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9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA-RIVERSIDE DIVISION**

11 In re

12 AMJ Plumbing Specialists, Corp.

13 Debtor(s).

Case No.: 6:17-bk-15717-MJ

Chapter 11

**NOTICE OF MOTION AND MOTION
FOR ORDER (A) APPROVING DEBTOR'S
DISCLOSURE STATEMENT; (B) FIXING
VOTING RECORD DATE; (C)
APPROVING SOLICITATION AND
VOTING PROCEDURES; (D)
APPROVING FORM OF SOLICITATION
MATERIALS; AND (E) SETTING
CONFIRMATION HEARING AND
DEADLINES IN CONNECTION
THEREWITH; MEMORANDUM OF
POINTS AND AUTHORITIES**

Date: May 7, 2018
Time: 11:00A.M.
Crtrm:301
Location: 3420 Twelfth Street
Riverside, CA 92501

24 **TO THE HONORABLE JUDGE MEREDITH A. JURY, UNITED STATES**

25 **TRUSTEE AND ALL OTHER PARTIES IN INTEREST:**

26 PLEASE TAKE NOTICE that on May 7, 2018 at 11 :00 a.m. in Courtroom 301 of the
27 above-entitled Bankruptcy Court located at 3420 Twelfth Street
28 Riverside, CA 92501, to consider the motion (the "Motion") of AMJ Plumbing Specialists

1 Corporation, debtor and debtor-in-possession herein (the "Debtor"), for an order in the form
2 attached hereto as Exhibit "A" (the "Disclosure Statement Order"): (A) approving the Disclosure
3 Statement in Support of Plan of Reorganization Proposed By AMJ Plumbing Specialists Corp.,
4 as amended or supplemented and including all exhibits and supplements thereto (the "Disclosure
5 Statement"), relating to the Plan of Reorganization Proposed By AMJ Plumbing Specialists
6 Corp., as amended or supplemented and including all exhibits and supplements thereto (the
7 "Plan"); (B) fixing a voting record date pursuant to Bankruptcy Rule 3018(c) for determining,
8 among other things, those creditors entitled to receive ballots and solicitations materials; (C)
9 approving solicitation and voting procedures with respect to the Plan; (D) approving the
10 solicitation materials and the notices to be distributed with respect thereto in substantially the
11 forms attached as Exhibits "B" — "C" hereto; and (E) establishing Plan confirmation-related
12 deadlines and procedures.

13 PLEASE TAKE FURTHER NOTICE that the Motion is based on the attached
14 Memorandum of Points and Authorities, the Declaration of Joe Ruvalcaba, President of the
15 Debtor, and other admissible evidence properly brought before the Court at or before the hearing
16 regarding this Motion. The Debtor requests that the Court take judicial notice of all documents
17 filed with the Court in the case.

18 PLEASE TAKE FURTHER NOTICE that Federal Rule of Bankruptcy Procedure
19 3017(a) and Local Bankruptcy Rules 3017-1 and 9013-1 (requires that any response to the
20 Motion be filed with the Court and served upon counsel for the Debtor at the address set forth in
21 the upper left-hand corner of the first page hereof at least fourteen (14) days prior to the hearing
22 date. Pursuant to Local Bankruptcy Rule 9013-1(h) the failure to timely file and serve written
23 opposition may be deemed by the Court to be consent to the granting of the relief requested in
24 the Motion.

25 WHEREFORE, the Debtor respectfully requests that the Court enter an order granting the
26 relief requested herein and granting such other and further relief as may be just and proper.
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Dated: March 23, 2018

Lozano Law Center, Inc.

/s/ Frank J. Alvarado
Frank J. Alvarado, Esq.
Attorney for Debtors

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 This Motion seeks Court approval of the Disclosure Statement, various solicitation and
4 tabulation procedures for voting on the Plan, the forms of ballots to be used in connection
5 therewith, and the manner of notice proposed by the Debtor. The Motion also requests that the
6 Court schedule a plan confirmation hearing and establish various confirmation-related deadlines.

7 The dates and deadlines proposed herein are specifically tailored to meet the
8 requirements of the Bankruptcy Code, the Bankruptcy Rules, and this Court's general order
9 concerning plan confirmation while permitting the Debtor to seek to confirm the Plan in a timely
10 and efficient manner. In particular, the schedule calls for the filing of a Confirmation Brief
11 (defined below) and any objection to confirmation after the Voting Deadline (defined below), all
12 as suggested by the Court's general order.

13 By granting the Motion, the Court will establish a clear set of ground rules to govern the
14 confirmation proceedings in this chapter 11 case and avoid potential disputes concerning the
15 procedures adopted for soliciting and tabulating votes. The Debtor believes that the procedures
16 and deadlines outlined below are fair and reasonable, comply with the Bankruptcy Code and
17 Bankruptcy Rules, and should be approved by the Court.

18 **II. BACKGROUND**

19 **A. The Commencement of the Debtor's Chapter 11 Case, Jurisdiction, and Venue.**

20 AMJ Plumbing Specialists, Corp. (the "Debtor") filed its petition under Chapter 11 of the
21 Bankruptcy Code on July 7, 2017 (the "Petition Date") and is presently operating as a debtor-in-
22 possession. AMJ Plumbing Specialists, Corp., is located at 9047 Arrow Route, Suite 150,
23 Rancho Cucamonga, CA 91730. No trustee or examiner has been appointed in this Chapter 11
24 case. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a
25 core proceeding pursuant to 28 U.S.C. § 157(b)(2). The venue of the Case is proper pursuant to
26 28 U.S.C. §§ 1408 and 1409.

