



**UNITED STATES BANKRUPTCY COURT
Eastern District of California**

Chief Judge Fredrick E. Clement
Sacramento Federal Courthouse
501 I Street, 7th Floor
Courtroom 28, Department A
Sacramento, California

DAY: MONDAY
DATE: AUGUST 26, 2024
CALENDAR: 10:30 A.M. CHAPTER 7 CASES

Unless otherwise ordered, all matters before Chief Judge Fredrick E. Clement shall be simultaneously: (1) **IN PERSON** at Sacramento Courtroom No. 28, (2) via **ZOOMGOV VIDEO**, (3) via **ZOOMGOV TELEPHONE**, and (4) via **COURTCALL**.

You may choose any of these options unless otherwise ordered or stated below.

All parties who wish to appear at a hearing remotely must sign up by 4:00 p.m. **one business** day prior to the hearing.

Information regarding how to sign up can be found on the **Remote Appearances** page of our website at:

<https://www.caeb.uscourts.gov/Calendar/RemoteAppearances>.

Each party who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press appearing by **ZoomGov** may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to the trials or evidentiary hearings, though they may appear in person in most instances.

To appear remotely for law and motion or status conference proceedings, you must comply with the following guidelines and procedures:

- Review the [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
- Review the court's [Zoom Procedures and Guidelines](#) for these, and additional instructions.
- Parties appearing via CourtCall are encouraged to review the [CourtCall Appearance Information](#).

If you are appearing by ZoomGov phone or video, please join at least 10 minutes prior to the start of the calendar and wait with your microphone muted until the matter is called.

Unauthorized Recording is Prohibited: Any recording of a court proceeding held by video or teleconference, including screen shots or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued media credentials, denial of entry to future hearings, or any other sanctions deemed necessary by the court. For more information on photographing, recording, or broadcasting Judicial Proceedings, please refer to Local Rule 173(a) of the United States District Court for the Eastern District of California.

PRE-HEARING DISPOSITION INSTRUCTIONS

RULINGS

Each matter on this calendar will have one of three possible designations: No Ruling, Tentative Ruling, or Final Ruling.

"No Ruling" means the likely disposition of the matter will not be disclosed in advance of the hearing. The matter will be called; parties wishing to be heard should rise and be heard.

"Tentative Ruling" means the likely disposition, and the reasons therefor, are set forth herein. The matter will be called. Aggrieved parties or parties for whom written opposition was not required should rise and be heard. Parties favored by the tentative ruling need not appear. However, non-appearing parties are advised that the court may adopt a ruling other than that set forth herein without further hearing or notice.

"Final Ruling" means that the matter will be resolved in the manner, and for the reasons, indicated below. The matter will not be called; parties and/or counsel need not appear and will not be heard on the matter.

CHANGES TO PREVIOUSLY PUBLISHED RULINGS

On occasion, the court will change its intended ruling on some of the matters to be called and will republish its rulings. The parties and counsel are advised to recheck the posted rulings after 3:00 p.m. on the next business day prior to the hearing. Any such changed ruling will be preceded by the following bold face text: **"[Since posting its original rulings, the court has changed its intended ruling on this matter]"**.

ERRORS IN RULINGS

Clerical errors of an insignificant nature, e.g., nomenclature ("2017 Honda Accord," rather than "2016 Honda Accord"), amounts, ("\$880," not "\$808"), may be corrected in (1) tentative rulings by appearance at the hearing; or (2) final rulings by appropriate ex parte application. Fed. R. Civ. P. 60(a) *incorporated by* Fed. R. Bankr. P. 9024. All other errors, including those occasioned by mistake, inadvertence, surprise, or excusable neglect, must be corrected by noticed motion. Fed. R. Bankr. P. 60(b), *incorporated by* Fed. R. Bankr. P. 9023.

1. [23-24304](#)-A-7 **IN RE: LORENZO JACKSON AND EMO**
TAULAGA-JACKSON
[KMT-2](#)

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT
AGREEMENT WITH DIALLO JACKSON AND RASHAD JAMAL
7-22-2024 [\[32\]](#)

JULIUS CHERRY/ATTY. FOR DBT.
GABRIEL HERRERA/ATTY. FOR MV.
DEBTORS DISCHARGED: 04/29/24; DEBTOR NON-OPPOSITION

Final Ruling

Motion: Approve Compromise of Controversy

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Civil minute order

Petition filed: November 30, 2023

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

Chapter 7 trustee, Nikki B. Farris, seeks approval of her Stipulation Re: Partition Action and Sale of Real Property with Diallo Jackson and Rashad Jamal.

