

**UNITED STATES BANKRUPTCY COURT**

Eastern District of California

**Honorable Ronald H. Sargis**

**Chief Bankruptcy Judge**

**Sacramento, California**

**Pursuant to District Court General Order 612, no persons are permitted to appear in court unless authorized by order of the court. All appearances of parties and attorneys shall be telephonic through CourtCall, which advises the court that it is waiving the fee for the use of its service by *pro se* (not represented by an attorney) parties through April 30, 2020. The contact information for CourtCall to arrange for a phone appearance is: (866) 582-6878.**

**April 22, 2020 at 2:00 p.m.**

- 
1. [18-27720](#)-E-13      DAVID RYNDA      CONTINUED MOTION TO CONFIRM  
[TLW](#)-5      PLAN  
5-21-19 [[213](#)]

**MATTER HAS BEEN RESCHEDULED TO BE  
HEARD AT 9:30 A.M. ON APRIL 22, 2020 WITH  
OTHER RELATED MATTERS TO THIS CASE.**

2. [18-27720](#)-E-13      DAVID RYNDA      CONTINUED STATUS CONFERENCE  
[19-2023](#)      RE: AMENDED COMPLAINT  
RYNDA V. MACHADO ET AL      10-16-19 [[72](#)]

**MATTER HAS BEEN RESCHEDULED TO BE  
HEARD AT 9:30 A.M. ON APRIL 22, 2020 WITH  
OTHER RELATED MATTERS TO THIS CASE.**

Plaintiff's Atty:

Defendant's Atty:

Adv. Filed:

Answer:

Nature of Action:

Notes:

Continued from 2/13/20. Continuance necessitated by calendaring conflicts for counsel in this

**April 22, 2020 at 2:00 p.m.**

**Page 1 of 23**

Adversary Proceeding. Counsel to meet and confer prior to 4/10/20.

[TLW-7] Order Denying *Ex Parte*, Emergency Motion for Summary Judgment or in the Alternative an Order Providing Debtor with Exclusive Dominion, Control, and Use of Home filed 2/21/20 [Dckt 116]

[TLW-8] Motion for Summary Judgment for Quiet Title filed 2/22/20 [Dckt 121]; heard 4/9/20 and continued to 4/22/20 at 10:00 a.m. [Dckt 149]

[TLW-9] *Ex Parte* Motion to Identify Debtor as the Fiduciary with the Right to Possession and Control of Property filed 2/22/20 [Dckt 126]; Order Identifying Fiduciary of Bankruptcy Estate filed 3/4/20 [Dckt 131]

[TLW-9] Notice of Unavailability of Counsel filed 3/24/20 [Dckt 144]

3.     [20-90205-E-11](#)     **JSL LAND COMPANY, INC.**     **STATUS CONFERENCE RE:  
VOLUNTARY PETITION  
3-13-20 [1](#)**

**SUBCHAPTER V case**

Debtor's Atty: David C. Johnston

Notes:

Operating Report filed: 4/12/20

Status Report due on or before 4/15/20 [Dckt 17]

[EAN-2] Statement Regarding Limited Consent to Use of Cash Collateral [creditor Rubicon Mortgage Fund, LLC] filed 4/7/20 [Dckt 26]

[DCJ-1] Application of Debtor in Possession for Authority to Employ Attorney filed 4/12/20 [Dckt 30]

Debtor In Possession's Chapter 11 Status Report filed 4/15/20

<b>The Status Conference is <span style="color: red;">XXXXXXXXXX</span></b>
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**APRIL 22, 2020 STATUS CONFERENCE**

JSL Land Company, Inc., the Debtor, commenced this Subchapter V Chapter 11 Case on March 13, 2020, and is serving as the Debtor in Possession in this case ("Debtor/ΔIP"). Walter Dahl is the Subchapter V Trustee in this Case.

On April 15, 2020, the Debtor/ΔIP filed a Status Report on April 15, 2020. The property of

the Bankruptcy Estate includes to adjacent office buildings (which includes some warehouse space) in Modesto, California (the “Property”). The Debtor/ΔIP recounts refinancing of the Property, the investors and the Debtor’s loan brokers, and the loan brokers’ financial investment in the loans and services for the investors who are seeking to foreclose.

The Debtor/ΔIP expects to file the plan in this Case by June 4, 2020, a week prior to the statutory deadline in this Subchapter V Case.