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1 **B. The Filing of the Plan of Reorganization and Disclosure Statement; Notice of Hearing.**

2 On March 23, 2018, the Debtor filed the Disclosure Statement and Plan. Also on March
3 23, 2018, the Debtor served its Notice of Motion For Order (A) Approving Debtor's Disclosure
4 Statement; (B) Fixing Voting Record Date; (C) Approving Solicitation And Voting Procedures;
5 (D) Approving Form of Solicitation Materials; And (E) Setting Confirmation Hearing And
6 Deadlines In Connection Therewith upon all of the creditors of the estate and served a copy of
7 the Disclosure Statement as required by Bankruptcy Rule 3017.

8 **III. RELIEF REQUESTED**

9 The Debtor requests that the Court enter an Order approving the Disclosure Statement
10 (the "Disclosure Statement Order"), in substantially the form of Exhibit "A" hereto, (A)
11 approving the Disclosure Statement, (B) fixing a voting record date ("Voting Record Date")
12 pursuant to Bankruptcy Rule 3018(a) for determining, among other things, those creditors
13 entitled to receive ballots and materials necessary for voting on the Plan, as specified in
14 Bankruptcy Rule 3017(d), (C) approving solicitation and voting procedures with respect to the
15 Plan, (D) approving the form of the Solicitation Package (as defined herein) and the notices to be
16 distributed with respect thereto, and (E) establishing dates and deadlines related to confirmation
17 of the Plan.

18 **A. Approval of the Disclosure Statement**

19 **1. Legal Standard for Approval**

20 Section 1125 of the Bankruptcy Code requires the bankruptcy court to approve a written
21 disclosure statement prior to allowing a debtor to solicit acceptances for a Chapter 11 plan. In
22 order to be approved, section 1125(a)(1) of the Bankruptcy Code requires the bankruptcy court
23 to find that the disclosure statement contains "adequate information," which is defined as:

24 "[I]nformation of a kind, and in sufficient detail, as far as is reasonably practicable
25 in light of the nature and history of the debtor and the condition of the debtor's
26 books and records, including a discussion of the potential material Federal tax
27 consequences of the plan to the debtor, any successor to the debtor, and a
28 hypothetical investor typical of the holders of claims or interests in the case, that

1 would enable such a hypothetical investor of the relevant class to make an
2 informed judgment about the plan...”

3 11 U.S.C. § 1125(a)(1); *see* Official Committee of Unsecured Creditors v. Michelson, 141 B.R.
4 715, 718 (Bankr. E.D. Cal. 1992) (“Whether the disclosure statement contains ‘adequate
5 information’ is a question of bankruptcy law that is independent of non-bankruptcy law relating
6 to disclosure”).

7 In the absence of specific statutory guidance as to what types of information constitutes
8 adequate information, courts have developed lists of items to serve as guideposts in evaluating
9 the adequacy of a disclosure statement for the purposes of solicitation under section 1125 of the
10 Bankruptcy Code. Such information may include:

- 11 (i) Circumstances that give rise to the filing of the bankruptcy petition;
- 12 (ii) Description of the available assets and their value;
- 13 (iii) Anticipated future of the debtor;
- 14 (iv) Disclaimer indicating that no statements or information concerning the debtor are
15 authorized other than those set forth in the disclosure statement;
- 16 (v) Performance of the debtor while in Chapter 11;
- 17 (vi) Information regarding claims against the estate;
- 18 (vii) Liquidation analysis setting forth the estimated return that creditors would receive
19 under chapter 7;
- 20 (viii) Information regarding the future management of the debtor, including the amount
21 of compensation to be paid to any insiders, directors, and/or officers of the debtor;
- 22 (ix) Summary of the plan of reorganization;
- 23 (x) Estimate of all administrative expenses;
- 24 (xi) Financial information, valuations or pro forma projections that would be relevant to
25 Creditors’ determinations of whether to accept or reject the plan;
- 26 (xii) Information relevant to the risks posed to creditors under the plan;
- 27 (xiii) Litigation likely to arise in a non-bankruptcy context; and
28 (xiv) the relationship of the debtor with affiliates.

1 See In re Neutgens, 87 B.R. 128, 129 (Bankr. D. Mont. 1987); In Re Cardinal Congregate
2 I, 121 B.R. 760, 765 (Bankr. S.D. Ohio 1990); In re Scioto Valley Mortgage Co., 88 B.R. 168,
3 170-71 (Bankr. S.D. Ohio 1988); In re Ferretti, 128 B.R. 16, 18-19 (Bankr. D.N.H. 1991). These
4 items, however, are only “yardstick[s] against which the adequacy of disclosure may be
5 measured; the precise information required will be governed by the facts and circumstances
6 presented in each case.” Cardinal Congregate I, 121 B.R. at 765; In re Ferretti, 128 B.R. at 19
7 (“This list is by no means comprehensive. Nor must every debtor provide all the information on
8 the list. The Court will decide what is appropriate in each particular case.”).

9 **2. The disclosure Statement Contains Adequate Information.**

10 The Debtor believes that the Disclosure Statement contains adequate information within
11 the meaning of section 1125(a)(1) of the Bankruptcy Code and should be approved as the
12 Disclosure Statement contains descriptions and summaries of, among other things:

- 13 • the Plan;
- 14 • the classes of claims and interests;
- 15 • summary of the Debtor’s assets, liabilities, and financial affairs;
- 16 • the Debtor’s history and capital structure;
- 17 • events leading to commencement of the Chapter 11 case;
- 18 • Significant events during the Chapter 11 case;
- 19 • A liquidation analysis comparing recoveries under Chapter 7;
- 20 • a disclaimer that no statements or information concerning the Debtor are authorized
21 other than those in the Disclosure Statement;
- 22 • information regarding the Debtor’s future business;
- 23 • the effect on creditors of Plan confirmation;
- 24 • potential litigation claims preserved;
- 25 • risk factors to be considered by creditors; and
- 26 • tax consequences of the Plan.

