

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
WEST PALM BEACH DIVISION
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IN RE: Case No.: 12-30081-BKC-EPK
CLSF III IV, Inc., *et al.*, Chapter 7
Debtor. (Substantively Consolidated)

**TRUSTEE’S MOTION TO INCLUDE IBRAHIM RABADI TRUST UA DATED 2/3/2011
AMONG SUBCON ENTITIES (AS DEFINED HEREIN); AND TO TRY ISSUE OF
SUBSTANTIVE CONSOLIDATION IN CONJUNCTION WITH ADVERSARY
PROCEEDING NO.: 13-01479-EPK**

Trustee/Defendant Deborah C. Menotte, (“Trustee”), by and through undersigned counsel, and pursuant to 11 U.S.C. § 105, files this motion seeking to include the Ibrahim Rabadi Trust UA dtd 2/3/2011 (the “Rabadi Trust”) among the SubCon Entities (as defined below), and to try the issue of substantive consolidation along with the adversary proceeding captioned *Parcside Equity, LLC v. Deborah C. Menotte, Chapter 7 Trustee*, Adversary Proceeding No.: 13-01479-EPK (the “Parcside Adversary”). In support of this motion, the Trustee states:

I. Background

1. On July 23, 2013, the Trustee filed *Trustee’s Amended Motion for Substantive Consolidation of the Jointly Administered Bankruptcy Estates and Memorandum of Law in Support* [ECF No. 415] and, on September 17, 2013, the Trustee filed *Trustee’s Second Amended Motion for Substantive Consolidation of the Jointly Administered Bankruptcy Estates and Memorandum of Law in Support* [ECF No. 520] (the “SubCon Motion”), seeking the entry of an order substantively consolidating the bankruptcy estate of Debtor CLSF III IV, Inc. (the “Debtor”) with that of: (a) the bankruptcy estates of the thirty-two jointly administered bankruptcy estates of the affiliated Debtors (“Affiliated Debtors”): Behl Corporation, a Florida

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corporation; BGI 3 Life, Inc., a Florida corporation; BGI 5 Life, Inc., a Florida corporation; BGI 6 Life, Inc., a Florida corporation; BGI XVII Corporation, a Florida corporation; BGI XX Corporation, a Florida corporation; CLSF I, Inc., a Florida corporation; CLSF VII, Inc., a Florida corporation; CLSF VIII, Inc., a Florida corporation; CLSF XIV, Inc., a Florida corporation, CLSF XL, Inc., a Florida corporation; CLSF XLI, Inc., a Florida corporation; CLSF XV, Inc., a Florida corporation; CLSF XVI, Inc., a Florida corporation; CLSF XVII, Inc., a Florida corporation; CLSF XX, Inc., a Florida corporation; CLSF XXI, Inc., a Florida corporation; CLSF XXII, Inc., a Florida corporation; CLSF XXIII, Inc., a Florida corporation; CLSF XXIX, Inc., a Florida corporation; CLSF XXV, Inc., a Florida corporation; CLSF XXXI, Inc., a Florida corporation; CLSF XXXV, Inc., a Florida corporation; Friedman TR Corp., a Florida corporation; LSF I, Inc., a Florida corporation; LSF III, Inc., a Florida corporation; LSF IV, Inc., a Florida corporation; LSF VI, Inc., a Florida corporation; RPM Life, Inc., a Florida corporation; Ryan Trust Corporation, a Florida corporation; The Gluck TR Corp., a Florida corporation; and The Sinder TR Corporation, a Florida corporation; and (b) the non-debtor trust entities, (“Non-debtor Entities”): BGI I Life, Inc., a Florida corporation; BGI II Life, Inc., a Florida corporation; BGI VII Corp., a Florida corporation; BGI VIII Corporation, a Florida corporation; BGI IX Corp., a Florida corporation; BGI X Corp., a Florida corporation; BGI XI Corp., a Florida corporation; BGI XII Corp., a Florida corporation; BGI XIV Corp., a Florida corporation; BGI XV Corp., a Florida corporation; BGI XVI Corp., a Florida corporation; BGI XVIII Corp., a Florida corporation; BGI XIX Corporation, a Florida corporation; BGI XXIX Corp., a Florida corporation; BGI XXI Corp., a Florida corporation; BGI XXII Corp., a Florida corporation; BGI XXIV Corporation, a Florida corporation; BGI XXV Corporation, a Florida corporation; BGI XXVI Corporation, a Florida corporation; BGIF 18 UA Dated 2-1-2010; BGIF 19 UA Dated 2-