There has been the consent of the lien holder on one of the buildings to the limited use of cash collateral. See Statement filed by Rubicon Mortgage Fund, LLC, stating consent of that creditor. Dckt. 26. The Debtor/ΔIP reports that the holder of the first deed of trust on the other building was, and is continuing post-petition to collect rents from the tenants of this property of the Bankruptcy Estate.

### **Status Conference**

At the Status Conference **XXXXXXXXXX**

4. [14-24616-E-13](#) **NICOLE GOLDEN/ STEPHEN  
[20-2019](#) **ALTER  
GOLDEN ET AL V. WELLS FARGO  
BANK, N.A.****

**STATUS CONFERENCE RE:  
COMPLAINT  
2-20-20 [\[1\]](#)**

Plaintiff's Atty: John G. Downing  
Defendant's Atty: unknown

Adv. Filed: 2/20/20  
Answer: none  
Nature of Action:  
Validity, priority or extent of lien or other interest in property  
Declaratory judgment

<b>The Status Conference is continued to 2:00 p.m. on July 1, 2020.</b>
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Notes:

Request for Entry of Default [of Wells Fargo Bank, N.A.] by Plaintiff filed 4/10/20 [Dckt 7]

Entry of Default [of Wells Fargo Bank, N.A.] and Order Re: Default Judgment Procedures filed 4/13/20 [Dckt 8]

#### **APRIL 22, 2020 STATUS CONFERENCE**

On February 20, 2020, Nicole Golden and Stephen Alter, the "Plaintiff-Debtor," commenced this Adversary Proceeding against Wells Fargo Bank, N.A., the "Defendant." The Complaint seeks a judgment declaring Defendant's Deed of Trust encumbering the Carnelian Bay property (the "Property") void. Dckt. 1. The Complaint states that Plaintiff-Debtor obtained an 11 U.S.C. § 506(a) valuation of Defendant's secured claim in their Chapter 13 Plan, have completed their Chapter 13 Plan, and Defendant's lien is now void. The Complaint does not recount the demand, or demands, made on Defendant to reconvey the lien as required under California law or the deed of trust (presuming it is a standard deed of trust).

On April 13, 2020, the default of Defendant was entered. Dckt. 8.

The Plaintiff-Debtor is now in the period of time for the filing of a motion for entry of a default judgment (to be filed within 30 days of the entry of the default).

The court continues the Status Conference to afford Plaintiff-Debtor to continue in the prosecution of this Adversary Proceeding.

5. [10-27435-E-7](#)      **THOMAS GASSNER**  
[19-2006](#)  
**HUSTED V. MEPCO LABEL SYSTEMS**  
**ET AL**

**SCHEDULING CONFERENCE RE:**  
**COMPLAINT**  
**1-7-19 [1]**

Plaintiff's Atty: J. Russell Cunningham; Kristen Ditlevsen

Defendant's Atty:

Charles L. Hastings [Laura Strombom]

Scott G. Beattie [Carol L. Gassner; Alfred M. Gassner; Mepco Label Systems]

Adv. Filed: 1/7/19

Answer:

2/5/19 [Alfred M. Gassner; Carol L. Gassner; Mepco Label Systems]

2/5/19 [Laura Strombom]

Nature of Action:

Recovery of money/property - turnover of property

Notes:

Scheduling Conference Order filed 3/13/20 [Dckt 92]. On or before 4/15/20, Parties to file either joint or separate Scheduling Conference Report(s).

**APRIL 22, 2020 STATUS SCHEDULING CONFERENCE**

**XXXXXXXXXX**

**SUBCHAPTER V case**

Debtor's Atty: Stephen M. Reynolds

Notes:

[RLC-1] Application to Approve Employment of Attorney filed 2/25/20 [Dckt 5]; Order granting filed 3/4/20 [Dckt 13]

Notice of Appointment of Subchapter V Trustee filed 2/25/20 [Dckt 9]

[RLC-2] Motion for Sale of Real Property of the Estate Free & Clear of Liens filed 3/11/20 [Dckt 16]

Trustee Report at 341 Meeting lodged 3/19/20 - Debtor did not appear; continued to 4/2/20

Trustee Report at 341 Meeting lodged 4/7/20 - Debtor appeared; meeting concluded

First Status Report filed 4/7/20 [Dckt 32]

[RLC-3] Motion to Confirm Chapter 11 Subchapter V Plan filed 4/8/20 [Dckt 34], set for hearing 5/21/20 at 11:30 a.m.