27 The Debtor submits that the Disclosure Statement contains adequate information to
28 enable a party to make an informed judgment about how to vote on the Plan and, therefore,

1 requests that, pursuant to Bankruptcy Rule 3017(b), the Court approve the Disclosure Statement
2 as containing "adequate information" as defined in section 1125(a) of the Bankruptcy Code.

3 **B. Fixing a Voting Record Date.**

4 Bankruptcy Rule 3017(d) provides that, for the purposes of soliciting votes in connection
5 with the confirmation of a Chapter 11 plan, "creditors and equity security holders shall include
6 holders of stocks, bonds, debentures, notes and other securities of record on the date the order
7 approving the disclosure statement is entered or another date fixed by the court, for cause, after
8 notice and a hearing." Fed. R. Bankr. P. 3017(d). Bankruptcy Rule 3018(a) contains a similar
9 provision regarding determination of the record date for voting purposes.

10 The Debtor requests that the Court exercise its authority under Bankruptcy Rules 3017(d)
11 and 3018(a) to establish the Voting Record Date as May 7, 2018, as the record date for
12 determining: (a) those creditors entitled to receive the Solicitation Package (as defined below)
13 pursuant to the Solicitation Procedures (as defined below); (b) those creditors entitled to vote to
14 accept or reject the Plan; and (c) whether claims have been properly transferred to an assignee
15 pursuant to Bankruptcy Rule 3001(e) such that the assignee can vote as the holder of the
16 assigned claim.

17 **C. Approval of Solicitation Procedures.**

18 Pursuant to Bankruptcy Rule 3017(d), upon approval of a disclosure statement, a plan
19 proponent must mail to the United States Trustee, all creditors and all equity security holders the
20 plan, the disclosure statement, notice of the time within which to file acceptances or rejections,
21 notice of the date of the confirmation hearing, and such other information as the court may
22 require (the "Solicitation Procedures").

23 The Debtor believes that the below-described Solicitation Procedures are well designed
24 and specifically tailored to effectively solicit acceptances or rejections of the Plan. To the extent
25 that circumstances requiring modification or amendment of the Solicitation Procedures arise, the
26 Debtor reserves the right to supplement or amend the Solicitation Procedures as appropriate.

27 **1. Determination of Treatment of Certain Claims and Interests for Notice and**
28 **Voting Purposes**

1 The Debtor enumerates in the Plan the three classes of creditors that are entitled to vote
2 on the Plan. Class 2 (Secured Claims), Class 4 (General Unsecured Claims) and Class 6 (Opus
3 Bank Priority Claim) are designated for voting purposes as Impaired and entitled to vote on the
4 Plan (collectively, the “Voting Classes”). Finally, Class 5 (Interests) are designated for voting
5 purposes as unimpaired under the Plan, and are therefore deemed to accept the Plan and not
6 entitled to vote.

7 **2. Establishing a Voting Deadline.**

8 Pursuant to Bankruptcy Rule 3017(c), at the time of the approval of the Disclosure
9 Statement, or earlier, “the court shall fix a time within which the holders of claims and interests
10 may accept or reject the Plan.” Fed. R. Bankr. P. 3017(c). The Debtor requests that the Court
11 establish May 28, 2018 at 5:00 p.m. Pacific time as the voting deadline (“Voting Deadline”). The
12 proposed Voting Deadline is approximately twenty-one (21) days after the date Solicitation
13 Packages are expected to be distributed.

14 **3. Approval of the Form of Ballots.**

15 Bankruptcy Rule 3018(c) provides, in relevant part, as follows:

16 “[A]cceptance or rejection shall be in writing, identify the plan or plans accepted
17 or rejected, be signed by the creditor or equity security holder or an authorized
18 agent, and conform to the appropriate Official Form.”

19 Fed. R. Bankr. P. 3018(c). All votes must be cast by using the appropriate ballot (collectively,
20 the “Ballots”). The Debtor, in accordance with Bankruptcy Rule 3018(c), has prepared Ballots.
21 Accordingly, the Debtor requests that the Court approve the Ballot forms attached hereto as
22 **Exhibit “B”**. The form of the Ballots complies with Bankruptcy Rule 3018(c) and is based
23 substantially on Official Form No. 14, as modified to address the particular needs of the Debtor’s
24 Chapter 11 case. (In soliciting creditor votes, the Plan Proponent is not conceding that each such
25 creditor is entitled to vote, pursuant to Bankruptcy Code §1126(a).)

26 **4. Approval of Solicitation Packages and Procedures for Distribution Thereof.**

27 Bankruptcy Rule 3017(d) sets forth the materials that must be provided to holders of
28 claims and interest holders for purposes of soliciting their votes and providing adequate notice of

1 a plan confirmation hearing. Upon approval of the Disclosure Statement, the Debtor proposes
2 that on or before May 10, 2018, the Debtor will serve holders of Class 2, Class 4, and Class 6
3 Claims (as of the Voting Record Date) the following: (i) the Confirmation Hearing Notice
4 substantially in the form attached hereto as **Exhibit “C”**; (ii) appropriate Ballots and a pre-
5 addressed return envelope (without postage attached), together with voting instructions; (iii) the
6 Disclosure Statement and the Plan; and (iv) the Disclosure Statement Order (collectively, the
7 “Solicitation Package”).

