

UNITED STATES BANKRUPTCY COURT Eastern District of California

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

# DAY: MONDAY DATE: SEPTEMBER 9, 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 <u>Pre-Hearing Dispositions</u> prior to appearing at the hearing.
- Review the court's <u>Zoom Procedures and Guidelines</u> for these, and additional instructions.
- Parties appearing via CourtCall are encouraged to review the <u>CourtCall Appearance Information</u>.

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.

#### 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. $\frac{24-20722}{DS-1}$ -A-7 IN RE: WILLIAM QUIRANTE

MOTION FOR RELIEF FROM AUTOMATIC STAY 8-8-2024 [57]

SCOTT JOHNSON/ATTY. FOR DBT. DANIEL SINGER/ATTY. FOR MV. MOVEMENT MORTGAGE, LLC VS.

# Final Ruling

Motion: Stay Relief Notice: LBR 9014-1(f)(1); written opposition required Disposition: Denied without prejudice Order: Civil minute order

Movement Mortgage, LLC, seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a).

The motion will be denied without prejudice as follows.

#### SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding.

# Matrix

Where the Clerk's Matrix of Creditors is attached to the Certificate of Service form, such list shall be downloaded not more than 7 days prior to the date of serving the pleadings and other documents and shall reflect the date of downloading. The serving party may download that matrix either in "pdf label format" or in "raw data format." Where the matrix attached is in "raw data format," signature on the Certificate of Service is the signor's representation that no changes, e.g., additions, deletions, modifications, of the data have been made except: (1) formatting of existing data; or (2) removing creditors from that list by the method described in paragraph (c) of this rule.

LBR 7005-1(d) (emphasis added).

In this case there is no matrix attached to the certificate of service. See Certificate of Service, ECF No. 62. Accordingly, service of the motion does not comply with LBR 7005-1, and the court cannot determine if all parties in interest were served with the motion. The court will deny the motion without prejudice.

#### 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.

Movement Mortgage, LLC's motion for stay relief has been presented to the court. Because of the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

#### 2. $\frac{24-21931}{\text{TRF}-1}$ -A-7 IN RE: JOSE CRUZ QUINTANA TRF-1

CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY 6-21-2024 [26]

PETER MACALUSO/ATTY. FOR DBT. ANDREW MASE/ATTY. FOR MV. OCEANA INVESTMENTS, LLC VS. RESPONSIVE PLEADING

#### No Ruling

The Chapter 7 trustee, Geoffrey Richards shall appear at the hearing on September 9, 2024, at 10:30 a.m. The appearance may be made by Zoom or Courtcall.

3.  $\frac{24-23032}{JB-1}$ -A-7 IN RE: CAROLINE AFFONSO

MOTION TO AVOID LIEN OF CITIBANK (SOUTH DAKOTA) N.A. 7-21-2024 [10]

JASON BORG/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

Judicial Lien Avoided: \$58,907.33 - Citibank South Dakota, N.A. All Other Liens: - Deed of Trust \$286,614 - Sun Trust Bank Exemption: \$483,386 Value of Property: \$770,000

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 Citibank South Dakota, N.A., under 11 U.S.C. § 522(f).

#### LIEN AVOIDANCE

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).

The responding party's judicial lien, all other 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 responding party's judicial lien will be avoided entirely.

# 4. <u>24-22835</u>-A-7 **IN RE: VLADIMIR/NATALIE IMMEL** <u>MS-1</u>

CONTINUED MOTION TO COMPEL ABANDONMENT 7-1-2024 [10]

MARK SHMORGON/ATTY. FOR DBT.

