed an Answer, Dckt. 8 , admitting and denying specific allegations. Defendant-Debtor addresses the issues and denies allegations of committing fraud; fraud or defalcation in a fiduciary capacity, embezzlement or larceny; and willful and malicious injury.

## **STATE COURT JUDGEMENT**

As attorneys who practice in Federal Court know, the federal judges are to comply with applicable law (not affirmative defenses and the like with a party fails to claim) and not merely misstated or unstated law by the parties.

In the Complaint (¶ 24; Dckt 1), the Plaintiff asserts that the state court judgment is for fraud and issue preclusion prevents this court retrying the underlying issues. In Defendant-Debtor’s Answer he does not address the Doctrine of Issue Preclusion.

*Grogan v. Garner*, 498 U.S. 279, 284-85, n.11 (1991) states that with respect to a state court judgment, the federal court will give it force and effect with respect to the state court judgment under the Doctrine of Issue Preclusion (a sub-doctrine of *Res Judicata*) for the facts and the legal rulings thereon by the state court as is applicable under that court’s state law.

Here, the Oregon State Court has issued a judgment which it states is for fraud. This court does not know what findings necessarily had to be made for such a fraud judgment. The parties “educate” the court as to the applicable state law on Issue Preclusion and how it applies to the state court judgment.

## **FINAL BANKRUPTCY COURT JUDGMENT**

Plaintiff Trusted Bridges LLC. alleges in the Complaint that jurisdiction for this Adversary Proceeding exists pursuant to 28 U.S.C. §§ 1334, and 523(a)(2), (4), and (6), and that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Complaint ¶¶ 3, 4, Dckt. 1. In the Answer, Defendant-Debtor Ian Long admits the allegations of jurisdiction and that this is a core proceeding. Answer ¶¶ 3, 4; Dckt. 8.