8 The Debtor requests that the Court permit the Debtor to exclude all other parties (not
9 identified above) from service of the Solicitation Package, including, without limitation, parties
10 identified on the Debtor’s master mailing list but who are not listed in the Schedules and have
11 not filed a proof of claim against the Debtor’s estate.¹

12 The Debtor also intends to serve the Solicitation Package (excluding Ballots) upon (i) the
13 United States Trustee, and (ii) all entities on the Bankruptcy Rule 2002 service list. The Debtor
14 submits that the Solicitation Procedures satisfy the requirements of the Bankruptcy Code and the
15 Bankruptcy Rules and should be approved.

16 **D. Approval of Method of Tabulation of Votes and Form of Ballots.**

17 To accurately calculate votes cast for or against the Plan, the Debtor proposes a method
18 for tabulating votes in accordance with the Bankruptcy Code and Federal Rules of Bankruptcy
19 Procedure. Generally, only a holder of an allowed claim or interest is entitled to vote to accept or
20 reject a plan. See 11 U.S.C. § 1126(a). An unsecured creditor or an equity security holder must
21 file a proof of claim or interest in accordance with Federal Rule of Bankruptcy Procedure 3002
22 for such claim or interest to be allowed, with certain exceptions. See 11 U.S.C. §§ 501 and 502;
23 Fed. R. Bankr. P. 1019(3), 3003, 3004 and 3005. One noted exception to this general rule covers
24 claims listed on a debtor’s schedule of liabilities but not listed as contingent, unliquidated, or
25 disputed. See 11 U.S.C. § 1111(a); Fed. R. Bankr. P. 3003(b).

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28 ¹ See Fed. R. Bankr. P. 3003(c)(2) (“Any creditor or equity security holder whose claim or interest is not scheduled or scheduled as disputed, contingent or unliquidated shall file a proof of claim within the time proscribed by subdivision (c)(3) of this rule; any creditor who fails to do so shall not be treated as a creditor with respect to such claim for purposes of voting and distribution.”).

1 In accordance with these considerations and for the purpose of tabulating votes, the
2 Debtor proposes that the amount of a claim should be either (a) the claim amount as listed in the
3 Schedules (so long as such claim is not listed as contingent, unliquidated or disputed) if no proof
4 of claim has been timely filed and no objection to the claim as scheduled has been filed no later
5 than one day prior to the Voting Deadline (as defined below) (see Fed. R. Bankr. P. 3003(b)(1)),
6 (b) the liquidated amount specified in a proof of claim timely filed and received to the extent the
7 claim as filed is not the subject of an objection to claim filed no later than the Voting Deadline
8 (as defined below) (see 11 U.S.C. § 502(a); Fed. R. Bankr. P. 3002), provided that if the claim
9 amount asserted is unascertainable from the face of such proof of claim, then the holder of such
10 claim shall be deemed to have a claim of one dollar (\$1) for voting amount purposes only; or (c)
11 the amount temporarily allowed by the Court for voting purposes after notice and a hearing in
12 accordance with Federal Rule of Bankruptcy Procedure 3018(a).

13 If a creditor submits a ballot, and (a) such creditor has not timely filed a proof of claim
14 and is not listed on the Schedules as specified above, or (b) the entirety of such creditor's claim
15 is the subject of an objection to claim, the creditor's ballot should not be counted in accordance
16 with Bankruptcy Rule 3018, unless otherwise temporarily allowed by the Court in accordance
17 with such Rule.

18 In addition to the foregoing, the Debtor requests that the Court authorize the following
19 additional procedures for voting on the Plan:

20 1. If a creditor submits more than one ballot voting on the same claim(s) before the last
21 day for submitting ballots to be established pursuant hereto, the last ballot received prior to the
22 last day for submitting ballots shall supersede any prior ballot(s).

23 2. A ballot that partially rejects and partially accepts the Plan or that indicates both a vote
24 for and against the same Plan, shall not be counted.

25 3. Votes cast by a holder of a claim pursuant to a ballot that is not signed or is not timely
26 received shall not be counted.

27 4. Votes cast by a holder of a claim pursuant to a ballot that is e-mailed or faxed to the
28 Debtor shall not be counted.

1 5. Ballots that are signed and returned but that do not provide a vote either for acceptance
2 or rejection of the Plan shall be counted as an acceptance.

3 6. The authority of the signatory of each ballot to complete and execute the ballot shall be
4 presumed.

5 7. A ballot that is furnished to the Debtor's counsel after the established voting deadline
6 shall not be counted.

7 8. All questions raised by a party in interest as to the validity, form, eligibility (including
8 time of receipt), acceptance, and revocation of withdrawal of ballots will be determined by the
9 Court after notice and a hearing, in the Court's discretion.

10 9. Neither the Debtor nor any other person will be under any duty to provide notification
11 of defects or irregularities with respect to the deliveries of ballots, nor will any of them incur any
12 liabilities for failure to provide such notification. Unless otherwise directed by the Court,
13 delivery of such ballots will not be deemed to have been made until such irregularities have been
14 cured or waived. Ballots previously cast (and as to which any irregularities have not theretofore
15 been cured or waived) will be invalid.

16 10. A ballot may be withdrawn by delivering a written notice of withdrawal to the
17 Debtor's counsel at any time prior to the voting deadline. To be valid, a notice of withdrawal
18 must (i) contain the description of the claim to which it relates; (ii) be signed by the holder of the
19 claim in the same manner as the ballot that it supersedes; and (iii) be received by the Debtor's
20 counsel in a timely manner at the address set forth on the ballot. Any party in interest will have
21 the right to contest the validity of any such withdrawal of ballots.

