## UNITED STATES BANKRUPTCY COURT

Eastern District of California Honorable René Lastreto Hearing Date: Wednesday, May 10, 2017 Place: Department B – Courtroom #13 Fresno, California

## INSTRUCTIONS FOR PRE-HEARING DISPOSITIONS

- 1. The following rulings are tentative. The tentative ruling will not become the final ruling until the matter is called at the scheduled hearing. Pre-disposed matters will generally be called, and the rulings placed on the record at the end of the calendar. Any party who desires to be heard with regard to a pre-disposed matter may appear at the hearing. If the party wishes to contest the tentative ruling, he/she shall notify the opposing party/counsel of his/her intention to appear. If no disposition is set forth below, the hearing will take place as scheduled.
- 2. Submission of Orders:

Unless the tentative ruling expressly states that the court will prepare an order, then the tentative ruling will only appear in the minutes. If any party desires an order, then the appropriate form of order, which conforms to the tentative ruling, must be submitted to the court. When the debtor(s) discharge has been entered, proposed orders for relief from stay must reflect that the motion is denied as to the debtor(s) and granted only as to the trustee. Entry of discharge normally is indicated on the calendar.

3. Matters Resolved Without Opposition:

If the tentative ruling states that no opposition was filed, and the moving party is aware of any reason, such as a settlement, why a response may not have been filed, the moving party must advise Vicky McKinney, the Calendar Clerk, at (559) 499-5825 by 4:00 p.m. the day before the scheduled hearing.

4. Matters Resolved by Stipulation:

If the parties resolve a matter by stipulation after the tentative ruling has been posted, but **before the formal order is entered on the docket**, the **moving party** may appear at the hearing and advise the court of the settlement or withdraw the motion. Alternatively, the parties may submit a stipulation and order to modify the tentative ruling together with the proposed order resolving the matter.

5. Resubmittal of Denied Matters:

If the moving party decides to re-file a matter that is denied without prejudice for any reason set forth below, the moving party must file and serve a new set of pleadings with a new docket control number. It may not simply re-notice the original motion.

THE COURT ENDEAVORS TO PUBLISH ITS PREDISPOSITIONS AS SOON AS POSSIBLE, HOWEVER CALENDAR PREPARATION IS ONGOING AND THESE PREDISPOSITIONS MAY BE REVISED OR UPDATED AT ANY TIME PRIOR TO 4:00 P.M. THE DAY BEFORE THE SCHEDULED HEARINGS. PLEASE CHECK AT THAT TIME FOR POSSIBLE UPDATES.

9:30 A.M.

1. 16-12006-B-7 RUDOLPH/KATHLEEN WILLIAMS MOTION TO SELL JES-1 4-6-17 [25]

JAMES SALVEN/MV
RAYMOND ISLEIB/Atty. for dbt.

The motion will proceed as scheduled for higher and better bids only. The motion will be granted without oral argument based upon well-pled facts. The trustee shall submit a proposed order after hearing as specified below.

This matter was fully noticed in compliance with the Local Rules of Practice and there is no opposition. Accordingly, the respondents' defaults will be entered. Federal Rule of Civil Procedure 55, made applicable by Federal Rule of Bankruptcy Procedure 7055, governs default matters and is applicable to contested matters under Federal Rule of Bankruptcy Procedure 9014(c). Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal (826 F.2d 915, 917 (9th Cir., 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here. It appears that the sale is a reasonable exercise of the trustee's business judgment.

2. <u>16-14647</u>-B-7 THOMAS ARLITZ UST-2 TRACY DAVIS/MV MOTION TO EXTEND TIME TO FILE A MOTION TO DISMISS CASE UNDER SEC. 707(B) AND/OR MOTION TO EXTEND DEADLINE TO FILE A COMPLAINT OBJECTING TO DISCHARGE OF THE DEBTOR 4-4-17 [25]

MARK ZIMMERMAN/Atty. for dbt. ROBIN TUBESING/Atty. for mv.

The motion will be granted without oral argument based upon well-pled facts. The moving party shall submit a proposed order in conformance with the ruling. No appearance is necessary.

This matter was fully noticed in compliance with the Local Rules of Practice and there is no opposition. Federal Rule of Civil Procedure 55, made applicable by Federal Rule of Bankruptcy Procedure 7055, governs default matters and is applicable to contested matters under Federal Rule of Bankruptcy Procedure 9014(c). Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal (826 F.2d 915, 917 (9th Cir., 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here. Accordingly, the respondents' defaults will be entered. The time shall be enlarged for the U.S. Trustee and the chapter 7 trustee to file a motion to dismiss and a complaint to deny discharge up to and including June 7, 2017.