#### Final Ruling

Motion: Compel Abandonment of Property of the Estate Notice: Continued from July 15, 2024 Disposition: Granted Order: Prepared by moving party pursuant to the instructions below

Subject: 2700 El Prado Way Sacramento, California
Value: \$431,800
1st Trust Deed: Travis Credit Union - \$256,576.10
Exemption: \$189,050
Non-Exempt Equity: \$0

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 debtors seek an order compelling the Chapter 7 trustee's abandonment of the subject property. The hearing on the motion was continued to allow the Chapter 7 trustee to examine the debtor. The Chapter 7 trustee conducted and concluded the meeting of creditors on August 5, 2024. The trustee has filed a Report of No Distribution.

#### ABANDONMENT

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). 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 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).

The real property described above is either burdensome to the estate or of inconsequential value to the estate. An order compelling abandonment is warranted.

# 5. $\frac{24-21141}{ELS-1}$ -A-7 IN RE: ANTHONY BAGATELOS

MOTION TO AVOID LIEN OF DISCOVER BANK 7-20-2024 [20]

ERIC SEYVERTSEN/ATTY. FOR DBT. DEBTOR DISCHARGED: 07/22/24

#### Final Ruling

Motion: Avoid Judicial Lien Notice: LBR 9014-1(f)(1); written opposition required Disposition: Continued to October 7, 2024, at 10:30 a.m. Order: Civil minute order

The debtor seeks an order avoiding the judicial lien of Discover Bank under 11 U.S.C. § 522(f). The court will continue the motion for the following reasons.

#### SERVICE AND NOTICE

#### Special Notice Creditors

The motion will be continued to allow the moving party to serve the motion on creditors which have filed a request for special notice.

The following parties filed a request for special notice: Ford Motor Credit Company, LLC. See ECF No. 10.

While the certificate of service does not state that special notice parties were served with the motion, and the attachment listing parties served does not include the special notice creditor. Certificate of Service, ECF No. 25.

#### Notice

"The due process requirements for notice are relatively minimal; they merely require notice 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections."" In re 701 Mariposa Project, LLC, 514 B.R. 10, 15 (B.A.P. 9th Cir. 2014) (citing Mullane v. Cent. Hanover Bank & Trust Co., 339 U.S. 306, 314, 70 S.Ct. 652, 94 L.Ed. 865 (1950)).

#### Rules 9013 and 9007

A request for an order, except when an application is authorized by the rules, shall be by written motion, unless made during a hearing. The motion shall state with particularity the grounds therefor, and shall set forth the relief or order sought. Every written motion, other than one which may be considered ex parte, shall be served by the moving party within the time determined under Rule 9006(d). The moving party shall serve the motion on: (a) the trustee or debtor in possession and on those entities specified by these rules; or (b) the entities the court directs if these rules do not require service or specify the entities to be served.

Fed. R. Bankr. P. 9013 (emphasis added).

When notice is to be given under these rules, the court shall designate, if not otherwise specified herein, the time within which, *the entities to whom*, and the form and manner in which the notice shall be given. When feasible, the court may order any notices under these rules to be combined.

Fed. R. Bankr. P. 9007 (emphasis added).

Rules 9013 and 9007 allow the court to designate additional parties which must receive notice of a motion and opportunity to be heard.

#### LBR 9014-1(d)(3)(B)(iv)

When notice of a motion is served without the motion or supporting papers, the notice of hearing shall also succinctly and sufficiently describe the nature of the relief being requested and set forth the essential facts necessary for a party to determine whether to oppose the motion. However, the motion and supporting papers shall be served on those parties who have requested special notice and those who are directly affected by the requested relief.

LBR 9014-1(d)(3)(B)(iv)(emphasis added).

In the Eastern District the court has ordered that parties which have filed requests for special notice must receive notice of motions. LBR 9014-1(d)(3)(B)(iv) includes creditors which have filed requests for special notice as parties who must be served with all motions and supporting papers.

LBR 9014-1(d)(3)(B)(iv) does not limit the notice required to special notice creditors. Thus, the moving party is required to serve its motion on creditors who have filed requests for special notice.

