

UNITED STATES BANKRUPTCY COURT
Eastern District of California

Honorable Ronald H. Sargis
Bankruptcy Judge
Sacramento, California

March 23, 2023 at 11:30 a.m.

1. [22-23180-E-12](#) **HARDAVE/SUKHBINDER DULAI** **CONTINUED STATUS CONFERENCE RE:**
[CAE-1](#) **VOLUNTARY PETITION**
12-8-22 [[1](#)]

Debtors' Atty: Bruce Charles Dwiggins

Notes:

Continued from 2/9/23. Counsel for the Chapter 12 Debtor requested that the Status Conference be continued 30 days to allow lead counsel, Mr. Dwiggins to be present.

Trustee Report at 341 Meeting lodged 2/17/23

Application for Pro Hac Vice and Order [re attorney Jane Pearson] filed 2/23/23 [Dckt 33]

Chapter 12 Plan Dated March 8, 2023 filed 3/8/23 [Dckt 34]

[DWL-1] Motion to Confirm Chapter 12 Plan Dated March 8, 2023 filed 3/9/23 [Dckt 36], set for hearing 4/13/23 at 11:30 a.m.

[DWL-1] Amended Chapter 12 Plan Dated March 8, 2023 filed 3/9/23 [Dckt 37], set for hearing 4/13/23 at 11:30 a.m.

Trustee Report at 341 Meeting lodged 3/15/23

The Status Conference is continued to 11:30 a.m. on June 8, 2023.

MARCH 23, 2023 STATUS CONFERENCE

On March 16, 2023, the Debtor in Possession filed a Status Conference Statement. Dckt. 41. The report provides the end of February balances in the bank account, the accounts receivable, other proceedings that may be required, and that a hearing on a Motion to Confirm is set for April 13, 2023.

The Debtor in Possession provides information in support of the Debtor qualifying as a family farmer eligible to file a Chapter 12 bankruptcy case. Attached to the Statement are copies of tax return information concerning the Debtor's farming income and debt.

The Chapter 12 Trustee reports that the two Debtors and counsel appeared at the March 15, 2023 First Meeting of Creditors, and that the Meeting has been continued to April 5, 2023. Trustee March 15, 2023 Docket Entry Report.

The proposed Chapter 12 Plan filed on March 8, 2023 (Dckt. 34) provides for creditors divided into classes of claim. The Plan is to be funded from the continued farming operations. The two Debtors provide their Declaration addressing the events that lead up to the filing of this Chapter 12 Bankruptcy Case, the changes going forward, and the basis of their belief as to how going forward they will be able to perform the Plan. Dckt. 39.

The Status Report does not address the accuracy of the information of the Schedules that the two Debtors own extensive real property, but no personal property assets. (See the Minutes below from the February 9, 2023 Status Conference.) This include stating they have no household goods, no electronics, no clothing, no retirement savings, no crops (either growing or harvested), and no accounts receivable or other obligations owed to them by another person. This is contradicted in part by the Status Conference Statement. No amended Schedules A/B has been filed.

The court also notes that no property is claimed as exempt on Schedule C. Dckt. 14 at 19.

On Schedule I, Debtor states having no income from the farming operation. *Id.* at 44-45.

At the Status Conference, **XXXXXXX**

FEBRUARY 9, 2023 STATUS CONFERENCE

This Chapter 12 case was filed on December 8, 2022. The Chapter 12 Trustee reports that the First Meeting of Creditors has been continued to February 17, 2023. January 12, 2023, Trustee Docket Entry Report.

The debtors in this case are two individuals. The Chapter 12 Debtor's Schedules were filed on December 15, 2022. Dckt. 14. The assets identified include:

- A. Nine parcels of real property.
- B. Twenty (20) vehicles (some of which are farm equipment).
- C. No household goods or furnishings.
- D. No Electronics.
- E. No Clothing.
- F. No Jewelry.

- G. Several bank accounts.
- H. Additional farm tractors and equipment.
- I. No accounts receivable or other amounts owed them by someone else.

On Schedule C, *Id.*, Debtor claims no exemptions.

On Schedule I, debtor Hardave Dulai states he is self-employed and debtor Sukhbinder Dulai states she is an educator employed by the Yuba County Schools. *Id.*, p. 44-45. Debtor Hardave Dulai has \$0.00 in income from the farming operation, and debtor Sukhbinder Dulai is the sole income generator with her monthly wages from her job in education.

On Schedule J, Debtor lists four dependants and a parent (but does not list the parent providing any contribution for expenses), and that Debtor's monthly net income is \$32.75. *Id.* At 45-46.

On the Statement of Financial Affairs the income information is somewhat different:

Debtor Hardave Dulai		Debtor Sukhbinder Dulai
	2022 Income (11 Months)	
\$0.00	Wages	\$0.00
\$0.00	Operating a Business (Gross Income)	\$0.00
	2021	
\$0.00	Wages	\$0.00
\$927,032.00	Operating a Business (Gross Income)	\$0.00
	2020	
\$0.00	Wages	\$40,293.00
\$0.00	Operating a Business (Gross Income)	\$0.00

Id., 49-50.

As of the court's February 6, 2023 review of the Docket, no Status Report had been filed by Debtor.

At the Status Conference, counsel for the Chapter 12 Debtor requested that the Status Conference be continued 30 days to allow lead counsel, Mr. Dwiggins to be present.

The Chapter 12 Trustee reported that since Mr. Dwiggins could not be at the First Meeting of Creditors and it had to be continued. At the First Meeting, the Chapter 12 Trustee was told that there was no insurance on the property of the bankruptcy estate. One general certificate was provided, but no information about what insurance was provided.

FINAL RULINGS

2. [22-22329-E-13](#) JIM HICKERSON
[22-2109](#)
CAE-1

CONTINUED STATUS CONFERENCE RE:
COMPLAINT
12-9-22 [[1](#)]

MUSTYBROOK ET AL V. HICKERSON

Final Ruling: No appearance at the March 23, 2023 Status Conference is required.

Plaintiff's Atty: Mark H. Harris
Defendant's Atty: William F. McLaughlin

Adv. Filed: 12/9/22
Answer: 1/19/23

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

Notes:
Letter requesting to take 3/23/23 status conference off calendar [filed by Mark Harris, attorney for Plaintiffs]
filed 3/10/23 [Dckt 20]

<p>The Status Conference is Concluded and Removed from the Calendar.</p>

The court continued the Status Conference to March 23, 2023, for the limited purpose of addressing whether either of the Parties were asserting a right to a jury trial in this Adversary Proceeding. The court by prior order has concluded all other Status Conference matters and the court's Pretrial Conference Scheduling Order (Dckt. 16) was issued on February 23, 2023.

Counsel for Plaintiff, the Party stating a request for a jury trial with the Complaint, notified the court on March 10, 2023 (Dckt. 20) that after further review Plaintiff has concluded that there is not a right to a jury trial in this Adversary Proceeding, but believes that one would be allowed if all of the Parties consented to a jury trial.

Counsel for Plaintiff further notified the court that he would communicate with Defendant-Debtor's counsel to discuss whether the Parties wanted to consent to a jury trial. Further, that with this conclusion by Plaintiff, the need for briefing the issue of a right to jury trial was no longer necessary.

Counsel for Plaintiff subsequently telephonically notified the court that after discussing it with Defendant's counsel, the Parties would not be requesting a jury trial.

The Status Conference is concluded and removed from the calendar.