[RLC-3] Chapter 11 Subchapter V Plan of Reorganization filed 4/8/20 [Dckt 36], set for hearing 5/21/20 at 10:30 a.m. [incorrect time stated in caption of pleading]

<b>The Status Conference is <span style="color: red;">XXXXXXXXXX</span></b>
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**APRIL 22, 2020 STATUS CONFERENCE**

Robert and Sherry McLean, the two debtors ("Debtor"), commenced this Subchapter V Chapter 11 Case on February 23, 2020, and are serving as the Debtor in Possession in this case ("Debtor/ΔIP"). Walter Dahl is the Subchapter V Trustee in this Case.

Debtor/ΔIP filed a Status Report on April 7, 2020. Dckt. 32. In the report, Debtor/ΔIP suggests setting a Claims Objection bar date of September 30, 2020.

The court has approved the proposed sale of the estate consisting of 3625-4912 Central Way, Fairfield, California. Civil Minutes, Dckt. 40. This will fully pay two secured claims and make a partial payment on a third secured claim.

Debtor/ΔIP filed a proposed Subchapter V Plan and Motion to Confirm on April 8, 2020. Dckts. 36, 34. The Confirmation Hearing is set for 11:30 a.m. on May 21, 2020.

7. **19-26175-E-11**      **ALMA CHAVEZ-NUNEZ**      **CONTINUED STATUS CONFERENCE  
RE: VOLUNTARY PETITION  
10-1-19 [\[1\]](#)**

Debtor's Atty: John G. Downing

Notes:

Continued from 11/20/19

Operating Reports Filed: 12/17/19 [Oct]; 12/17/19 [Oct - duplicate?]; 2/11/20 [Nov]; 2/11/20 [Dec]

[JGD-2] Order denying Motion to Employ filed 12/18/19 [Dckt 39]

[JGD-3] Order granting Motion to Employ filed 12/18/19 [Dckt 40]

Trustee Report at 341 Meeting lodged 12/19/19: Debtor did not appear; continued

Trustee Report at 341 Meeting lodged 1/8/20: Debtor did not appear; continued

Trustee Report at 341 Meeting lodged 2/13/20: Debtor did not appear; meeting concluded

**APRIL 22, 2020 STATUS CONFERENCE**

The latest Monthly Operating Report filed by the Debtor in Possession is for December 2019, which was filed on February 11, 2020. On February 11, 2020, the Debtor in Possession filed the Monthly Operating Report for November 2019. These are filed two and three months late, respectively. No report has been filed for January, February, or March 2020, all of the last day to file have passed.

The December 2019 Monthly Operating Report states that there was income of \$26,213 for that month. However, the Debtor in Possession has (\$25,854) in that one month, resulting in there being nothing more than an nominal financial improvement for the bankruptcy estate.

With respect to the (\$25,854) in monthly expenses for the Debtor in Possession, one is directed to "See Attachment." Dckt. 42 at 4. The only attachment is a copy of a Wells Fargo Bank statement. Other than a few purchases at stores, the vast majority of transactions are money transfers between the Debtor in Possession and the following persons (identifying the amount transferred to them as a negative number and the amount transferred from them as a positive number):

<b>Debtor</b>	<b>M Chavez</b>	<b>Karina Nunez</b>	<b>Victor Nunez</b>	<b>Britt Johnson</b>	<b>Pullen Rental Group</b>	<b>Cash</b>	<b>Daniel Nunez</b>	<b>Salvador Chavez</b>
\$1,390	\$600	(\$900)	(\$1,600)	\$750	\$900	(\$600)		
\$1,790	(\$275)	(\$300)						
		(\$300)	(\$750)				(\$100)	
\$118								
\$1,032			(\$200)			\$470	(\$100)	
			(\$950)					
						\$500		\$300
\$99			\$350			\$200		
						\$120	(\$900)	
\$301		(\$700)	\$1,200			\$400	(\$100)	
		(\$100)				\$700		
						(\$335)	(\$180)	
\$841	\$520	(\$200)	(\$900)			(\$400)	(\$400)	
	\$250							\$300
	(\$10)							\$275
\$74			(\$850)			\$1,940	(\$30)	
							(\$80)	
							(\$500)	
						(\$300)		
						\$200		
						\$900	(\$50)	
\$342							(\$350)	
						(\$300)		
						\$200		
						\$900	(\$50)	
		(\$200)					(\$350)	
\$99						\$200		