#### Dismissal of Action for Failure to Comply with Local Rules

Failure of counsel or of a party to comply with these Rules, with the Federal Rules of Civil Procedure or the Federal Rules of Bankruptcy Procedure, or with any order of the Court may be grounds for imposition of any and all sanctions authorized by statute or rule or within the inherent power of the Court, including, without limitation, *dismissal of any action*, entry of default, finding of contempt, imposition of monetary sanctions or attorneys' fees and costs, and other lesser sanctions.

LBR 1001-1(g) (emphasis added).

#### CIVIL MINUTE ORDER

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

The debtor's motion to avoid judicial lien has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the hearing on the motion is continued to October 7, 2024, at 10:30 a.m.  $\,$ 

IT IS FURTHER ORDERED that no later than September 16, 2024, the moving party shall file and serve the notice of continued hearing and motion on all parties which have filed a request for special notice. The certificate of service memorializing service to the special notice party shall be filed no later than September 16, 2024.

6. <u>19-24044</u>-A-7 **IN RE: TIEN LAM** EJN-1

MOTION TO AUTHORIZE TURNOVER OF FUNDS 8-7-2024 [102]

GARY ZILAFF/ATTY. FOR DBT. ANTHONY ASEBEDO/ATTY. FOR MV. DEBTOR DISCHARGED: 10/07/19

# Final Ruling

Motion: Turnover of Funds Notice: LBR 9014-1(f)(1); written opposition required Disposition: Denied without prejudice Order: Civil minute order

Chapter 7 trustee Eric Nims seeks an order authorizing return of funds which were erroneously delivered to the Clerk of the Court by the trustee. The court will deny the motion without prejudice for the following reasons.

#### SERVICE AND NOTICE

As of November 1, 2022, the court adopted Local Bankruptcy Rules 2002-3, 9036-1 and 7005-1 (requiring attorneys and trustees to use a standardized Certificate of Service, EDC 7-005).

Use of Form EDC 7-005 is Mandatory

The service of pleadings and other documents in adversary proceedings, contested matters in the bankruptcy case, and all other proceedings in the Eastern District of California Bankruptcy Court by either attorneys, trustees, or other Registered Electronic Filing System Users shall be documented using the Official Certificate of Service Form (Form EDC 007-005) adopted by this Court.

LBR 7005-1(emphasis added).

The form certificate of service is intended to allow parties to memorialize service efficiently and accurately, and to aid the court in ensuring sufficient service is achieved in each proceeding. Pursuant to LBR 7005-1 use of Form EDC 7-005 is mandatory in this matter.

# Dismissal of Action for Failure to Comply with Local Rules

Failure of counsel or of a party to comply with these Rules, with the Federal Rules of Civil Procedure or the Federal Rules of Bankruptcy Procedure, or with any order of the Court may be grounds for imposition of any and all sanctions authorized by statute or rule or within the inherent power of the Court, including, without limitation, dismissal of any action, entry of default, finding of contempt, imposition of monetary sanctions or attorneys' fees and costs, and other lesser sanctions.

LBR 1001-1(g)(emphasis added).

The movant has failed to use Form EDC 7-005 in memorializing service in this matter. The motion will be denied without prejudice.

#### CIVIL MINUTE ORDER

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

Eric Nims's Motion to Authorize Return of Funds has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the motion is denied without prejudice.

# 7. $\frac{24-23047}{EJS-1}$ -A-7 IN RE: REGINA JACKSON

MOTION FOR RELIEF FROM AUTOMATIC STAY 8-5-2024 [23]

ERIC SCHWAB/ATTY. FOR MV. PROJECT MANAGEMENT INC./PUERTA VILLA WEST VS. TRUSTEE NON-OPPOSITION

## Final Ruling

Motion: Stay Relief Notice: LBR 9014-1(f)(1); written opposition required Disposition: Continued to October 7, 2024, at 10:30 a.m. Order: Civil minute order

Project Management Inc./Puerta Villa West, seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a). The court will continue the motion for the following reasons.