1-2010; CLSF IX, Inc., a Florida corporation; CLSF XII, Inc., a Florida corporation; CLSF XVIII, Inc., a Florida corporation; CLSF XXX, Inc., a Florida corporation; CLSF XXXII, Inc., a Florida corporation; CLSF XXXIV, Inc., a Florida corporation; CLSF XXXVI, Inc., a Florida corporation; CLSF XXXVIII, Inc., a Florida corporation; CLSF XXXIX, Inc., a Florida corporation; CLSF XLII, Inc., a Florida corporation; CLSF XXXXII, Inc., a Florida corporation; CLSF XLIII, Inc., a Florida corporation; CLSF XXXXIII Corporation, a Florida corporation; CLSF XXXXIV, a Florida corporation; CLSF XXXXV Corporation, a Florida corporation; CLSF XXXXVI Corporation, a Florida corporation; LSF II, Inc., a Florida corporation; LSF V, Inc., a Florida corporation; MP XXVI, Inc., a Florida corporation; Peck Associates Palm Beach, LLC d/b/a Deborah C. Peck, P.A.; The LIP Corporation, a Florida corporation; The LIP II Trust Corporation, a Florida corporation; The LIP III Trust Corporation, a Florida corporation; CLSF 1A Corporation, a Florida corporation; CLSF 3-4 A Corporation, a Florida corporation; CLSF 3-4 Corporation, a Florida corporation; CLSF 7 A Corporation, a Florida corporation; The Friedman Trust Corp., a corporation; The Feyga Darmanyans Ins. Trust UA DATED 10-07; The Guberman Trust; The Guberman TR Corp., a Florida corporation; Hassan Joher Family Insurance Trust; The Hassan Joher Family Insurance National Trust Corporation, a Florida corporation; The Hassan Joher Insurance Trust; Joher Family Trust Dated 9-10-2010; The Joher Family Aviva Insurance Trust Corporation, a Florida corporation; The Ibrahim Radadi Trust Dated 2-3-2011; The Rabadi Life Insurance Trust, Ryan TR Corp., a Florida corporation; The Ribadi TR Corp., a Florida corporation; The Klara Rosenberg Insurance Trust Dated 8-19-2012; The Spector Trust UA Dated 4-27-2010; The Spector TR Corp., a Florida corporation; The Teichman Trust Corporation, a Florida corporation; The Teichman TR Corp., a Florida corporation; The Lundvall TR Corp., a Florida corporation; and The Martha Elliott Insurance

Trust Corporation, a Florida corporation.

2. On September 16, 2013, Parcside Equity, LLC (“Parcside”) filed a *Limited Objection to Trustee’s Amended Motion for Substantive Consolidation of Jointly Administered Bankruptcy Estates and Memorandum of Law in Support* [ECF No. 516] (the “Parcside Objection”).

3. On September 23, 2013, the Court conducted a hearing to consider the SubCon Motion, and thereupon entered an *Order Granting Trustee’s Second Amended Motion for Substantive Consolidation of the Jointly Administered Bankruptcy Estates* [ECF No. 561] (the “SubCon Order”). As set forth in the SubCon Order, the Court granted the substantive consolidation of the bankruptcy estate of the Debtor, with that of the Affiliated Debtors, and each of the Non-Debtor Entities, with the exception of the Rabadi Trust (collectively, the “SubCon Entities”).

4. The Court directed, in the SubCon Order, that the issue of whether the Rabadi Trust should be substantively consolidated along with the SubCon Entities would be heard in conjunction with the adversary proceeding.

5. By this Motion, the Trustee seeks the entry of an Order including the Rabadi Trust among the SubCon Entities. Substantive consolidation of the Rabadi Trust with the SubCon Entities is essential to the proper administration of the Debtors’ bankruptcy cases.

6. The Trustee adopts the arguments raised and memorandum of law cited in the SubCon Motion as and for its arguments for this motion.

7. Further, the Trustee requests that the issue of substantively consolidating the Rabadi Trust be tried in conjunction with the trial in the Parcside Adversary.

WHEREFORE, the Trustee respectfully requests that this Court enter an order: (i) granting this Motion; (ii) including the Rabadi Trust among the SubCon Entities; (iii) directing that the issue of substantive consolidation of the Rabadi Trust be determined in conjunction with the Parcside Adversary; and (iv) granting such other and further relief as the Court deems just and proper.

I HEREBY CERTIFY that a true and correct copy of the foregoing was served on this 19th day of March, 2014, via electronic transmission through the Court's CM/ECF system upon all parties on the attached CM/ECF Service List.

Respectfully submitted,

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