3. <u>17-10260</u>-B-7 JAIME GUERRERO
EAT-1
MIDFIRST BANK/MV
EDWARD TREDER/Atty. for mv.

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-11-17 [27]

The motion will be granted without oral argument for cause shown. Movant shall submit a proposed order as specified below. No appearance is necessary.

This motion for relief from stay was fully noticed in compliance with the Local Rules of Practice and there was no opposition. The debtor's and the trustee's defaults will be entered. The automatic stay is terminated as it applies to the movant's right to enforce its remedies against the subject property under applicable nonbankruptcy law. The record shows that cause exists to terminate the automatic stay.

The proposed order shall specifically describe the property or action to which the order relates.

If the motion involves a foreclosure of real property in California, then the order shall also provide that the bankruptcy proceeding has been finalized for purposes of California Civil Code § 2923.5.

A waiver of Federal Rule of Bankruptcy Procedure 4001(a)(3) will not be granted. The movant has shown no exigency.

Unless the court expressly orders otherwise, the proposed order shall not include any other relief. If the proposed order includes extraneous or procedurally incorrect relief that is only available in an adversary proceeding then the order will be rejected. See *In re Van Ness*, 399 B.R. 897 (Bankr. E.D. Cal. 2009).

4. 17-10261-B-7 DARREN/JENNIFER WADKINS
TGM-1
SYSTEMS AND SERVICES
TECHNOLOGIES, INC./MV
MARK ZIMMERMAN/Atty. for dbt.
TYNEIA MERRITT/Atty. for mv.

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-11-17 [17]

This motion for relief from the automatic stay will be denied as moot. No appearance is necessary.

The debtors are individuals. The record does not show that the personal property collateral for this secured claim was redeemed or surrendered within the applicable time set by 11 U.S.C. §521(a)(2). Similarly, the record does not reflect that the loan was reaffirmed or that the movant denied a request to reaffirm the loan on the original contract terms. Therefore, pursuant to 11 U.S.C. §362(h), the collateral is no longer property of the estate and the automatic stay has already terminated by operation of law. No attorney fees will be awarded in relation to this motion.

5. 16-12266-B-7 AVTAR SINGH

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 4-20-17 [70]

MARK ZIMMERMAN/Atty. for dbt. RESPONSIVE PLEADING

The OSC will be vacated. Based on the trustee's response to the court's order to show cause why the case should not be dismissed for failure to pay the fee for filing amended schedules, the court is persuaded the case should not be dismissed. The debtor's discharge shall not be entered unless and until the required fee is paid. The court will enter an order.

6. 04-19571-B-7 LUKE SLIVKOFF

DRJ-2

LUKE SLIVKOFF/MV

JOHN ELEAZARIAN/Atty. for dbt.

RESPONSIVE PLEADING

MOTION FOR DAMAGES AND TO ENFORCE DISCHARGE IN BANKRUPTCY 4-2-17 [51]

This matter will proceed as a scheduling conference. Counsel for the parties shall be prepared to set dates for discovery and an evidentiary hearing.

The court notes that the opposition appears to have mis-stated some of the dates, including the date the debtor's petition was filed as well as the date the debtor's discharge was entered.

7. 17-10872-B-7 RAMIRO GARCIA
RLM-1
STATE FARM MUTUAL AUTOMOBILE
INSURANCE COMPANY/MV
THOMAS GILLIS/Atty. for dbt.
RICHARD MAHFOUZ/Atty. for mv.

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-12-17 [12]

The motion will be granted without oral argument for cause shown. Movant shall submit a proposed order as specified below. No appearance is necessary.

This motion for relief from stay was fully noticed in compliance with the Local Rules of Practice and there was no opposition. The debtor's and the trustee's defaults will be entered. The automatic stay is terminated as it applies to the movant's right to proceed against the debtor's insurance policy only and not as to the debtor personally. The record shows that cause exists to terminate the automatic stay.

The proposed order shall specifically describe the civil litigation action to which the order relates.

The waiver of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be granted. The moving papers show that no party will be prejudiced byt the waiver.

Unless the court expressly orders otherwise, the proposed order shall not include any other relief. If the proposed order includes extraneous or procedurally incorrect relief that is only available in an adversary proceeding then the order will be rejected. See *In re Van Ness*, 399 B.R. 897 (Bankr. E.D. Cal. 2009).