								\$200
								\$334
						(\$300)		\$850
						(\$545)		
\$49	\$200		\$200			(\$800)		
						\$620	(\$40)	
						(\$140)	(\$150)	
						(\$43)		
\$410	(\$35)		(\$300)				(\$120)	
			(\$100)				(\$60)	
	(\$300)					(\$300)	(\$200)	
	(\$150)						(\$50)	
							(\$10)	
							(\$30)	
\$99		\$30				\$366		
\$148		(\$30)	(\$200)				(\$100)	
\$643	(\$20)					(\$870)		
\$49								
\$110								
\$99							(\$24)	
\$445								
\$74						\$838		
=====	=====	=====	=====	=====	=====	=====	=====	=====
\$8,212	\$780	(\$2,700)	(\$4,100)	\$750	\$900	\$3,621	(\$3,974)	\$2,259
<b>Debtor</b>	<b>M Chavez</b>	<b>Karina Nunez</b>	<b>Victor Nunez</b>	<b>Britt Johnson</b>	<b>Pullen Rental Group</b>	<b>Cash</b>	<b>Daniel Nunez</b>	<b>Salvador Chavez</b>

<b>Loraine Crussell</b>	<b>Carman Garcia</b>	<b>Deforest Slyck</b>	<b>Frank Flores</b>	<b>Pullen Rental Group</b>	<b>Rafael Miranda</b>	
	(\$500)					
	(\$200)					
	(\$220)					
	(\$420)					
	(\$200)					
\$575						
	(\$500)					
	(\$500)					
\$270						
	(\$450)		(\$600)			
\$1,055	(\$50)	\$225		\$350		
	(\$85)				(\$241)	
		\$75				
	(\$50)					
=====	=====	=====	=====	=====	=====	
\$1,900	(\$3,175)	\$300	(\$600)	\$350	(\$241)	
<b>Loraine Crussell</b>	<b>Carman Garcia</b>	<b>Deforest Slyck</b>	<b>Frank Flores</b>	<b>Pullen Rental Group</b>	<b>Rafael Miranda</b>	

It is not clear what these “personal expenses” are that have dissipated all of the revenues in December 2019.

At the hearing, **XXXXXXXXXX**

## **NOVEMBER 20, 2019 STATUS CONFERENCE**

This bankruptcy case was commenced on October 1, 2019. At the Status Conference, counsel for the Debtor in Possession (the court notes that no application has been filed for the Debtor in Possession to employ counsel) reported that the Debtor’s father died recently.

The tax claim is at the root of the filing of this case.

The U.S. Trustee reports that the 341 Meeting has been continued, indicating that a number of items of information had not been provided.

## **SUMMARY OF SCHEDULES**

<b>Real Property Schedule A/B</b>	<b>FMV</b>
Truckee Property	\$632,000

<b>Personal Property Schedule B/B</b>	<b>FMV</b>
2 Vehicles	\$12,000
Boat	\$5,000
2 Snowmobiles	\$700
Business Accounts Receivable	\$30,000
6 High Mileage Trucks	\$15,000

<b>Secured Claims Schedule D</b>	<b>TOTAL CLAIM AMOUNT</b>	<b>FMV</b>	<b>UNSECURED CLAIM PORTION</b>
Bayview Loan Servicing (Truckee Property)	(\$346,506)	\$632,000	\$0
IRS (Truckee Property)	(\$6,005,407)	Above	

<b>PRIORITY UNSECURED CLAIMS SCHEDULE E/F</b>	<b>TOTAL CLAIM AMOUNT</b>	<b>PRIORITY</b>	<b>GENERAL UNSECURED</b>
EDD	(\$131,903)	(\$102,000)	(\$29,903)
FTB	(\$790,803)		(\$790,803)

<b>GENERAL UNSECURED CLAIMS SCHEDULE /FF</b>	<b>TOTAL CLAIMS AMOUNT</b>	
	(\$72,996)	
David Silber		(\$31,000)
National Business Factors		(\$20,204)