The stipulation has been filed concurrently with this motion as Exhibit A, ECF No. 35. The debtors have filed a non-opposition to the motion, ECF No. 37.

FACTS

Among the scheduled assets of the debtors' bankruptcy estate is an interest in real property located at 984 N. Pico Ave, San Bernadino, California, valued at \$400,734.00 and subject to liens aggregating \$127,971.00.

State Court Partition Action

On or about June 1, 2022, the debtor Emo Aoese Taulaga-Jackson was named as a defendant in the following partition action: Diallo Jackson v. Emo Jackson, an individual, Rashad Jamal, an individual and known as Superior Court of the State of California, County of San Bernardino, Case No. CIVSB2210843, a lawsuit seeking to sell the Subject Property. The Partition Action was commenced by D. Jackson, who alleges that D. Jackson, the debtor E. Jackson, and R. Jamal were conveyed title to the real property in 1991 by Wilbert Jackson (the former spouse of E. Jackson). D. Jackson is the child of

Wilbert Jackson. R. Jamal is the child of E. Jackson and Wilbert Jackson.

In the Partition Action, D. Jackson further alleges: (1) that there is a cloud on title and seeks to clear title against Robert J.T. Jackson – there is an errant deed from Wilbert Jackson recorded in 1963; and (2) that D. Jackson, the debtor E. Jackson and Rashad Jamal held exclusive possession and control of the Subject Property since at least the conveyance in 1991.

The state court in the Partition Action authorized service of Robert J.T. Jackson by publication as there was no record of the existence of such a person. Notably, skip traces did not return any individual. The Chapter 7 trustee removed the Partition Action to the bankruptcy court on or about February 26, 2024.

Stipulation

The essential terms of the Stipulation provide:

- A. Subject to any rights of Robert J.T. Jackson, the Debtor's interest in the Subject Property is property of the bankruptcy estate pursuant to 11 U.S.C. section 541(a).
- B. The parties to the Stipulation agree that the Trustee may prosecute the claims against Robert J.T. Jackson to clear title (i.e., the adverse possession/declaratory relief action) with the assistance of the other parties as necessary.
- C. Subject to any rights of Robert J.T. Jackson, the Trustee may market and sell both the bankruptcy estate's interest and the interests of D. Jackson and R. Jamal's in the Subject Property pursuant to 11 U.S.C. section 363(h), with the sale price and all other terms subject to bankruptcy court approval.
- D. Subject to any rights of Robert J.T. Jackson, the net proceeds (including after costs of sale, clearing title, and any liens) of the Subject Property are to be distributed by the Trustee to the parties pursuant to their respective interests after further agreement and order of the bankruptcy court.
- E. D. Jackson and R. Jamal's right to file any response or objection to any motion or application related to the sale of the property are reserved.

Motion, 3:10-24, ECF No. 32.

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C*

Props., 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

The movant requests approval of a compromise. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Nikki B. Farris's motion to approve a compromise has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as Exhibit A and filed at docket no. 35.

2. [11-44905](#)-A-7 **IN RE: RONNIE/TERESA TERRY**
[BLF-3](#)

MOTION FOR COMPENSATION FOR LORIS L. BAKKEN, TRUSTEES
ATTORNEY(S)
7-22-2024 [\[50\]](#)

JAMES SHAH/ATTY. FOR DBT.
DEBTORS DISCHARGED: 02/06/12

Final Ruling

Application: Allowance of First and Final Compensation and Expense Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved

Order: Civil minute order

Compensation allowed: \$6,760.00

Reimbursement of expenses: \$49.44

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 7 case, Loris L. Bakken, Attorney for the trustee, has applied for an allowance of first and final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the amount of \$6,760.00 and reimbursement of expenses in the amount of \$49.44.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Loris L. Bakken's application for allowance of final compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on a final basis. The court allows final compensation in the amount of \$6,760.00 and reimbursement of expenses in the amount of \$49.44.

IT IS FURTHER ORDERED that the trustee is authorized without further order of this court to pay from the estate the aggregate amount allowed by this order in accordance with the Bankruptcy Code and the distribution priorities of § 726.

