

Fill in this information to identify your case:

United States Bankruptcy Court for the:

CENTRAL DISTRICT OF CALIFORNIA

Case number (if known) _____

Chapter you are filing under:

Chapter 7

Chapter 11

Chapter 12

Chapter 13

Check if this an amended filing

Official Form 201

Voluntary Petition for Non-Individuals Filing for Bankruptcy

12/15

If more space is needed, attach a separate sheet to this form. On the top of any additional pages, write the debtor's name and case number (if known). For more information, a separate document, *Instructions for Bankruptcy Forms for Non-Individuals*, is available.

1. Debtor's name GTS Franchising, LLC

2. All other names debtor used in the last 8 years

Include any assumed names, trade names and doing business as names

DBA Gateway Tax Service

3. Debtor's federal Employer Identification Number (EIN) 47-5551576

4. Debtor's address **Principal place of business**

13488 Maxella Ave. #505
Marina Del Rey, CA 90292

Number, Street, City, State & ZIP Code

Los Angeles

County

Mailing address, if different from principal place of business

PO BOX 11354
Marina Del Rey, CA 90292

P.O. Box, Number, Street, City, State & ZIP Code

Location of principal assets, if different from principal place of business

Number, Street, City, State & ZIP Code

5. Debtor's website (URL) http://gatewaytaxservice.com/

6. Type of debtor

Corporation (including Limited Liability Company (LLC) and Limited Liability Partnership (LLP))

Partnership

Other. Specify: _____

7. Describe debtor's business

A. Check one:

- Health Care Business (as defined in 11 U.S.C. § 101(27A))
- Single Asset Real Estate (as defined in 11 U.S.C. § 101(51B))
- Railroad (as defined in 11 U.S.C. § 101(44))
- Stockbroker (as defined in 11 U.S.C. § 101(53AB))
- Commodity Broker (as defined in 11 U.S.C. § 101(6))
- Clearing Bank (as defined in 11 U.S.C. § 781(3))
- None of the above

B. Check all that apply

- Tax-exempt entity (as described in 26 U.S.C. §501)
- Investment company, including hedge fund or pooled investment vehicle (as defined in 15 U.S.C. §80a-3)
- Investment advisor (as defined in 15 U.S.C. §80a-3)

C. NAICS (North American Industry Classification System) 4-digit code that best describes debtor.
See <http://www.naics.com/search/>.

541213

8. Under which chapter of the Bankruptcy Code is the Debtor filing?

Check one:

- Chapter 7
- Chapter 9
- Chapter 11. Check all that apply:

- Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,490,925 (amount subject to adjustment on 4/01/16 and every three years after that).
- The debtor is a small business debtor as defined in 11 U.S.C. § 101(51D). If the debtor is a small business debtor, attach the most recent balance sheet, statement of operation, cash-flow statement, and federal income tax return or if all of these documents do not exist, follow the procedure in 11 U.S.C. § 1116(1)(B).
- A plan is being filed with this petition.
- Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).
- The debtor is required to file periodic reports (for example, 10K and 10Q) with the Securities and Exchange Commission according to § 13 or 15(d) of the Securities Exchange Act of 1934. File the attachment to Voluntary Petition for Non-Individuals Filing for Bankruptcy under Chapter 11 (Official Form 201A) with this form.
- The debtor is a shell company as defined in the Securities Exchange Act of 1934 Rule 12b-2.

Chapter 12

9. Were prior bankruptcy cases filed by or against the debtor within the last 8 years?

- No.
- Yes.

If more than 2 cases, attach a separate list.

District _____	When _____	Case number _____
District _____	When _____	Case number _____

10. Are any bankruptcy cases pending or being filed by a business partner or an affiliate of the debtor?

- No
- Yes.

List all cases. If more than 1, attach a separate list

Debtor _____	Relationship to you _____
District _____	When _____ Case number, if known _____

11. Why is the case filed in this district?

Check all that apply:

- Debtor has had its domicile, principal place of business, or principal assets in this district for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other district.
- A bankruptcy case concerning debtor's affiliate, general partner, or partnership is pending in this district.