<b>INCOME, SCHEDULE I</b>	
Total Average Monthly Income	
Wages	\$15,000
Deductions/Taxes	(\$2,830)

<b>EXPENSES, SCHEDULE J</b>	
Total Average Monthly Expenses	

Total for Family of Three (Debtor and Two Adult Dependent Children)	(\$4,116)
Rent/Mortgage	\$0
Food/Housekeeping Supplies	(\$600)
Transportation	(\$500)
Health Ins	(\$1,100)
Electricity/Heat/Gas	(\$699)

8. [17-26125-E-7](#) **FIRST CAPITAL RETAIL,**  
[19-2112](#) **LLC**  
**HUSTED V. IKAHN CAPITAL LLC ET**  
**AL**

**CONTINUED STATUS CONFERENCE**  
**RE: COMPLAINT**  
**9-11-19 [1]**

Plaintiff's Atty: Aaron A. Avery  
Defendant's Atty: Jennifer M. Millier

Adv. Filed: 9/11/19  
Answer: 4/8/20

Nature of Action:  
Recovery of money/property - preference  
Recovery of money/property - fraudulent transfer  
Recovery of money/property - other  
Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)

Notes:  
Continued from 3/4/20

Ikahn Capital LLC and Global Merchant Cash, Inc's Answer to Complaint filed 4/8/20 [Dckt 17]

**The Status Conference is XXXXXXXXXX**

## SUMMARY OF COMPLAINT

Kimberly Husted, the Plaintiff-Trustee, is the Chapter 7 Trustee in the First Capital Retail, LLC bankruptcy case (17-26125). The Complaint is titled as seeking relief to avoid transfers (11 U.S.C. § 547,

§ 548, § 550) and to disallow claim. The court summarizes the claims stated in the Complaint (Dckt. 1) as follows:

- A. iKahn Capital, LLC (“iKhan”) and Global Merchant Cash, Inc. (“GMC”) are the named Defendants.
- B. iKahn asserts a claim in the Chapter 7 case, the documentation for such claim being based on an agreement dated May 4, 2017 (the “Agreement”), for the Debtor to sell to GMC \$149,900 of future accounts receivable for \$100,000. The Agreement is signed by Suneet Singal, who at the time owned or controlled the Debtor.
- C. Singal personally guaranteed the obligations of Debtor under the Agreement.
- D. Payments of not less than \$26,985 were made to on the Agreement within 90 days of Debtor filing bankruptcy.
- E. A second agreement dated May 17, 2017, for the sale of \$74,950 of future accounts receivable for \$50,000 was signed by Suneet Singal (“Second Agreement”).
- F. Payments of not less than \$36,011.00 were paid on the Second Agreement within 90 days of the Debtor filing bankruptcy.
- G. Suneet Singal signed confessions of judgment in connection with the Agreement and Second Agreement.
- H. Suneet Singal was not authorized and could not enter into the Agreement and Second Agreement, sell or encumber assets of Debtor, of confess judgments against Debtor.
- I. Plaintiff-Trustee asserts that the purported transfer of accounts receivable, and payments made pursuant to the Agreement and Second Agreement, are fraudulent conveyances (11 U.S.C. § 548) that may be avoided.
- J. Plaintiff-Trustee further alleges that any transfers made within 90 days of the filing of the bankruptcy case by Debtor are voidable preferences.

## **SUMMARY OF ANSWER**

iKhan and GMC has filed an Answer (Dckt. 17) to the Complaint. In the Answer, Defendant admit and deny specific allegations of the Complaint. In the Answer, Defendant states sixteen Affirmative Defenses.

## **REQUIRED PLEADING OF CORE AND NON-CORE MATTERS, CONSENT OR NON-CONSENT TO NON-CORE MATTER**

The basic pleading requirements of Federal Rule of Civil Procedure 8 for a complaint, including that the complaint “[m]ust contain: (1) a short and plain statement of the grounds for the court's jurisdiction...,”

apply to complaints in Adversary Proceedings. In add to incorporating Rule 8, Federal Rule of Bankruptcy Procedure 7008 adds the addition pleading requirement concerning whether the matters in the complaint are core or non-core:

“Rule 8 F.R.Civ.P. applies in adversary proceedings. The allegation of jurisdiction required by Rule 8(a) shall also contain a reference to the name, number, and chapter of the case under the Code to which the adversary proceeding relates and to the district and division where the case under the Code is pending. In an adversary proceeding before a bankruptcy judge, **the complaint, counterclaim, cross-claim, or third-party complaint shall contain a statement that the proceeding is core or non-core and, if non-core, that the pleader does or does not consent to entry of final orders or judgment by the bankruptcy judge.**”

Fed. R. Bankr. P. 7008 (emphasis added).