22 **E. Scheduling Confirmation Hearing and Related Deadlines.**

23 **1. Summary of Proposed Dates and Deadlines.**

24 The dates and deadlines proposed herein are specifically tailored to meet the
25 requirements of the Bankruptcy Code, the Bankruptcy Rules, and this Court's general order
26 concerning plan confirmation while permitting the Debtor to seek to confirm the Plan in a timely
27 and efficient manner. In particular, the schedule calls for the filing of a Confirmation Brief
28

1 (defined below) and any objection to confirmation after the Voting Deadline (defined below), all
2 as suggested by the Court's general order.

3 The Debtor proposes the following dates for certain events in connection with Plan
4 confirmation:

5 **May 10, 2018 Plan Solicitation Deadline**

6 **May 28, 2018 Voting Deadline**

7 **June 4, 2018 Confirmation Brief Deadline & Voting Report Deadline**

8 **June 18, 2018 Confirmation Objection Deadline**

9 **June 25, 2018 Confirmation Reply Deadline**

10 **July 2, 2018 Plan Confirmation Hearing Date**

11 **2. Plan Solicitation Deadline**

12 The Debtor requests that the Court set May 10, 2018, i.e., three (3) business days after the
13 order approving the Disclosure Statement is entered on the docket, as the last date by which the
14 Solicitation Packages must be distributed to parties entitled to receive them.

15 **3. Voting Deadline**

16 Pursuant to Federal Rule of Bankruptcy Procedure 3017(c), “[o]n or before the approval
17 of the disclosure statement, the court shall fix a time within which the holders of claims and
18 interests may accept or reject the plan”

19 The Debtor requests that the Court fix May 28, 2018, approximately twenty-one (21)
20 calendar days after the Solicitation Packages will have been mailed, as the last date on which all
21 ballots must be received by the Debtor's counsel in order to be valid (the “Voting Deadline”).
22 This Voting Deadline will afford creditors ample time to vote yet it will allow the Debtor
23 sufficient time to file its Confirmation Brief (defined below) with sufficient notice prior to the
24 Confirmation Hearing.

25 **4. The Confirmation Brief and Voting Report Deadline**

26 The Debtor requests that the Court set June 4, 2018 (the “Confirmation Brief Deadline”),
27 as the deadline for filing and serving any briefs in support of confirmation (the “Confirmation
28 Brief”). The Debtor requests that the Court order that the only entities upon whom the Debtor

1 must serve the Confirmation Brief are the U.S. Trustee, and all parties who requested special
2 notice pursuant to Federal Rule Bankruptcy Procedure 2002. The Debtor further requests that
3 June 4, 2018 be set as the deadline for filing the ballot summary report (the “Voting Report
4 Deadline”).

5 **5. Objections to Confirmation**

6 Pursuant to Federal Rule of Bankruptcy Procedure 3020(b)(1), “objections to the
7 confirmation of the plan shall be filed and served ... within a time fixed by the court.” The
8 Debtor submits that the Court should fix June 18, 2018, a date that will be approximately 14 days
9 prior to the Confirmation Hearing, as the last day to file and serve objections to the Plan
10 (“Confirmation Objection Deadline”). This time frame complies with Federal Rule of
11 Bankruptcy Procedure 2002(b).

12 The Debtor further requests that the Court order: (a) that Plan objections must be set forth
13 in a written statement and be accompanied by a memorandum of points and authorities and any
14 supporting evidence, and (b) that any objections not timely filed and served are deemed waived.

15 **IV. CONCLUSION**

16 The Debtor respectfully submits that the Disclosure Statement contains adequate
17 information to allow claimants to make an informed decision as to whether to vote to accept or
18 reject the Plan, and the procedures proposed above are reasonable and appropriate and conform
19 to the requirements of the Bankruptcy Code and Federal Rules of Bankruptcy Procedure.

20 WHEREFORE, the Debtor respectfully requests that the Court enter its Order authorizing
21 Order (a) approving the Disclosure Statement; (b) approving the voting procedures as proposed;
22 (c) approving the forms of Notice, and Ballot submitted herewith; (d) approving the manner of
23 notice; (e) establishing the relevant deadlines and dates requested herein; and, granting such
24 other and further relief as may be just and proper.

25 Dated: March 23, 2018

Lozano Law Center, Inc.

26
27 /s/ Frank J. Alvarado
28 Frank J. Alvarado, Esq.
Attorney for Debtors

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EXHIBIT “A”

1 David Lozano, #164806
2 Frank J. Alvarado, #276466
3 **Lozano Law Center, Inc.**
4 1900 W. Garvey Ave. South, Ste. 240
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7 Facsimile: (626)209-0221

8 Attorneys for Debtor

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA-RIVERSIDE DIVISION**

11 In re

12 AMJ Plumbing Specialists, Corp.

13 Debtor(s).

Case No.: 6:17-bk-15717-MJ

Chapter 11

**ORDER (A) APPROVING DEBTOR'S
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PROCEDURES; (D) APPROVING FORM
OF SOLICITATION MATERIALS; AND (E)
SETTING CONFIRMATION HEARING
DEADLINES IN CONNECTION
THEREWITH**

Date:
Time:
Crtrm:301
Location: 3420 Twelfth Street
Riverside, CA 92501

23
24 Upon the Motion (the "Motion") of AMJ Plumbing Specialists, Corp., debtor and debtor-
25 in-possession in the above-captioned Chapter 11 case (the "Debtor"), seeking entry of an order
26 (a) approving the proposed Disclosure Statement in Support of the Chapter 11 Plan of
27 Reorganization Proposed By AMJ Plumbing Specialists, Corp. (as may be amended or
28 supplemented and including all exhibits and supplements thereto, the "Disclosure Statement") in
connection with the proposed Plan of Reorganization as Proposed By AMJ Plumbing