8. <u>16-14676</u>-B-7 JOHN/PATRICIA FARINELLI JFL-1 SETERUS, INC./MV

MOTION FOR RELIEF FROM AUTOMATIC STAY AND/OR MOTION FOR ADEQUATE PROTECTION 4-3-17 [45]

PETER BUNTING/Atty. for dbt.
RENEE PARKER/Atty. for mv.
DISCHARGED, RESPONSIVE
PLEADING

This motion for relief from the automatic stay will be denied without prejudice. No appearance is necessary.

Based on the chapter 7 trustee's response, this motion for relief from the automatic stay will be denied provided the movant may reset this matter for further consideration after 90 days if the property is not sold or in a bona fide escrow. The movant appears to be adequately protected by equity in the property. The movant shall first meet and confer with the chapter 7 trustee regarding the status of his marketing effort. The trustee and the movant may submit a stipulation for relief from stay in lieu of a further hearing because the debtors' discharge has been entered. The court will issue an order. No appearance is necessary.

9. 16-14579-B-7 JAMES/KRISTY RIPPEE
JES-1
JAMES SALVEN/MV
SCOTT LYONS/Atty. for dbt.

MOTION TO SELL 4-6-17 [18]

This motion will proceed as scheduled only for submission of higher and better bids, if any.

The motion was fully noticed in compliance with the Local Rules of Practice and no opposition was filed. Accordingly, the respondents' defaults will be entered. Federal Rule of Civil Procedure 55, made applicable by Federal Rule of Bankruptcy Procedure 7055, governs default matters and is applicable to contested matters under Federal Rule of Bankruptcy Procedure 9014(c). Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal (826 F.2d 915, 917 (9th Cir., 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought, which the movant has done here. It appears that the sale is a reasonable exercise of the trustee's business judgment. The trustee shall submit a proposed order after the hearing.

10. 17-11180-B-7 ELMER/RICARDINA WAYMIRE

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 4-20-17 [25]

MARK ZIMMERMAN/Atty. for dbt. FEES PAID IN FULL ON 4/28/17

The record shows that the required fee has been paid in full. No appearance is necessary.

11. <u>12-19482</u>-B-7 JATINDERPAL/PARBHJIT
TPH-7 RANDHAWA
JATINDERPAL RANDHAWA/MV
THOMAS HOGAN/Atty. for dbt.

MOTION TO AVOID LIEN OF UNIFUND CCR PARTNERS LLC 4-20-17 [62]

This matter will proceed as scheduled.

Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

12. <u>14-14991</u>-B-7 KEVIN/DEBORAH KOKER

JDR-2

KEVIN KOKER/MV

JEFFREY ROWE/Atty. for dbt.

MOTION TO EMPLOY SHARON KELLY AS SPECIAL COUNSEL 4-25-17 [72]

The motion will be denied without prejudice. No appearance is necessary.

The pleadings do not comply with the Local Rules of Practice for the U.S. Bankruptcy Court, Eastern District of California, Appendix II, EDC.002-901, E.D. Cal. Bankruptcy Court's Guidelines for the Preparation of Documents (effective August 12, 2015), Section II, A.

In addition, it appears that there is no further work left that the trustee needs done. The employment contract between the applicant and the debtor occurred pre-petition. The controversy has been settled and the funds have been disbursed. The trustee now seeks to employ the applicant nunc pro tunc. However, nothing in that application addresses the requirements for nun pro tunc approval of an employment application. In re Atkins, 69 F.3d 970 (9th Cir. 1995). In the Ninth Circuit professionals seeking such retroactive approval must, first, "satisfactorily explain their failure to receive prior judicial approval," and, second, demonstrate that their services benefitted the bankrupt estate in a significant manner." Id., 974. Nothing in the motion for employment addresses these deficiencies.

Because the application is denied, the motion for compensation is moot.

13. 14-14991-B-7 KEVIN/DEBORAH KOKER
JDR-3
KEVIN KOKER/MV

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT AGREEMENT WITH WORKERS COMPENSATION CLAIMS 4-25-17 [78]

JEFFREY ROWE/Atty. for dbt.

This matter will proceed as scheduled.

The court notes that the declarations of Sharon Kelly and of James Salven filed in support of the motion do not conform with the Local Rules of Practice for the U.S. Bankruptcy Court, Eastern District of California, Appendix II, EDC.002-901, E.D. Cal. Bankruptcy Court's Guidelines for the Preparation of Documents (effective August 12, 2015), Section II.A.

14. 14-14991-B-7 KEVIN/DEBORAH KOKER

JES-1

JAMES SALVEN/MV

JEFFREY ROWE/Atty. for dbt.

RESPONSIVE PLEADING

CONTINUED OBJECTION TO DEBTOR'S CLAIM OF EXEMPTIONS 2-8-17 [29]

This matter will proceed as scheduled. If the motion above, calendar number 13, DC number JDR-3, is approved, this matter will be dropped as moot.