3. [24-21011](#)-A-7 **IN RE: SCOTT HORN**
[DAC-1](#)

MOTION TO APPROVE STIPULATION FOR RELIEF FROM THE AUTOMATIC
STAY

7-19-2024 [\[43\]](#)

MICHAEL HAYS/ATTY. FOR DBT.
DEAN CHRISTOPHERSON/ATTY. FOR MV.
DEBTOR DISCHARGED: 07/16/24

No Ruling

4. [23-21933](#)-A-7 **IN RE: CARMEN BOYLEN**
[MMM-1](#)

MOTION TO AVOID LIEN OF PORTFOLIO RECOVERY ASSOCIATES, LLC
7-20-2024 [\[30\]](#)

MOHAMMAD MOKARRAM/ATTY. FOR DBT.

Final Ruling

Motion: Avoid Lien that Impairs Exemption

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Subject: 1218 Hobart Drive, Marysville, California

Judicial Lien Avoided: Portfolio Recovery Associates, LLC, \$4,749.70

All Other Liens:

- Deed of Trust - Penney Mac Loan Services, LLC, \$103,998.00

- Judicial Lien - First National Bank of Omaha, N.A., \$6,042.56

Exemption: \$400,000

Value of Property: \$380,000

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtor seeks an order avoiding the judicial lien of Portfolio Recovery Associates, LLC, under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property; exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). “[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens.” *Id.*; 11 U.S.C § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Portfolio Recovery Associates, LLC, and (ii) First National Bank of Omaha, N.A. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$400,000 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent’s lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$514,790.26. The value of the property is \$380,000. The respondent’s judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property’s value by an amount greater than or equal to the judicial lien. As a result, the respondent’s judicial lien will be avoided entirely.

5. [23-21933](#)-A-7 **IN RE: CARMEN BOYLEN**
[MMM-2](#)

MOTION TO AVOID LIEN OF FIRST NATIONAL BANK OF OMAHA, N.A.
7-20-2024 [\[35\]](#)

MOHAMMAD MOKARRAM/ATTY. FOR DBT.

Final Ruling

Motion: Avoid Lien that Impairs Exemption

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Granted

Order: Prepared by moving party

Subject: 1218 Hobart Drive, Marysville, California

Judicial Lien Avoided: First National Bank of Omaha, N.A., \$6,042.56

All Other Liens:

- Deed of Trust - Penney Mac Loan Services, LLC, \$103,998.00

Exemption: \$400,000

Value of Property: \$380,000

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been

filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtor seeks an order avoiding the judicial lien of First National Bank of Omaha, N.A., \$6,042.56, under 11 U.S.C. § 522(f).

LIEN-AVOIDANCE STANDARDS

Section 522(f) of the Bankruptcy Code authorizes the court to avoid a lien "on an interest of the debtor in property to the extent that such lien impairs an exemption to which the debtor would have been entitled." 11 U.S.C. § 522(f)(1). There are four elements to avoidance of a lien that impairs an exemption: (1) there must be an exemption to which the debtor would have been entitled; (2) the property must be listed on the schedules and claimed as exempt; (3) the lien must impair the exemption claimed; and (4) the lien must be a judicial lien or nonpossessory, nonpurchase-money security interest in property described in § 522(f)(1)(B). *Goswami v. MTC Distrib. (In re Goswami)*, 304 B.R. 386, 390-91 (B.A.P. 9th Cir. 2003). Impairment is statutorily defined: a lien impairs an exemption "to the extent that the sum of - (i) the lien; (ii) all other liens on the property; and (iii) the amount of the exemption that the debtor could claim if there were no liens on the property; exceeds the value that the debtor's interest in the property would have in the absence of any liens." 11 U.S.C. § 522(f)(2)(A).

REVERSE-PRIORITY ANALYSIS

In cases in which there are multiple liens to be avoided, the liens must be avoided in the reverse order of their priority. See *In re Meyer*, 373 B.R. 84, 87-88 (B.A.P. 9th Cir. 2007). "[L]iens already avoided are excluded from the exemption-impairment calculation with respect to other liens." *Id.*; 11 U.S.C. § 522(f)(2)(B).

The judicial liens against the subject real property, listed in the reverse order of their priority are: (i) Portfolio Recovery Associates, LLC, and (ii) First National Bank of Omaha, N.A. The court takes judicial notice of other motions on this calendar that request avoidance of other judicial liens against the subject real property in this matter. Fed. R. Evid. 201. The debtor has claimed a \$400,000 exemption in the property.