1 Specialists, Corp. (as may be amended or supplemented and including all exhibits and
2 supplements thereto, the “Plan”); (b) fixing a voting record date pursuant to Bankruptcy Rule
3 3018(c) for determining, among other things, those creditors entitled to receive ballots and
4 solicitation materials; (c) approving solicitation and voting procedures with respect to the Plan;
5 (d) approving the form of the solicitation package and the notices to be distributed with respect
6 thereto; and (e) setting Plan confirmation-related deadlines and procedures, and the Court having
7 conducted the Disclosure Statement Hearing on May 7, 2018; and the Court having jurisdiction
8 to consider the Motion and the relief requested therein pursuant to 28 U.S.C. § § 157 and 1334;
9 and this being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper in
10 this Court pursuant to 28 U.S.C. § § 1408 and 1409; and due, adequate, and sufficient notice of
11 the Motion, the time fixed for filing objections and the Disclosure Statement Hearing having
12 been given in accordance with Bankruptcy Rules 2002 and 3017, and Local Rules 3017-1(a) and
13 (b); and it appearing that no other notice need be given; and the Court having determined that the
14 relief sought in the Motion is in the best interests of the Debtor, its creditors, and all parties-in-
15 interest; and after due deliberation thereon; and, for the reasons stated in the Motion and based
16 on the record in this case and at the Disclosure Statement Hearing; and good, adequate and
17 sufficient cause being shown to justify the immediate entry of this Order, it is hereby:

18 **ORDERED, ADJUDGED, and DECREED THAT:**

- 19 1. The Motion is GRANTED as set forth herein.
- 20 2. The Disclosure Statement complies with section 1125 of the Bankruptcy Code and is
21 hereby approved as containing adequate information, as defined by Section 1125(a) of the United
22 States Bankruptcy Code,
- 23 3. Any objections to approval of the Disclosure Statement which were not withdrawn at or
24 prior to the Disclosure Statement Hearing are hereby overruled.
- 25 4. The Voting Record Date shall be **May 7, 2018**.
- 26 5. The last date by which the Solicitation Packages must be distributed to parties entitled to
27 receive them shall be **May 10, 2018**.
- 28

1 6. The Voting Deadline, i.e., the date by which ballots must be received, shall be **May 28,**
2 **2018, at 5:00 p.m. (PT).**

3 7. The Confirmation Brief must be filed by the Confirmation Brief Deadline, **June 4, 2018,**
4 and must be served upon the Office of the United States Trustee and all parties who requested
5 special notice pursuant to Federal Rule Bankruptcy Procedure 2002.

6 8. The Voting Report Deadline shall be **June 4, 2018.**

7 9. Any objections to the Plan (the “Plan Objections”) must be filed by the Confirmation
8 Objection Deadline, **June 18, 2018,** and must: (a) be in writing; (b) state the name and address of
9 the objecting party and the amount and nature of the claim or interest of such party against or in
10 the Debtor, its estate, or its property, and (c) be filed, together with proof of service, with the
11 Court and served so that it is are received by the Debtor’s counsel.

12 10. Any reply to any Confirmation Objections must be filed no later than **June 25, 2018** and
13 must be served upon the objecting party in accordance with the Local Rules.

14 11. The Confirmation Hearing shall be held on **July 2, 2018 at 1:30 p.m.** or as soon
15 thereafter as counsel may be heard. The Confirmation Hearing maybe continued from time to
16 time by announcing such continuance in open court, and the Plan may be further modified, if
17 necessary, pursuant to section 1127 of the Bankruptcy Code prior to, during, or as a result of the
18 Confirmation Hearing, without further notice to parties-in-interest.

19 12. The Solicitation Procedures are hereby approved and the Debtor’s rights are reserved,
20 subject to Court approval, to further amend or supplement the Solicitation Procedures to better
21 facilitate the solicitation process.

22 13. The form of the Disclosure Statement Notice is hereby approved as providing sufficient
23 notice of the Disclosure Statement Hearing in accordance with Bankruptcy Rules 2002(b) and
24 3017.

25 14. The form of Ballots and voting instructions, substantially in the forms attached to the
26 Motion as Exhibit “B”, are hereby approved.

1 15. The Confirmation Hearing Notice, substantially in the form attached to the Motion as
2 Exhibit “C”, complies with the requirements of Bankruptcy Rules 2002(b), 2002(c)(3), and
3 2002(d), and is hereby approved.

4 16. All Ballots must be properly executed, completed and delivered by (a) first-class mail, in
5 the return envelope provided with each Ballot; (b) overnight courier; or (c) personal delivery, so
6 that the Ballots are actually received, in any case, no later than the Voting Deadline at the
7 following address: **Lozano Law Center, Inc., 1900 W. Garvey Ave. South, Ste. 240, West**
8 **Covina, CA 91790.**

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EXHIBIT “B”

1 David Lozano, #164806
2 Frank J. Alvarado, #276466
3 **Lozano Law Center, Inc.**
4 1900 W. Garvey Ave. South, Ste. 240
5 West Covina, CA 91790
6 Telephone: (626)802-5680
7 Facsimile: (626)209-0221

8 Attorney for Debtor-in-Possession

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **RIVERSIDE DIVISION**

12 In re:

13
14 AMJ PLUMBING SPECIALISTS, CORP.,

15
16
17 Debtor(s).