For a responsive pleading, Federal Rule of Bankruptcy Procedure 12(b) applies in adversary proceeding. Fed. R. Bankr. P. 7012(b). The Bankruptcy Rules add a further responsive pleading requirement concerning whether the matter are core or non-core, as well as the consent or non-consent for non-core matters by the responding party:

“(b) Applicability of Rule 12(b)-(i) F.R.Civ.P. Rule 12(b)-(i) F.R.Civ.P. applies in adversary proceedings. A responsive pleading **shall admit or deny an allegation that the proceeding is core or non-core**. If the response is that the proceeding is **non-core**, it shall include a **statement that the party does or does not consent** to entry of final orders or judgment by the bankruptcy judge. In non-core proceedings final orders and judgments shall not be entered on the bankruptcy judge's order except with the express consent of the parties.”

Fed. R. Bank. P. 7012(b) (emphasis added).

## FINAL BANKRUPTCY COURT JUDGMENT

Plaintiff-Trustee 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)(A), (B), (F), (H), and (O), and to the extent non-core, consents to the bankruptcy judge issuing all final orders and judgment in this Adversary Proceeding. Complaint ¶¶ 3, 4, Dckt. 1.

In the Answer, Defendants respond to the allegations in the Complaint, Paragraphs 2 and 3, as follows:

3. In response to this paragraph, Defendants assert that the Complaint speaks for itself. Defendants deny each and every allegation therein.
4. In response to this paragraph, Defendants assert that the Complaint speaks for itself. Defendants deny each and every allegation therein.

Answer ¶¶ 3, 5; Dckt. 17.

The “it speaks for itself” does not comply with the requirements of Federal Rule of Bankruptcy Procedure 7012(b).

That Defendants state, subject to the certification of counsel and the Defendants made as provided in Federal Rule of Bankruptcy Procedure 9011, that each and every allegation in paragraphs 2 and 3 are denied in good faith include:

- A. Denying that federal court jurisdiction exists for bankruptcy adversary proceedings as provided by Congress in 28 U.S.C. § 1334 and § 157.
- B. Denying that objecting to a claim and seeking to avoid preferences and fraudulent conveyances as provided in 11 U.S.C. § 502, 547, 548, and 550 enacted by Congress is the basis for an adversary proceeding in this bankruptcy case.
- C. Denying that bankruptcy cases and related adversary proceedings have been referred to the bankruptcy judges in the Eastern District of California as provided in District Court General Orders 182 and 223.
- D. Denying that an objection to claim pursuant to 11 U.S.C. § 502 as enacted by Congress for a claim filed by a creditor in this bankruptcy case is a core matter proceeding arising under the Bankruptcy Code as enacted by Congress.
- E. Denying that a claim to avoid a preferential transfer arising under 11 U.S.C. § 547 as enacted by Congress is a core matter proceeding.

Defendants also fail to comply with the requirements of Federal Rule of Bankruptcy Procedure 7012(b), as established by the United States Supreme Court, and do not state whether for any non-core matters in this Adversary Proceeding whether Defendants, or either of them, consent to the bankruptcy judge issuing final orders and the judgment, or whether for non-core matters they will diligently seek a withdrawal of the reference for any such non-core matters. <sup>FN. 1.</sup>

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FN. 1. These failures surprise the court, in that it appears that Defendants and their counsel otherwise have drafted an answer which addresses each of the other allegations specifically. It may be that in the rush to get the Answer on file, boilerplate cut and pasted in by a new associate attorney or paralegal were put in, which senior counsel focused on the claim specific allegations.  
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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.