15. 14-14991-B-7 KEVIN/DEBORAH KOKER

JES-2

JAMES SALVEN/MV

JEFFREY ROWE/Atty. for dbt.

RESPONSIVE PLEADING

CONTINUED MOTION TO COMPEL 2-8-17 [34]

This matter will proceed as scheduled. If the motion above, calendar number 13, DC number JDR-3, is approved, this matter will be dropped as moot.

16. <u>17-10491</u>-B-7 MARIA NUNEZ TMT-1

OPPOSITION RE: TRUSTEE'S MOTION TO DISMISS FOR FAILURE TO APPEAR AT SEC. 341(A) MEETING OF CREDITORS 3-27-17 [13]

The motion is conditionally denied. No appearance is necessary at this hearing. The court will issue an order.

The debtor shall attend the meeting of creditors rescheduled for May 22, 2017, at 8:30 a.m. If the debtor fails to do so, the chapter 7 trustee may file a declaration with a proposed order and the case may be dismissed without a further hearing.

The time prescribed in Rules 1017(e)(1) and 4004(a) for the chapter 7 trustee and the U.S. Trustee to object to the debtor's discharge or to move for dismissal of the case under section 707(b) is extended to 60 days after the conclusion of the meeting of creditors.

17. 17-10991-B-7 NOE/PATRICIA TREVINO
APN-1
SANTANDER CONSUMER USA INC./MV
GABRIEL WADDELL/Atty. for dbt.
AUSTIN NAGEL/Atty. for mv.

MOTION FOR RELIEF FROM AUTOMATIC STAY 4-4-17 [9]

The motion will be granted without oral argument for cause shown. Movant shall submit a proposed order as specified below. No appearance is necessary.

This motion for relief from stay was fully noticed in compliance with the Local Rules of Practice and there was no opposition. The debtor's and the trustee's defaults will be entered. The automatic stay is terminated as it applies to the movant's right to enforce its remedies against the subject property under applicable nonbankruptcy law. The record shows that cause exists to terminate the automatic stay.

The proposed order shall specifically describe the property or action to which the order relates.

The waiver of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be granted. The moving papers show the collateral is uninsured and is a depreciating asset.

Unless the court expressly orders otherwise, the proposed order shall not include any other relief. If the proposed order includes extraneous or procedurally incorrect relief that is only available in an adversary proceeding then the order will be rejected. See *In re Van Ness*, 399 B.R. 897 (Bankr. E.D. Cal. 2009).

1. 17-10400-B-7 ODELIA SALAZAR

PRO SE REAFFIRMATION AGREEMENT WITH BENEFICIAL STATE BANK 4-12-17 [17]

This matter will proceed as scheduled.

## 1:30 P.M.

1. 17-10612-B-13 ADAM/CHRISTINA RAMIREZ STATUS CONFERENCE RE: COMPLAINT 17-1024 3-9-17 [1] U.S. TRUSTEE V. RAMIREZ ET AL ROBIN TUBESING/Atty. for pl.

This matter will be dropped from calendar. The record shows a default has been entered and the U.S. Trustee has filed a motion for entry of default judgment. No appearance is necessary.

2. 17-10612-B-13 ADAM/CHRISTINA RAMIREZ MOTION FOR ENTRY OF DEFAULT 17-1024 UST-1 JUDGMENT U.S. TRUSTEE V. RAMIREZ ET AL 4-12-17 [14] ROBIN TUBESING/Atty. for mv.

The motion will be granted. No appearance is necessary. The U.S. Trustee shall submit a proposed order.

The defendants' defaults have already been entered. Default judgments will be entered based on the court's review of the record and well-pled facts. Federal Rule of Civil Procedure 55, made applicable by Federal Rule of Bankruptcy Procedure 7055, governs default matters. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Systems, Inc. v. Heidenthal (826 F.2d 915, 917 (9th Cir., 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought. The plaintiff has done so here. The record shows that the defendants are serial filers who have filed a total of seven abusive cases since May 21, 2014.

3. 15-14225-B-7 LETICIA CAMACHO 16-1084 GEG-4 CAMACHO V. GARCIA ET AL MOTION TO COMPROMISE
CONTROVERSY/APPROVE SETTLEMENT
AGREEMENT WITH ERMA R. RADTKE
4-4-17 [43]

GLEN GATES/Atty. for mv.

This motion will be continued to June 14, 2017, at 10:30 a.m., for proper service on all creditors. The motion was noticed pursuant to LBR 9014-1(f)(2), however all creditors were not served with notice of the motion. No appearance is necessary.