Case No.: 6:17-bk-15717-MJ

CHAPTER 11

**CLASS 2B BALLOT FOR ACCEPTING OR
REJECTING PLAN OF REORGANIZATION**

18
19 Proponent of the Plan, **AMJ PLUMBING SPECIALISTS, CORP**, filed a plan of
20 reorganization dated _____, **2018** (the *Plan*) for the Debtor in this case. The
21 Court has conditionally approved a disclosure statement with respect to the Plan (the
22 *Disclosure Statement*). The Disclosure Statement provides information to assist you in
23 deciding how to vote your ballot. If you do not have a Disclosure Statement, you may
24 obtain a copy from **Lozano Law Center, Inc., 1900 W. Garvey Ave. South, Ste. 240,**
25 **West Covina, CA 91790, falvarado@dlbklaw.com**, proponent's attorney.

26 Court approval of the disclosure statement does not indicate approval of the Plan
27 by the Court.

28 You should review the Disclosure Statement and the Plan before you vote. You
may wish to seek legal advice concerning the Plan and your classification and treatment

1 under the Plan. Your claim has been placed in class **2B** under the Plan. If you hold
2 claims or equity interests in more than one class, you will receive a ballot for each class
3 in which you are entitled to vote.

4 If your ballot is not received by **Lozano Law Center, Inc., 1900 W. Garvey Ave.**
5 **South, Ste. 240, West Covina, CA 91790, falvarado@dlbklaw.com** on or before **May**
6 **28, 2018**, and such deadline is not extended, your vote will not count as either an
7 acceptance or rejection of the Plan.

8 If the Plan is confirmed by the Bankruptcy Court, it will be binding on you whether
9 or not you vote.

10 **Acceptance or Rejection of the Plan.**

11 The undersigned, the holder of a Class **2B** claim against the Debtor in the unpaid
12 amount of Dollars \$_____

13 Check one box only

14 Accepts the plan

15 Rejects the plan

16 Dated: _____

17 Print or type name: _____

18 Signature: _____ Title (if corporation or partnership) _____

19 Address: _____

20 _____

21 _____

22
23 **Return this ballot to:**

24 **Lozano Law Center, Inc.**
25 1900 W. Garvey Ave. South, Ste. 240
26 West Covina, CA 91790
27 falvarado@dlbklaw.com
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EXHIBIT “C”

1 David Lozano, #164806
2 Frank J. Alvarado, #276466
3 **Lozano Law Center, Inc.**
4 1900 W. Garvey Ave. South, Ste. 240
5 West Covina, CA 91790
6 Telephone: (626)802-5680
7 Facsimile: (626)209-0221

8 Attorney for Debtor-in-Possession

9 **UNITED STATES BANKRUPTCY COURT**
10 **CENTRAL DISTRICT OF CALIFORNIA**
11 **RIVERSIDE DIVISION**

12 In re:

13 AMJ PLUMBING SPECIALISTS, CORP.,

14 Debtor(s).

Case No.: 6:17-bk-15717-MJ

CHAPTER 11

**DEBTOR'S NOTICE OF: (1) APPROVAL
OF DEBTOR'S DISCLOSURE STATEMENT;
(2) PLAN CONFIRMATION HEARING; (3)
DATES AND DEADLINES RELATING TO
PLAN CONFIRMATION HEARING; AND (4)
MANNER OF SERVICE**

Confirmation Hearing

Date: July 2, 2018

Time: 1:30 p.m.

Courtroom: 301

Location: 3420 Twelfth Street
Riverside, CA 92501

15 TO ALL CREDITORS OF AMJ PLUMBING SPECIALISTS, CORP. AND THE UNITED
16 STATES TRUSTEE:

17 **PLEASE TAKE NOTICE** that the Court has approved the Disclosure Statement in
18 Support of Plan of Reorganization Proposed By AMJ PLUMBING SPECIALISTS, CORP. (the
19 "Disclosure Statement"), in conjunction with the Plan of Reorganization Proposed by AMJ
20 PLUMBING SPECIALISTS, CORP. (the "Plan"), filed in the Debtor's case pending under
21 Chapter 11 of the United States Bankruptcy Code. The Court has set a hearing to consider

1 confirmation of the Plan that will commence on _____, 2018, at __:00 __.m., in
2 Courtroom 301, 3420 Twelfth Street, Riverside, CA 92501.

3 The Court has fixed, _____2018 as the last day for the Debtor to file and serve its
4 brief in support of the confirmation of the Plan. The Court has fixed _____, 2018, as the
5 last day for any interested party to file and serve any opposition to confirmation of the Plan.
6 The Court has fixed _____, 2018 as the last day for any interested party to file and serve a
7 reply to any opposition to confirmation of the Plan. Any Plan objections must be set forth in a
8 written statement and be accompanied by a memorandum of points and authorities and any
9 supporting evidence and must be timely filed and served or be deemed waived. Any objections
10 to confirmation of the Plan must be served on the Debtor's counsel. Failure to timely file and
11 serve an opposition may be deemed by the Court to be consent to confirmation of the Plan.

12 **THE PLAN CONTAINS EXCULPATION, RELEASE, AND RELATED PROVISIONS**

13 In accordance with Bankruptcy Rule 3016(c), the Debtor notes that the following
14 provisions are included in the Plan of the Disclosure Statement.