12. Does the debtor own or have possession of any real property or personal property that needs immediate attention?

No

Yes. Answer below for each property that needs immediate attention. Attach additional sheets if needed.

Why does the property need immediate attention? (*Check all that apply.*)

- It poses or is alleged to pose a threat of imminent and identifiable hazard to public health or safety.
What is the hazard? _____
- It needs to be physically secured or protected from the weather.
- It includes perishable goods or assets that could quickly deteriorate or lose value without attention (for example, livestock, seasonal goods, meat, dairy, produce, or securities-related assets or other options).
- Other _____

Where is the property? _____

Number, Street, City, State & ZIP Code

Is the property insured?

- No
- Yes. Insurance agency _____

Contact name _____

Phone _____

Statistical and administrative information

13. Debtor's estimation of available funds

Check one:

- Funds will be available for distribution to unsecured creditors.
- After any administrative expenses are paid, no funds will be available to unsecured creditors.

14. Estimated number of creditors

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> 1-49 | <input type="checkbox"/> 1,000-5,000 | <input type="checkbox"/> 25,001-50,000 |
| <input type="checkbox"/> 50-99 | <input type="checkbox"/> 5001-10,000 | <input type="checkbox"/> 50,001-100,000 |
| <input type="checkbox"/> 100-199 | <input type="checkbox"/> 10,001-25,000 | <input type="checkbox"/> More than 100,000 |
| <input type="checkbox"/> 200-999 | | |

15. Estimated Assets

- | | | |
|---|--|--|
| <input type="checkbox"/> \$0 - \$50,000 | <input type="checkbox"/> \$1,000,001 - \$10 million | <input type="checkbox"/> \$500,000,001 - \$1 billion |
| <input type="checkbox"/> \$50,001 - \$100,000 | <input type="checkbox"/> \$10,000,001 - \$50 million | <input type="checkbox"/> \$1,000,000,001 - \$10 billion |
| <input checked="" type="checkbox"/> \$100,001 - \$500,000 | <input type="checkbox"/> \$50,000,001 - \$100 million | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million | <input type="checkbox"/> More than \$50 billion |

16. Estimated liabilities

- | | | |
|--|--|--|
| <input type="checkbox"/> \$0 - \$50,000 | <input checked="" type="checkbox"/> \$1,000,001 - \$10 million | <input type="checkbox"/> \$500,000,001 - \$1 billion |
| <input type="checkbox"/> \$50,001 - \$100,000 | <input type="checkbox"/> \$10,000,001 - \$50 million | <input type="checkbox"/> \$1,000,000,001 - \$10 billion |
| <input type="checkbox"/> \$100,001 - \$500,000 | <input type="checkbox"/> \$50,000,001 - \$100 million | <input type="checkbox"/> \$10,000,000,001 - \$50 billion |
| <input type="checkbox"/> \$500,001 - \$1 million | <input type="checkbox"/> \$100,000,001 - \$500 million | <input type="checkbox"/> More than \$50 billion |

Debtor **GTS Franchising, LLC**
Name

Case number (if known)

Request for Relief, Declaration, and Signature

WARNING -- Bankruptcy fraud is a serious crime. Making a false statement in connection with a bankruptcy case can result in fines up to \$500,000 or imprisonment for up to 20 years, or both. 18 U.S.C. §§ 152, 1341, 1519, and 3571.

17. Declaration and signature of authorized representative of debtor

The debtor requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

I have been authorized to file this petition on behalf of the debtor.

I have examined the information in this petition and have a reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on **January 13, 2016**
MM / DD / YYYY

X /s/ Sirak Ambaye 
Signature of authorized representative of debtor

Sirak Ambaye
Printed name

Title **Managing Member**

18. Signature of attorney **X /s/ Daren M. Schlechter**
Signature of attorney for debtor

Date **January 13, 2016**
MM / DD / YYYY

Daren M. Schlechter
Printed name

Law Office of Daren M. Schlechter, A Prof. Corp.
Firm name

1925 Century Park East, Suite 830
Los Angeles, CA 90067
Number, Street, City, State & ZIP Code

Contact phone **310-553-5747** Email address

259537
Bar number and State

Debtor 1 **GTS Franchising, LLC**

Case number (if known)