#### SERVICE AND NOTICE

Special Notice Creditors

The motion will be continued to allow the moving party to serve the motion on creditors which have filed a request for special notice.

The following parties filed a request for special notice: Exeter Finance, LLC. See ECF No. 17.

While the certificate of service states that special notice parties were served with the motion the attachment listing parties served

does not include the special notice creditor. Certificate of Service, ECF No. 28.

#### Notice

"The due process requirements for notice are relatively minimal; they merely require notice 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." *In re 701 Mariposa Project, LLC*, 514 B.R. 10, 15 (B.A.P. 9th Cir. 2014) (citing *Mullane v. Cent. Hanover Bank & Trust Co.*, 339 U.S. 306, 314, 70 S.Ct. 652, 94 L.Ed. 865 (1950)).

#### Rules 9013 and 9007

A request for an order, except when an application is authorized by the rules, shall be by written motion, unless made during a hearing. The motion shall state with particularity the grounds therefor, and shall set forth the relief or order sought. Every written motion, other than one which may be considered ex parte, shall be served by the moving party within the time determined under Rule 9006(d). The moving party shall serve the motion on: (a) the trustee or debtor in possession and on those entities specified by these rules; or (b) the entities the court directs if these rules do not require service or specify the entities to be served.

Fed. R. Bankr. P. 9013 (emphasis added).

When notice is to be given under these rules, the court shall designate, if not otherwise specified herein, the time within which, the entities to whom, and the form and manner in which the notice shall be given. When feasible, the court may order any notices under these rules to be combined.

Fed. R. Bankr. P. 9007 (emphasis added).

Rules 9013 and 9007 allow the court to designate additional parties which must receive notice of a motion and opportunity to be heard.

#### LBR 9014-1(d)(3)(B)(iv)

When notice of a motion is served without the motion or supporting papers, the notice of hearing shall also succinctly and sufficiently describe the nature of the relief being requested and set forth the essential facts necessary for a party to determine whether to oppose the motion. However, the motion and supporting papers shall be served on those parties who have requested special notice and those who are directly affected by the requested relief. LBR 9014-1(d)(3)(B)(iv)(emphasis added).

In the Eastern District the court has ordered that parties which have filed requests for special notice must receive notice of motions. LBR 9014-1(d)(3)(B)(iv) includes creditors which have filed requests for special notice as parties who must be served with all motions and supporting papers.

LBR 9014-1(d)(3)(B)(iv) does not limit the notice required to special notice creditors. Thus, the moving party is required to serve its motion on creditors who have filed requests for special notice.

## Dismissal of Action for Failure to Comply with Local Rules

Failure of counsel or of a party to comply with these Rules, with the Federal Rules of Civil Procedure or the Federal Rules of Bankruptcy Procedure, or with any order of the Court may be grounds for imposition of any and all sanctions authorized by statute or rule or within the inherent power of the Court, including, without limitation, *dismissal of any action*, entry of default, finding of contempt, imposition of monetary sanctions or attorneys' fees and costs, and other lesser sanctions.

LBR 1001-1(g)(emphasis added).

#### CIVIL MINUTE ORDER

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

Project Management Inc./Puerta Villa West's motion for stay relief has been presented to the court. Given the procedural deficiencies discussed by the court in its ruling,

IT IS ORDERED that the hearing on the motion is continued to October 7, 2024, at 10:30 a.m.  $\,$ 

IT IS FURTHER ORDERED that no later than September 16, 2024, the moving party shall file and serve the notice of continued hearing and motion on all parties which have filed a request for special notice. The certificate of service memorializing service to the special notice party shall be filed no later than September 16, 2024.

8. <u>22-22772</u>-A-7 **IN RE: YURIY SVITYASHCHUK** RLS-3

MOTION FOR RELIEF FROM AUTOMATIC STAY 7-31-2024 [82]

MARK SHMORGON/ATTY. FOR DBT. JOHN BOLLIER/ATTY. FOR MV. SERHII IVANOV VS.