Excluding all liens against the subject real property that are lower in priority than respondent's lien, the moving party is entitled to relief. The total of the judicial lien, all other liens except junior judicial liens, plus the exemption amount equals approximately \$510,040.56. The value of the property is \$380,000. The respondent's judicial lien, all other liens (except junior judicial liens), and the exemption amount together exceed the property's value by an amount greater than or equal to the judicial lien. As a result, the respondent's judicial lien will be avoided entirely.

6. [24-20845](#)-A-7 **IN RE: GURPREET MATTU AND RAMANDIP BASSI**
[KMT-3](#)

MOTION TO COMPROMISE CONTROVERSY/APPROVE SETTLEMENT
AGREEMENT WITH GURPREET SINGH MATTU AND RAMANDIP KAUR BASSI
8-5-2024 [\[43\]](#)

ROBERT GIMBLIN/ATTY. FOR DBT.
GABRIEL HERRERA/ATTY. FOR MV.
DEBTORS DISCHARGED: 07/01/24

Tentative Ruling

Motion: Approve Compromise of Controversy

Notice: LBR 9014-1(f)(2); no written opposition required

Disposition: Granted

Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

Chapter 7 trustee, Nikki B. Farris, seeks approval of her Settlement Agreement with the debtors. The Settlement Agreement has been filed concurrently with this motion as Exhibit A, ECF No. 46.

FACTS

Assets

Among the scheduled assets of the bankruptcy estate are the following: (a) Tax Refund; (b) Robinhood Account; and (c) a Beretta gun. The debtors assert no exemption against the Tax Refund and claimed exemptions in the amount of \$470.00 against the Robinhood Account pursuant to C.C.P. § 704.220; and \$500.00 against the Beretta gun pursuant to C.C.P. § 704.020.

At the meeting of creditors, the debtors acknowledged that the Robinhood Account was not a deposit account, and that the Beretta gun was used for recreational purposes. Accordingly, the trustee disputed the exemptions asserted against the Robinhood Account and the Beretta gun, and indicated she intended to object to the debtors' claims of exemption in those assets. The trustee also demanded turnover of the Tax Refund.

Transfer/2016 Toyota Camry

Prior to the filing of the instant case, the debtors transferred title to a 2016 Toyota Camry to a relative as a gift. The debtors claim the transfer was a gift to one of the debtors' sisters in 2016, most payments were made by the debtors, but some payments were

made by the debtors' father, and that title was transferred in 2023 upon completion of payments. The vehicle is currently valued at approximately \$9,224.00. The trustee contends the transfer is an avoidable transfer pursuant to 11 U.S.C. sections 544, 548, 550, and 551. The debtors disputed the trustee's position.

SETTLEMENT AGREEMENT

The essential terms of the settlement are: (1) In full satisfaction of the trustee's turnover request for the Tax Refund, the dispute over the exemptions asserted against the Robinhood Account and the Beretta gun, and the Transfer, the debtors shall pay to the trustee \$10,000, with a payment of \$2,000.00 upon execution of the Settlement Agreement and payments of \$500.00 per month until the balance is paid in full.

If the debtors breach any of the terms identified in the Settlement Agreement, including failing to timely make any payment, and fail to cure the breach within seven calendar days of notice of the breach the debtors will be considered in default of the Settlement Agreement and the trustee may pursue avoidance of the Transfer and/or a money judgment against the debtors for turnover of the balance due under the Settlement Agreement.

Additionally, the debtors consented to a turnover order for the amount due in the event there is a default. The trustee is authorized to keep the first \$5,000 by the debtors with no offset applied to any claims on account of the Transfer. Anything paid by the debtors over \$5,000 would serve as either an offset on any monetary agreement or judgment on account of the Transfer or be returned by the debtors upon sale of the vehicle that is the subject of the Transfer.

So long as the debtors are not in default, the trustee shall refrain from pursuing any action on account of the Transfer, including any avoidance actions. However, the trustee may file but not serve a Complaint to the extent necessary to preserve any statute of limitations. Upon full payment of the \$10,000, any rights the trustee may have related to the Transfer shall be assigned to the debtors.