Contact

Yes. Total claim (secured and unsecured) \$ **\$100,000.00**
Value of security: - \$ **\$0.00**
Unsecured claim \$ **\$100,000.00**

Contact phone

3

ITS Financial, LLC
51 Plum St., Beavercreek, OH
45440
Dayton, OH 45440

What is the nature of the claim? **Doe Amendment to Lawsuit** \$ **\$0.00**

As of the date you file, the claim is: Check all that apply

- Contingent
 Unliquidated
 Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured) \$ _____
Value of security: - \$ _____
Unsecured claim \$ _____

Contact

Contact phone

4

Santa Barbara Tax Group
11085 N. Torrey Pines Road,
#210
La Jolla, CA 92037

What is the nature of the claim? **Security Interest** \$ **\$200,000.00**

As of the date you file, the claim is: Check all that apply

- Contingent
 Unliquidated
 Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured) \$ **\$200,000.00**
Value of security: - \$ **\$0.00**
Unsecured claim \$ **\$200,000.00**

Contact

Contact phone

5

Senayt Fekadu
32499 Pinetree Rd.
Cleveland, OH 44124

What is the nature of the claim? **Security Interest/U.C.C. Filing** \$ **\$120,000.00**

As of the date you file, the claim is: Check all that apply

- Contingent
 Unliquidated
 Disputed
 None of the above apply

Does the creditor have a lien on your property?

No
 Yes. Total claim (secured and unsecured) \$ **\$120,000.00**
Value of security: - \$ **\$0.00**
Unsecured claim \$ **\$120,000.00**

Contact

Contact phone

6

Uniq Print
5610 Daniels St.

What is the nature of the claim? **Trade Vendor** \$ **\$18,500.00**

Debtor 1 GTS Franchising, LLC Case number (if known) _____

Chino, CA 91710

As of the date you file, the claim is: Check all that apply

- Contingent
- Unliquidated
- Disputed
- None of the above apply

Does the creditor have a lien on your property?

- No
- Yes. Total claim (secured and unsecured) \$ _____
- Value of security: - \$ _____
- Unsecured claim \$ _____

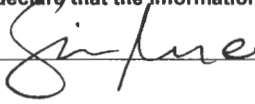
Contact _____

Contact phone _____

Part 2: Sign Below

Under penalty of perjury, I declare that the information provided in this form is true and correct.

X /s/ Sirak Ambaye
Sirak Ambaye
Signature of Debtor 1



X _____
Signature of Debtor 2

Date January 13, 2016

Date _____

Fill in this information to identify the case

Debtor name **GTS Franchising, LLC**
 United States Bankruptcy Court for the: **CENTRAL DISTRICT OF CALIFORNIA**
 Case number (if known): _____

Check if this is an amended filing

Official Form 204

Chapter 11 or Chapter 9 Cases: List of Creditors Who Have the 20 Largest Unsecured Claims and Are Not Insiders

12/15

A list of creditors holding the 20 largest unsecured claims must be filed in a Chapter 11 or Chapter 9 case. Include claims which the debtor disputes. Do not include claims by any person or entity who is an insider, as defined in 11 U.S.C. § 101(31). Also, do not include claims by secured creditors, unless the unsecured claim resulting from inadequate collateral value places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and email address of creditor contact	Nature of claim (for example, trade debts, bank loans, professional services, and government contracts)	Indicate if claim is contingent, unliquidated, or disputed	Amount of claim If the claim is fully unsecured, fill in only unsecured claim amount. If claim is partially secured, fill in total claim amount and deduction for value of collateral or setoff to calculate unsecured claim.		
				Total claim, if partially secured	Deduction for value of collateral or setoff	Unsecured claim
Fitsum Bekele 21431 Satcoy St., Apt. 317 Canoga Park, CA 91304		Security Interest/U.C.C. Filing		\$150,000.00	\$0.00	\$150,000.00
Isayas Tekie 1176 Rivington Apt. 2 New York, NY 10002		Security Interest/U.C.C. Filing		\$100,000.00	\$0.00	\$100,000.00
ITS Financial, LLC 51 Plum St., Beavercreek, OH 45440 Dayton, OH 45440		Doe Amendment to Lawsuit	Contingent Unliquidated Disputed Subject to Setoff			\$0.00
Santa Barbara Tax Group 11085 N. Torrey Pines Road, #210 La Jolla, CA 92037		Security Interest		\$200,000.00	\$0.00	\$200,000.00
Senayt Fekadu 32499 Pinetree Rd. Cleveland, OH 44124		Security Interest/U.C.C. Filing		\$120,000.00	\$0.00	\$120,000.00
Uniq Print 5610 Daniels St. Chino, CA 91710		Trade Vendor				\$18,500.00