15 **A. Exculpation of Plan/Case Participants.**

16 Pursuant to section 1125(e) of the Bankruptcy Code, the Debtor and the Debtor's
17 Professionals (collectively, the "Plan/Case Participants") will neither have nor incur any liability
18 to any Person (including, without limitation, the Debtor and their Related Parties, Affiliates and
19 Insiders) for any act taken or omitted to be taken on and after the Petition Date in connection
20 with or directly or indirectly related to the Debtor, the Chapter 11 Case, any Assets, and any
21 appeals of judgments or orders of the Bankruptcy Court during the Chapter 11 Case, including,
22 but not limited to (1) the formulation, preparation, dissemination, negotiation, implementation,
23 confirmation or consummation of the Plan, the Disclosure Statement, the Confirmation Order
24 or any contract, instrument, release or other agreement, pleading or document created,
25 entered into or consented to by a Plan/Case Participant, (2) the pursuit of Causes of Action, (3)
26 the administration of the Chapter 11 Case, (4) the management, operation, sale or other
27 disposition or administration of the Debtor's assets and properties during the Chapter 11 Case,
28 (5) any actions taken or omissions not taken in or relating to proceedings in state court, or (6)

1 any other act taken or omitted to be taken in connection with the Plan, the Disclosure
2 Statement, or the Confirmation Order, including solicitation of acceptances of the Plan, except
3 only for actions or omissions to act to the extent determined by a Final Order of the Bankruptcy
4 Court to be due to such Plan/Case Participant's own respective fraud, gross negligence or
5 willful misconduct ("Exculpated Conduct"). Nothing herein shall be construed as a release of or
6 waiver of any Claim that arose or is deemed to have arisen prior to the Petition Date against
7 the Debtor by any party.

8 **B. Injunction Prohibiting Actions Against Plan/Case Participants**

9 All Persons are permanently enjoined from commencing, or continuing in any manner,
10 any action or proceeding against any Plan/Case Participant, whether directly, derivatively, on
11 account of or respecting any claim, debt, right, or cause of action based in whole or in part
12 upon any Exculpated Conduct. Any Plan/Case Participant injured by any willful violation of the
13 injunctions provided in the Plan shall recover from the willful violator actual damages (including
14 costs and attorneys' fees) and, in appropriate circumstances, punitive damages.

15 **C. Injunction Prohibiting Creditors' Actions Against the Estate**

16 In implementation of the Plan, except as otherwise expressly provided in the
17 Confirmation Order or the Plan, and except in connection with the enforcement of the terms of
18 the Plan or any documents provided for or contemplated in the Plan, all entities who have held,
19 hold or may hold Claims against the Estate that arose prior to the Effective Date are enjoined
20 from: (a) commencing or continuing in any manner, directly or indirectly, any action or other
21 proceeding of any kind against the Reorganized Debtor, or any of his respective property
22 (including the Assets which are property of the Estate); (b) the enforcement, attachment,
23 collection or recovery by any manner or means, directly or indirectly, of any judgment, award,
24 decree, or order against the Estate, or the Reorganized Debtor, or any of their respective
25 property (including the Assets which are property of the Estate) with respect to any such
26 Claim; (c) creating, perfecting or enforcing, directly or indirectly, any Lien or encumbrance of
27 any kind against the Estate, or the Reorganized Debtor, or any of their respective property
28 (including the Assets which are property of the Estate), with respect to any such Claim; (d)

1 asserting, directly or indirectly, any setoff, right of subrogation, or recoupment of any kind
2 against any obligation due the Estate or any of their property with respect to any such Claim;
3 and (e) any act, in any manner, in any place whatsoever, that does not conform to or comply
4 with the provisions of the Plan with respect to such Claim; provided that the Reorganized
5 Debtor may *in its discretion* exempt a third party from the foregoing injunction on such terms
6 and conditions it determines appropriate without any court approval or notice.

7 Notwithstanding the foregoing, nothing contained in this Section shall enjoin or prohibit
8 (1) the Holder of a timely-filed Proof of Claim from litigating its right to have such Claim
9 declared an Allowed Claim and paid in accordance with the distribution provisions of this Plan,
10 (2) the interpretation or enforcement by the Creditor of any of the obligations of the Debtor, the
11 Estate or the Reorganized Debtor under this Plan, or (3) lien holders from pursuing and
12 enforcing the validity, priority or extent of their lien rights and the allowed amount of their
13 Secured Claims. For the avoidance of doubt, and notwithstanding any other provision
14 contained in the Plan or the Confirmation Order, nothing in the Plan or the Confirmation Order
15 shall release any claims and/or causes of action, or enjoin any Person (including, without
16 limitation, the Estate and/or the Reorganized Debtor) from commencing or continuing the
17 prosecution of any claims and/or causes of action, or enjoin any Person (including, without
18 limitation, the Estate and/or the Reorganized Debtor) from commencing or continuing the
19 prosecution of any claims and/or causes of action against any Person or entity other than
20 pursuant to the express terms of the Plan.

21 **COPIES OF SOLICITATION PACKAGE MATERIALS**

22 In order to be counted, all Ballots with respect to the Plan must be received by **Lozano**
23 **Law Center, Inc., 1900 W. Garvey Ave. South, Ste. 240, West Covina, CA 91790,**
24 **falvarado@dlbklaw.com**, no later than the close of business on _____, **2018**. Ballots may be
25 sent to Lozano Law Center by mail, overnight or hand delivery. Ballots will not be accepted by
26 email or facsimile. Along with this Notice, you are being sent a Ballot and a copy of the
27 Disclosure Statement and the Plan. If you desire to receive another copy of the documents,
28 you may obtain additional copies by contacting the Debtor's counsel.

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Dated:

Lozano Law Center, Inc.

/s/ Frank J. Alvarado
Frank J. Alvarado, Esq.
Attorney for Debtors