APPROVAL OF COMPROMISE

In determining whether to approve a compromise under Federal Rule of Bankruptcy Procedure 9019, the court determines whether the compromise was negotiated in good faith and whether the party proposing the compromise reasonably believes that the compromise is the best that can be negotiated under the facts. *In re A & C Props.*, 784 F.2d 1377, 1381 (9th Cir. 1986). More than mere good faith negotiation of a compromise is required. The court must also find that the compromise is fair and equitable. *Id.* "Fair and equitable" involves a consideration of four factors: (i) the probability of success in the litigation; (ii) the difficulties to be encountered in collection; (iii) the complexity of the litigation, and expense, delay and inconvenience necessarily attendant to litigation; and (iv) the paramount interest of

creditors and a proper deference to the creditors' expressed wishes, if any. *Id.* The party proposing the compromise bears the burden of persuading the court that the compromise is fair and equitable and should be approved. *Id.*

The movant requests approval of a compromise. The compromise is reflected in the settlement agreement attached to the motion as an exhibit. Based on the motion and supporting papers, the court finds that the compromise presented for the court's approval is fair and equitable considering the relevant *A & C Properties* factors. The compromise or settlement will be approved.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Nikki B. Farris's motion to approve a compromise has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The court hereby approves the compromise that is reflected in the settlement agreement attached to the motion as Exhibit A and filed at docket no. 46.

7. [24-22469](#)-A-7 **IN RE: JENNIFER RODRIGUE**
[CRG-1](#)

MOTION TO QUASH AND/OR MOTION FOR PROTECTIVE ORDER
7-19-2024 [\[19\]](#)

CARL GUSTAFSON/ATTY. FOR DBT.
RESPONSIVE PLEADING

No Ruling

8. [24-22870](#)-A-7 **IN RE: KIMBERLEY FERYANCE**
[GC-1](#)

MOTION TO COMPEL ABANDONMENT
8-6-2024 [\[11\]](#)

JULIUS CHERRY/ATTY. FOR DBT.

Tentative Ruling

Motion: Compel Abandonment of Property of the Estate
Notice: LBR 9014-1(f)(2); no written opposition required
Disposition: Granted only as to the business and such business assets described in the motion
Order: Prepared by moving party pursuant to the instructions below

Business Description: Hair Salon Business

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

The debtor seeks an order compelling the Chapter 7 trustee's abandonment of any interest in the debtor's business. The debtor is self employed as a hairdresser and rents a station at a third party salon. The business has no assets.

ABANDONMENT

The movant bears the burden of proof. *In re Pilz Compact Disc., Inc.*, 229 B.R. 630 (Bankr. E.D. Pa. 1999) (Chapter 7 trustee). "[B]urdensome to the estate" means "consumes the resources and drains the income of the estate." *In re Smith-Douglass, Inc.*, 856 F.2d 12, 16 (4th Cir. 1988). "[O]f inconsequential value and benefit to the estate" refers to assets not likely to be liquidated for the benefit of creditors. 11 U.S.C. § 704(a)(1); *Matter of Taxman Clothing Co.*, 49 F3d 310, 315 (7th Cir. 1995) (Chapter 7 trustee has no duty to liquidate assets where costs of doing so likely to exceed asset's value). Of inconsequential value and benefit to the estate includes assets that (1) have no equity (including post-petition appreciation), *In re Viet Vu*, 245 B.R. 644 (9th Cir. BAP 2000); and (2) assets with equity, which has been wholly and properly exempted by the debtor. *In re Montanaro*, 307 B.R. 194 (Bankr. E.D. Cal. 2004).

Property of the estate may be abandoned under § 554 of the Bankruptcy Code if property of the estate is "burdensome to the estate or of inconsequential value and benefit to the estate." See 11 U.S.C. § 554(a)-(b); Fed. R. Bankr. P. 6007(b). Upon request of a party in interest, the court may issue an order that the trustee abandon property of the estate if the statutory standards for abandonment are fulfilled.

The business described above is either burdensome to the estate or of inconsequential value to the estate. An order compelling abandonment of such business is warranted. The order will compel abandonment of only the business and its assets that are described in the motion.

9. [24-22385](#)-A-7 **IN RE: DANIEL/KELLY YOUNG**
[BHS-1](#)

MOTION TO EMPLOY BARRY H. SPITZER AS ATTORNEY(S)
7-18-2024 [\[19\]](#)

STEPHAN BROWN/ATTY. FOR DBT.
GEOFFREY RICHARDS/ATTY. FOR MV.