## **ISSUANCE OF PRE-TRIAL SCHEDULING ORDER**

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



- a. The Plaintiff alleges that jurisdiction exists for this Adversary Proceeding pursuant to 28 U.S.C. § 1334 and 157, and the referral to this bankruptcy court from the United States District Court for the Eastern District of California. Further, that this is a core proceeding before this bankruptcy court pursuant to 28 U.S.C. § 157(b)(2)(A), (N), and (O). **First Amended Complaint, ¶¶ X, X, Dckt. X.** The Defendant admits the jurisdiction and that this is a core proceeding. Answer, **¶¶ X, X, Dckt. X.** **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 is Adversary Proceeding are related to proceedings, 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 claims and issues in this Adversary Proceeding referred to the bankruptcy court.**
- b. Initial Disclosures shall be made on or before **May 6, 2020.**
- c. Expert Witnesses shall be disclosed on or before -----, **2020**, and Expert Witness Reports, if any, shall be exchanged on or before -----, **2020.**
- d. Discovery closes, including the hearing of all discovery motions, on -----, **2020.**
- e. Dispositive Motions shall be heard before -----, **2020.**
- f. The Pre-Trial Conference in this Adversary Proceeding shall be conducted at ----- **p.m. on -----**  
**-----, 2020.**

## FINAL RULINGS

9. [17-26125-E-7](#) FIRST CAPITAL RETAIL, CONTINUED STATUS CONFERENCE  
[19-2113](#) LLC RE: COMPLAINT  
HUSTED V. HAPPY ROCK MERCHANT 9-11-19 [1]  
SOLUTIONS, LLC

***DISMISSED 4/13/20***

**Final Ruling: No appearance at the April 22, 2020 Status Conference is required.**  
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Plaintiff's Atty: Aaron A. Avery  
Defendant's Atty: Rebecca R. Cusick

Adv. Filed: 9/11/19  
Answer: none

Nature of Action:  
Recovery of money/property - preference  
Recovery of money/property - fraudulent transfer  
Recovery of money/property - other  
Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)

Notes:  
Notice of Dismissal of Adversary Proceeding filed 4/13/20 [Dckt 15]

<p>The Adversary Proceeding having been dismissed (Notice of Dismissal, Dckt. 15), <b>the Status Conference is concluded and removed from the Calendar.</b></p>
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**Final Ruling: No appearance at the April 22, 2020 Status Conference is required.**  
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Plaintiff's Atty: Aaron A. Avery  
Defendant's Atty: Michael W. Davis  
Adv. Filed: 9/11/19  
Answer: none

Amd. Cmplt. Filed: 3/20/20  
Answer: none

Nature of Action:  
Recovery of money/property - preference  
Recovery of money/property - other  
Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)

Notes:  
Continued from 3/4/20

[BG-1] Stipulation re Amendment of Complaint and Time to Respond filed 3/9/20 [Dckt 16]

Amended Complaint filed 3/20/20 [Dckt 19]

[PP-1] Motion to Dismiss the First, Third, Fourth, and Fifth Claims for Relief in the Trustee's First Amended Complaint for Failure to State a Claim; Motion for More Definite Statement filed 4/3/20 [Dckt 22], set for hearing 5/21/20 at 11:00 a.m.

**The Status Conference is continued to 11:00 a.m. on May 21, 2020, to be conducted in conjunction with the Defendant's Motion to Dismiss specified claims in the First Amended Complaint. (Specially set date and time.)**

#### **APRIL 22, 2020 STATUS CONFERENCE**

The Parties continue in their prosecution of this Adversary Proceeding, with a Motion to Dismiss specified claims in the First Amended Complaint. The court continues the Status Conference to the date and time of the hearing on the Motion to Dismiss for the convenience of the Parties and the court.

11. [17-26125-E-7](#) [19-2116](#) FIRST CAPITAL RETAIL, LLC CONTINUED STATUS CONFERENCE  
RE: COMPLAINT

HUSTED V. IAC FUNDING CAPITAL  
SOURCE, LLC ET AL

9-11-19 [\[1\]](#)

**Final Ruling: No appearance at the April 22, 2020 Status Conference is required.**

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Plaintiff's Atty: Aaron A. Avery  
Defendant's Atty: unknown

Adv. Filed: 9/11/19  
Answer: none

Nature of Action:  
Recovery of money/property - preference  
Recovery of money/property - fraudulent transfer  
Recovery of money/property - other

Notes:  
Continued from 3/4/20. The Plaintiff having filed a motion for entry of default judgment.

[HSM-1] Order granting motion for entry of default judgment against IAC Funding Capital Source, LLC, aka IAC Funding Source, LLC, and ML Factors Funding, LLC.