GTS Franchising, LLC
PO BOX 11354
Marina Del Rey, CA 90292

Daren M. Schlecter
Law Office of Daren M. Schlecter, A Prof. Corp.
1925 Century Park East, Suite 830
Los Angeles, CA 90067

Cal. State Board of Equalization
Account Information Group, MIC:29
P.O. Box 942879
Sacramento, CA 94279

David Seror
Brutzkus Gubner Rozansky Seror
21650 Oxnard St., Suite 500
Woodland Hills, CA 91367

Employment Development Department
Bankruptcy Group MIC 92E
P. O. Box 826880
Sacramento, CA 94280

Fitsum Bekele
21431 Saticoy St., Apt. 317
Canoga Park, CA 91304

Franchise Tax Board
Attention: Bankruptcy
P. O. Box 2952
Sacramento, CA 95812

Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

Isayas Tekie
1176 Rivington Apt. 2
New York, NY 10002

ITS Financial, LLC
51 Plum St., Beavercreek, OH 45440
Dayton, OH 45440

Santa Barbara Tax Group
11085 N. Torrey Pines Road, #210
La Jolla, CA 92037

Securities & Exchange Commission
Attn: Bankruptcy Counsel
444 South Flower Street, Suite 900
Los Angeles, CA 90071

Senayt Fekadu
32499 Pinetree Rd.
Cleveland, OH 44124

Tim M. Agajanian
445 South Figueroa St., Suite 3000
Los Angeles, CA 90071

Uniq Print
5610 Daniels St.
Chino, CA 91710

Attorney or Party Name, Address, Telephone & FAX Nos., and State Bar No. & Email Address Daren M. Schlecter 1925 Century Park East, Suite 830 Los Angeles, CA 90067 310-553-5747 Fax: 310-553-5487 California State Bar Number: 259537	FOR COURT USE ONLY
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: GTS Franchising, LLC Debtor(s), Plaintiff(s), Defendant(s).	CASE NO.: ADVERSARY NO.: CHAPTER: 11 CORPORATE OWNERSHIP STATEMENT PURSUANT TO FRBP 1007(a)(1) and 7007.1, and LBR 1007-4 [No hearing]

Pursuant to FRBP 1007(a)(1) and 7007.1, and LBR 1007-4, any corporation, other than a governmental unit, that is a debtor in a voluntary case or a party to an adversary proceeding or a contested matter shall file this Statement identifying all its parent corporations and listing any publicly held company, other than a governmental unit, that directly or indirectly own 10% or more of any class of the corporation's equity interest, or state that there are no entities to report. This Corporate Ownership Statement must be filed with the initial pleading filed by a corporate entity in a case or adversary proceeding. A supplemental statement must promptly be filed upon any change in circumstances that renders this Corporate Ownership Statement inaccurate.

I, **Daren M. Schlecter 259537**, the undersigned in the above-captioned case, hereby declare
(Print Name of Attorney or Declarant)
 under penalty of perjury under the laws of the United States of America that the following is true and correct:

[Check the appropriate boxes and, if applicable, provide the required information.]

1. I have personal knowledge of the matters set forth in this Statement because:
- I am the president or other officer or an authorized agent of the Debtor corporation
 - I am a party to an adversary proceeding
 - I am a party to a contested matter
 - I am the attorney for the Debtor corporation
- 2.a. The following entities, other than the debtor or a governmental unit, directly or indirectly own 10% or more of any class of the corporation's(s') equity interests:
[For additional names, attach an addendum to this form.]
- b. There are no entities that directly or indirectly own 10% or more of any class of the corporation's equity interest.