Final Ruling

Application: Approval of Employment; allowance of final compensation

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved

Order: Prepared by applicant

Compensation: flat fee of \$1,200

Unopposed applications are subject to the rules of default. Fed. R. Civ. P. 55, incorporated by Fed. R. Bankr. P. 7055, 9014(c). The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

In this Chapter 7 case, Barry Spitzer, attorney for the trustee Geoffrey Richards, has applied for approval of employment and an allowance of final compensation and reimbursement of expenses. The applicant requests that the court allow compensation in the total amount of \$1,200.00. The trustee supports the application, ECF No. 21.

EMPLOYMENT

The court may approve a trustee's employment of "a professional person under section 327 or 1103 of [Title 11] . . . on any reasonable terms and conditions of employment, including on a retainer, on an hourly basis, on a fixed or percentage fee basis, or on a contingent fee basis." 11 U.S.C. §328(a). Employment under §328(a) must also meet the requirements of §327 by the express terms of §328(a). Section 327(a) authorizes employment of only professional persons who "do not hold or represent an interest adverse to the estate, and that are disinterested persons." 11 U.S.C. § 327(a); see also *id.* § 101(14) (defining "disinterested person").

COMPENSATION AND EXPENSES

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by a trustee, examiner or professional person employed under § 327 or § 1103 and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

In this case the attorney recovered payment of a preferential payment under 11 U.S.C. § 547(b) in the amount of \$9,972.63, and assisted the trustee in other matters for the estate.

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on a final basis.

From the information provided in the motion and supporting papers, the court will approve the employment. The court further authorizes payment of the amount specified in the application without further hearing or order.

10. [24-22591](#)-A-7 **IN RE: GEORGE ATES**
[AP-1](#)

MOTION FOR RELIEF FROM AUTOMATIC STAY
7-17-2024 [[12](#)]

GABRIEL LIBERMAN/ATTY. FOR DBT.
WENDY LOCKE/ATTY. FOR MV.
FIRST TECHNOLOGY FEDERAL CREDIT UNION VS.; TRUSTEE NON-
OPPOSITION

Final Ruling

Motion: Stay Relief

Notice: LBR 9014-1(f)(1); non-opposition filed by trustee

Disposition: Granted

Order: Civil minute order

Subject: 2021 Dodge Ram 1500

Cause: delinquent installment payments 5 months/\$5,194.40

These minutes constitute the court's findings of fact and conclusions of law required by Fed. R. Civ. P. 52(a), *incorporated* by Fed. R. Bankr. P. 7052, 9014(c). The findings of fact are as set forth above; the conclusions of law are as set forth below.

First Technology Federal Credit Union seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a). The Chapter 7 trustee filed a non-opposition to the motion.

DEFAULT OF RESPONDENT

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this motion was required not less than 14 days before the hearing on this motion. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

STAY RELIEF

"[A]fter notice and a hearing," the court may terminate, annul, modify or condition the stay: (1) "for cause, including the lack of adequate protection"; or (2) "with respect to a stay of an act against property [of the estate]" if the debtor lacks "equity" in that property and if that "property is not necessary for an effective reorganization." 11 U.S.C. § 362(d); *see also* Fed. R. Bankr. P. 4001(a)(1). The party seeking stay relief bears the burden of proof as to "the debtor's equity in the property" and on the validity and perfection of its security interest, as well as the amount of its debt. 11 U.S.C. § 362(g)(1); *In re Dahlquist*, 34 B.R. 476, 481 (Bankr. S.D. 1983). The party opposing stay relief, e.g., the debtor or Chapter 7 trustee, bears the burden of proof on all other issues. 11 U.S.C. § 362(g)(2).

Subsection (d)(1) of § 362 of Title 11 provides for relief from stay for "cause, including the lack of adequate protection of an interest in property of such party." 11 U.S.C. § 362(d)(1). The debtor bears the burden of proof. 11 U.S.C. § 362(g)(2). Adequate protection may consist of a lump sum cash payment or periodic cash payments to the entity entitled to adequate protection "to the extent that the stay . . . results in a decrease in the value of such entity's interest in property." 11 U.S.C. § 361(1). "An undersecured creditor is entitled to adequate protection only for the decline in the [collateral's] value *after* the bankruptcy filing." *See* Kathleen P. March, Hon. Alan M. Ahart & Janet A. Shapiro, *California Practice Guide: Bankruptcy* ¶ 8:1065.1 (rev. 2019) (citing *United Sav. Ass'n v. Timbers of Inwood Forest Assocs., Ltd.*, 484 U.S. 365, 370-73 (1988)); *see also In re Weinstein*, 227 BR 284, 296 (9th Cir. BAP 1998) ("Adequate protection is provided to safeguard the creditor against depreciation in the value of its collateral during the reorganization process"); *In re Deico Electronics, Inc.*, 139 BR 945, 947 (9th Cir. BAP 1992) ("Adequate protection payments compensate undersecured creditors for the delay bankruptcy imposes upon the exercise of their state law remedies").