# Final Ruling

Motion: Stay Relief to Pursue State-Court Litigation Notice: LBR 9014-1(f)(1); written opposition required Disposition: Granted only to the extent specified in this ruling Order: Civil minute order

Subject: Pending state-court litigation described in the motion

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).

Serhii Ivanov seeks an order for relief from the automatic stay of 11 U.S.C. § 362(a) to proceed with the following action for personal injuries in state court: *Ivanov v. Doricko et al.*, Superior Court of California, County of Napa, Case Number 19CV001075.

#### STAY RELIEF

Section 362(d)(1) authorizes stay relief for cause. Cause is determined on a case-by-case basis and may include the existence of litigation pending in a non-bankruptcy forum that should properly be pursued. *In re Tucson Estates, Inc.*, 912 F.2d 1162, 1169 (9th Cir. 1990).

The Ninth Circuit Bankruptcy Appellate Panel has "agree[d] that the *Curtis* factors are appropriate, nonexclusive, factors to consider in deciding whether to grant relief from the automatic stay to allow pending litigation to continue in another forum." *In re Kronemyer*, 405 B.R. 915, 921 (B.A.P. 9th Cir. 2009).

These factors include: "(1) whether relief would result in a partial or complete resolution of the issues; (2) lack of any connection with or interference with the bankruptcy case; (3) whether the other proceeding involves the debtor as a fiduciary; (4) whether a specialized tribunal with the necessary expertise has been established to hear the cause of action; (5) whether the debtor's insurer has assumed full responsibility for defending it; (6) whether the action primarily involves third parties; (7) whether litigation in another forum would prejudice the interests of other creditors; (8) whether the judgment claim arising from the other action is subject to equitable subordination; (9) whether movant's success in the other proceeding would result in a judicial lien avoidable by the debtor; (10) the interests of judicial economy and the expeditious and economical resolution of litigation; (11) whether the parties are ready for trial in the other proceeding; and (12) impact of the stay on the parties and the balance of harms." Sonnax Indus., Inc. v. TRI Component Prods. Corp. (In re Sonnax Indus., Inc.), 907 F.2d 1280, 1286 (2nd Cir. 1990) (citing In re Curtis, 40 B.R. 795, 799-800 (Bankr. D. Utah 1984)).

Courts may consider whichever factors are relevant to the particular case. See id. (applying only four of the factors that were relevant in the case). The decision whether to lift the stay is within the court's discretion. Id.

Having considered the motion's well-pleaded facts, the court finds cause to grant stay relief subject to the limitations described in this ruling.

The moving party shall have relief from stay to pursue through judgment the pending state-court litigation identified in the motion. The moving party may also file post-judgment motions, and appeals. But no bill of costs may be filed without leave of this court, no attorney's fees shall be sought or awarded, and no action shall be taken to collect or enforce any judgment, except: (1) from applicable insurance proceeds; or (2) by filing a proof of claim in this court.

The motion will be granted to the extent specified herein, and the stay of the order provided by 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.

Serhii Ivanov'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 to the extent specified in this order. The automatic stay is vacated to allow the movant to pursue through judgment the pending state-court litigation described in the motion. The movant may also file post-judgment motions and appeals. But the movant shall not take any action to collect or enforce any judgment, or pursue costs or attorney's fees against the debtor, except (1) from applicable insurance proceeds; or (2) by filing a proof of claim in this case. The 14-day stay of the order under Federal Rule of Bankruptcy Procedure 4001(a)(3) is waived. No other relief is awarded. 9. <u>24-21931</u>-A-7 IN RE: JOSE CRUZ QUINTANA RLL-2

MOTION TO ABANDON O.S.T. 8-29-2024 [<u>70</u>]

PETER MACALUSO/ATTY. FOR DBT. ANTHONY ASEBEDO/ATTY. FOR MV.

# No Ruling