[HSM-1] Default Judgment Against IAC Funding Capital Source, LLC, aka IAC Funding Source, LLC, and ML Factors Funding, LLC filed 4/10/20 [Dckt 37]; Notice of Entry of Default Judgment filed 4/10/20 [Dckt 39]

**The Status Conference is concluded and removed from the Calendar, judgment having been entered for Plaintiff-Trustee and against Defendant (Judgment, Dckt. 37).**

12. [17-26125-E-7](#) FIRST CAPITAL RETAIL,  
[19-2117](#) LLC  
HUSTED V. ACE FUNDING SOURCE  
LLC

CONTINUED STATUS CONFERENCE  
RE: COMPLAINT  
9-11-19 [\[1\]](#)

**Final Ruling: No appearance at the April 22, 2020 Status Conference is required.**

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Plaintiff's Atty: Aaron A. Avery  
Defendant's Atty: Stephen C. Breuer

Adv. Filed: 9/11/19  
Answer: none

Nature of Action:  
Recovery of money/property - preference  
Recovery of money/property - fraudulent transfer  
Recovery of money/property - other

Notes:  
Continued from 3/4/20

<b>The Status Conference is continued to 2:00 p.m. on July 1, 2020.</b>
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#### **APRIL 22, 2020 STATUS CONFERENCE**

On April 14, 2020, Plaintiff-Trustee filed a Second Status Report, advising the court that the Parties have resolved their disputes and, a motion to approve a settlement will be filed in the First Capital Retail, LLC bankruptcy case. Dckt. 17.

It being reported that the Parties have resolved this matter, the Status Conference is continued a period sufficient to allow for the documentation of the settlement and filing of the motion to approve the compromise by the Plaintiff-Trustee.

13. [19-22841-E-7](#) [19-2095](#) KRISHNAPRASAD NALAJALA  
ITRIA VENTURES LLC V. PRE-TRIAL CONFERENCE RE:  
COMPLAINT FOR  
DETERMINATION OF  
DISCHARGEABILITY OF DEBT  
8-1-19 [1]

**Final Ruling: No appearance at the April 22, 2020 Pre-Trial Conference is required.**  
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Plaintiff's Atty: David M. Riley; C. Kevin Kobbe  
Defendant's Atty: Brian L. Coggins

Adv. Filed: 8/1/19  
Answer: 8/30/19

Nature of Action:  
Dischargeability - false pretenses, false representation, actual fraud

Notes:  
Scheduling Order -  
Initial disclosures by 10/21/19  
File/serve Motions to Join Additional Parties by 10/31/19  
File/serve Motions to Amend Pleadings by 10/31/19  
Disclose experts by 1/10/20  
Exchange expert reports by 1/10/20  
Close of discovery ~~2/10/20~~ 3/2/20  
Dispositive motions heard by 3/27/20

Joint Motion to Modify Scheduling Order filed 2/11/20 [Dckt 15]; Order granting filed 2/16/20 [Dckt 17]

Stipulated Judgment Determining Debt to Be Nondischargeable filed 3/2/20 [Dckt 18]

**The Pre-Trial Conference is concluded and removed from the Calendar, the Parties having Stipulated to entry of a judgment and the court issuing a judgment thereon.**

14. [16-26475-E-13](#)      LOUIS/LYDIA CAMPOS  
[20-2010](#)  
CAMPOS ET AL V. ALLY BANK

STATUS CONFERENCE RE:  
COMPLAINT  
1-29-20 [[1](#)]

**Final Ruling: No appearance at the April 22, 2020 Status Conference is required.**  
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Plaintiff's Atty: Douglas B. Jacobs  
Defendant's Atty: unknown

Adv. Filed: 1/29/20  
Answer: none

Nature of Action:  
Validity, priority or extent of lien or other interest in property  
Other (e.g. other actions that would have been brought in state court if unrelated to bankruptcy case)

Notes:

<b>The Status Conference is continued to 2:00 p.m. on July 1, 2020.</b>
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#### **APRIL 22, 2020 STATUS CONFERENCE**

On April 15, 2020, the Parties to this Adversary Proceeding filed a Notice of Settlement and a request for the court to continue the Status Conference. Dckt. 7. The Parties report that this Adversary Proceeding should be dismissed within the next sixty days.

The court continues the Status Conference to afford the Parties the opportunity to finalize the settlement and dismiss this Adversary Proceeding.