The debtor is obligated to make debt payments to the moving party pursuant to a loan contract that is secured by a security interest in the debtor's vehicle described above. The debtor has defaulted on such loan with the moving party, and payments are past due. Vehicles depreciate over time and with usage. As a consequence, the moving party's interest in the vehicle is not being adequately protected due to the debtor's ongoing postpetition default.

Cause exists to grant relief under § 362(d)(1). The motion will be granted, and the 14-day stay of Federal Rule of Bankruptcy Procedure 4001(a)(3) will be waived. No other relief will be awarded.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

First Technology Federal Credit Union's motion for relief from the automatic stay has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the motion,

IT IS ORDERED that the motion is granted. The automatic stay is vacated with respect to the property described in the motion, commonly known as a 2021 Dodge Ram 1500, as to all parties in interest. The 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. Any party with standing may pursue its rights against the property pursuant to applicable non-bankruptcy law.

IT IS FURTHER ORDERED that no other relief is awarded. To the extent that the motion includes any request for attorney's fees or other costs for bringing this motion, the request is denied.

11. [24-22195](#)-A-7 **IN RE: CHRISTA BLACKWELL**
[DAT-2](#)

CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY
7-12-2024 [\[30\]](#)

ANH TRINH/ATTY. FOR MV.
DEBTOR DISMISSED: 08/01/24; JEFF PLOCHER VS.

Final Ruling

Motion: Stay Relief
Notice: Continued from July 29, 2024
Disposition: Denied
Order: Civil minute order

Case Dismissed: August 1, 2024

The hearing on Jeff Plocher's motion for relief from the automatic stay was continued to allow the moving party to provide evidence in support of the motion.

The motion seeks relief pursuant to 11 U.S.C. § 362(d)(4) regarding the subject property. The motion is supported by the declaration of

Jeff Plocher, ECF No. 33. The court previously noted that the declaration consists of one page and appears incomplete. It appears that the declaration which was filed is only the final page of what is intended as a 5-page declaration. The previous 4 pages are missing. Id. As such there is insufficient admissible evidence before the court to grant the motion. The court continued the motion to allow the movant to provide evidence.

The court ordered:

IT IS ORDERED that the motion is continued to August 26, 2024, at 10:30 a.m. No later than August 5, 2024, the movant shall file and serve: (1) a notice of continued hearing; and (2) any additional evidence and argument in support of its motion, on all interested parties. At a minimum the movant shall file and serve the complete declaration of Jeff Plocher.

IT IS FURTHER ORDERED that no later than August 19, 2024, the respondent shall file and serve opposition, if any, to the motion. The evidentiary record will close after August 19, 2024.

IT IS FURTHER ORDERED that the stay shall remain in full force and effect until such time as the court rules on the motion and, if the motion is granted, enters an order granting stay relief.

Order, ECF No. 45.

Nothing further has been filed by the moving party as ordered. Accordingly, the court finds that the moving party has failed to prove that relief is appropriate under 11 U.S.C. § 362(d)(4). The court will deny the motion.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Jeff Plocher's motion for relief from the automatic stay has been presented to the court. Having considered the motion, the court finds that the movant has failed to provide sufficient evidence that relief is appropriate under 11 U.S.C. § 362(d)(4).

IT IS ORDERED that the motion is denied.

12. [24-22997](#)-A-7 **IN RE: HOME SHIELD INVESTMENT GROUP, LLC**
[FEC-1](#)

ORDER TO SHOW CAUSE
7-16-2024 [[11](#)]

DEBTOR DISMISSED: 07/25/24

Final Ruling

This case was dismissed on July 25, 2024. Accordingly, the Order to Show Cause will be removed from the calendar as moot. No appearances are required.