January 13, 2016

Date

By: **/s/ Daren M. Schlecter**

Signature of Debtor, or attorney for Debtor

Name: **Daren M. Schlecter 259537**

Printed name of Debtor, or attorney for Debtor

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA

Attorney or Party Name, Address, Telephone & FAX Nos.,
State Bar No. & Email Address

Daren M. Schlechter
Law Office of Daren M. Schlechter, A Prof. Corp.
1925 Century Park East, Suite 830
Los Angeles, CA 90067
310-553-5747 Fax: 310-553-5487
259537

Attorney for: Debtor

CASE NO.:
CHAPTER: **11**
ADVERSARY NO.:
(if applicable)

In re:
GTS Franchising, LLC

Debtor(s).

**ELECTRONIC FILING DECLARATION
(CORPORATION/PARTNERSHIP)**

[LBR 1002-1(f)]

- Petition, statement of affairs, schedules or lists
 Amendments to the petition, statement of affairs, schedules or lists
 Other (specify): _____

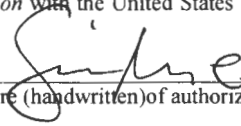
Date Filed: 1/13/2016
Date Filed: _____
Date Filed: _____

PART I - DECLARATION OF SIGNATORY OF DEBTOR OR OTHER PARTY

I, the undersigned, declare under penalty of perjury that: (1) I have been authorized by the Debtor or other party on whose behalf the above-referenced document is being filed (Filing Party) to sign and to file, on behalf of the Filing Party, the above-referenced document being filed electronically (Filed Document); (2) I have read and understand the Filed Document; (3) the information provided in the Filed Document is true, correct and complete; (4) the "/s/," followed by my name, on the signature lines for the Filing Party in the Filed Document serves as my signature on behalf of the Filing Party and denotes the making of such declarations, requests, statements, verifications and certifications by me and by the Filing Party to the same extent and effect as my actual signature on such signature lines; (5) I have actually signed a true and correct printed copy of the Filed Document in such places on behalf of the Filing Party and provided the executed printed copy of the Filed Document to the Filing Party's attorney; and (6) I, on behalf of the Filing Party, have authorized the Filing Party's attorney to file the electronic version of the Filed Document and this Declaration with the United States Bankruptcy Court for the Central District of California.

January 13, 2016

Date:


Signature (handwritten) of authorized signatory of Filing Party

Sirak Ambaye

Printed name of authorized signatory of Filing Party

Managing Member

Title of authorized signatory of Filing Party

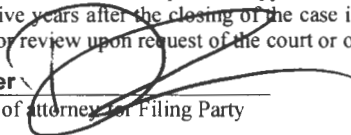
PART II - DECLARATION OF ATTORNEY FOR FILING PARTY

I, the undersigned Attorney for the Filing Party, declare under penalty of perjury that: (1) the "/s/," followed by my name, on the signature lines for the Attorney for the Filing Party in the Filed Document serves as my signature and denotes the making of such declarations, requests, statements, verifications and certifications to the same extent and effect as my actual signature on such signature lines; (2) an authorized signatory of the Filing Party signed Part I - Declaration of Authorized Signatory of Debtor or Other Party of this Declaration before I electronically submitted the Filed Document for filing with the United States Bankruptcy Court for the Central District of California; (3) I have actually signed a true and correct hard copy of the Filed Document in the locations that are indicated by "/s/," followed by my name, and have obtained the signature of the authorized signatory of the Filing Party in the locations that are indicated by "/s/," followed by the name of the Filing Party's authorized signatory, on the true and correct printed copy of the Filed Document; (4) I shall maintain the executed originals of this Declaration and the Filed Document for a period of five years after the closing of the case in which they are filed; and (5) I shall make the executed originals of this Declaration and the Filed Document available for review upon request of the court or other parties.

January 13, 2016

Date:

/s/ Daren M. Schlechter


Signature (handwritten) of attorney for Filing Party

Daren M. Schlechter 259537

Printed Name of attorney for Filing Party