The court notes that the settlement with defendant Radtke will result in payment of \$38,500 net to be divided between the two bankruptcy estates, however there is nothing in this motion to indicate how the settlement funds will be disbursed as to this chapter 7 debtor's case.

The adversary proceeding sought declaratory relief in the form of a quiettitle determination, general damages, punitive damages, and reasonable attorney's fees, against four defendants. The chapter 7 trustee is not a party to the attached settlement agreement which does not indicate any provision for payment of attorney's fees.

The record does not show that the debtor has exempted these settlement funds nor that the claim has been abandoned by the trustee. Unless the claim is subsequently abandoned, in this debtor's chapter 7 case the claim still belongs to the trustee.

4. 15-14228-B-13 OSCAR GUTIERREZ
16-1085 GEG-4
GUTIERREZ V. GARCIA ET AL

MOTION TO COMPROMISE
CONTROVERSY/APPROVE SETTLEMENT
AGREEMENT WITH ERMA R. RADTKE
4-4-17 [41]

GLEN GATES/Atty. for mv.

This matter was noticed pursuant to LBR 9014-1(f)(2) and will proceed as scheduled.

Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

The court notes that the settlement with defendant Radtke will result in payment of \$38,500 net to be divided between the two bankruptcy estates. This chapter 13 debtor has filed and set for hearing a modified plan that provides for the use of these funds in paying "all allowed filed claims . . . in full" as well as administrative expenses and, to the extent funds are available, attorney's fees.

5. 16-13955-B-7 ROBERT FETTIG
17-1002
TUCOEMAS FEDERAL CREDIT UNION
V. FETTIG

E. GUBLER/Atty. for mv.

MOTION FOR ENTRY OF DEFAULT JUDGMENT 4-27-17 [19]

The motion will be denied without prejudice. The court will issue an order. No appearance is necessary.

The record does not establish that the motion for entry of default judgment was served on anyone as required by FRCP 5(a)(1)(D) and (a)(2), made applicable here by FRBP 7005.

In addition, the moving papers do not include an appropriate docket control number as required by LBR 9014-1(c).

Also, the moving papers were not served in compliance with LBR 9014-1(f)(1) which requires 28 days notice. In addition, the language in the notice of hearing does not comply with LBR 9014-1(d)(4).

Finally, there is no evidence of the amount of damages. Federal Rule of Civil Procedure 55, made applicable by Federal Rule of Bankruptcy Procedure 7055, governs default matters and is applicable to contested matters under Federal Rule of Bankruptcy Procedure 9014(c). Upon default, factual allegations will be taken as true, except those relating to amount of damages. Televideo Systems, Inc. v. Heidenthal (826 F.2d 915, 917 (9th Cir., 1987). Constitutional due process requires that a plaintiff make a prima facie showing that they are entitled to the relief sought.

The liability for a "willful and malicious injury" by the debtor to the property of another is excepted from discharge under \$523(a)6). While a copy of the state court default judgment was filed as an exhibit, there is nothing to show that the judgment was based on fraud or conversion, or whether it was based simply on breach of contract. Accordingly, the plaintiff must make its case for exception from discharge based on the facts presented to this court.

However, the balance still remaining due under the contract is not the correct measure of the damages that may be excepted from the debtor's discharge on account of the debtor's conversion of the plaintiff's collateral. In re Modicue, 926 F.2d 452, 453 (5th Cir. 1991) ("[T]he appropriate measure for non-dischargeability under § 523(a)(6) is an amount equal to the injury caused by the debtor rather than any other sum owed by the debtor on a contractual basis.") See also, In re Saylor, 178 B.R. 209, 214 (BAP 9th, 1995). Here, the damages would be the fair market value of the vehicle prior to the willful and malicious damage that constitutes the conversion, reduced by the net amount recovered by sale of the vehicle. No evidence of that value has been submitted.

The clerk of the court may close the adversary proceeding without notice in 60 days unless the plaintiff has properly re-filed and served a motion for entry of default judgment in this matter. Either party may request an extension of this time up to 30 days by ex parte application for cause. After the adversary proceeding has been closed, the plaintiff will have to file an application to reopen the adversary proceeding if further action is required. The court will issue an order.

6. 14-14593-B-7 WAYNE HEAD CONTINUED STATUS CONFERENCE RE: 17-1004 COMPLAINT
U.S. TRUSTEE V. HEAD 1-24-17 [1]
ROBIN TUBESING/Atty. for pl.
RESPONSIVE PLEADING

This matter will be continued to June 14, 2017, at 1:30 p.m., to be heard with the U.S. Trustee's motion for summary judgment. The court will enter an order. No appearance is necessary.