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**E-Filed 8/3/16**

5 Attorney for Patrick Canet,  
6 Judicial Liquidator and  
7 Foreign Representative

8 **UNITED STATES BANKRUPTCY COURT**

9 **DISTRICT OF NEVADA**

10 IN RE:  
11 Gholam Reza Jazi Zandian

CASE NO. BK-N-16-50644-BTB  
CHAPTER 15

12 Debtor in a Foreign Proceeding.

**STATUS REPORT AND REPLY RE:  
FRENCH PROCEEDING AGAINST  
ZANDIAN**

**Hearing Date: August 10, 2016  
Hearing Time: 10:00 a.m.**

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15 On June 23, 2016, the Court conducted a hearing on the Petition by Patrick Canet  
16 (“Liquidator Canet”) for recognition of a foreign proceeding (“Petition”) pending in France,  
17 **DE 1**, against Gholam Reza Jazi Zandian (“Zandian”). The Petition was opposed by Jed  
18 Margolin (“Margolin Objection”). **DE 13**. The Court directed Liquidator Canet to provide  
19 additional information and set August 10, 2016 for a continued hearing on the Petition. The  
20 Court requested information regarding a proceeding against Zandian distinct from the  
21 proceeding against Computer World, and whether the 1997 judgment against Zandian is still  
22 enforceable. The request was communicated to Jean Marie Hyest, French counsel for  
23 Liquidator Canet. Attached hereto as **Exhibit A** are the English and French versions of the  
24 Certificate Regarding Insolvency Proceedings dated July 6, 2016 provided by the Pontoise  
25 Commercial Court in which the separate proceedings involving Computer World and  
26 Zandian are pending.

27 From the record presently before this Court, the following timeline sets forth the  
28 current status of the foreign proceeding against Zandian. The Judgement of the Commercial

1 Court of PONTOISE, dated 3 APRIL 1998, provides:

2 1. On June 12, 1992, Computer World, formerly called CEPAT, was “admitted to  
3 the benefit of reorganisation proceedings”. **DE 1, page 8 of 12, second paragraph.**

4 2. On June 11, 1993, the Computer World reorganisation was converted to a  
5 liquidation and Patrick Canet was appointed as the liquidator. **DE 1, page 8 of 12, third  
6 paragraph.**

7 3. Patrick Canet summoned Zandian to a hearing scheduled for December 19, 1997  
8 to appear before the Commercial Court of PONTOISE “for the purposes of a ruling against  
9 him based on the provisions of Article 181 of the Law of 25 JANUARY 1985;” . **DE 1,  
10 page 8 of 12, first paragraph.**

11 4. Based upon “a judgement rendered by the 6<sup>th</sup> Chamber of this Court on 13 JUNE  
12 1997, Mr. Canet, Esq.’s claim was allowed. Mr. ZANDIAN was ordered to personally  
13 assume the debts of the company up to the amount of 20,000,000 francs.” **DE 1, page 8 of  
14 12, sixth paragraph.**

15 5. “Mr. CANET, Esq., in his official capacity, consequently prays the Court to open  
16 judicial liquidation proceedings against Mr. Gholam JAZI ZANDIAN, with all the  
17 consequences thereof . . . .” . **DE 1, page 8 of 12, tenth paragraph.**

18 6. Citing as the legal basis for its decision, Article 181 of the Law of 25 JANUARY  
19 1985, to wit:

20 “The Court may open judicial reorganisation or liquidation proceedings with regard  
21 to managers whose liability for all or part of the liabilities of a legal entity has been  
22 recognised and who do not pay such debt.

22 \*\*\*\*\*

23 Whereas the Court considers it appropriate to apply the provisions of the above-  
24 mentioned text of law and to open judicial liquidation proceedings against Mr.  
25 Gholam ZANDIAN JAZI with all the legal consequences thereof.”

**DE 1, page 8 of 12, GROUNDS.**

26 7. As a result, the Commercial Court of PONTOISE Ordered “Open judicial  
27 liquidation proceedings without any observation period with regard to: Mr. Gholam Reza  
28 JAZI ZANDIAN . . . .” . Mr. Canet was appointed as liquidator. **DE 1, page 9 of 12.**

1 8. On July 6, 2016, the Clerk of the Commercial Court of PONTOISE prepared a  
2 Certificate Regarding Insolvency Proceedings (“Certificate”). **Exhibit A.** The Certificate  
3 provides that the Clerk has searched the register for proceedings concerning GHOLAM  
4 ZANDIAN JAZI and noted three entries regarding ZANDIAN:

- 5 ▶ Notation of the Pontoise Commercial Court judgment pronounced 3 April  
6 1998;
- 7 ▶ Judgment of the Pontoise Commercial Court dated 16 December 2013  
8 appointing SCP Canet-Morand as liquidator<sup>1</sup>, replacing Mr. Canet as  
9 liquidator;
- 10 ▶ Order of 2 February 2015 replacing the presiding Judge.

11 Finally, the Certificate indicates that “proceedings not currently terminated.”  
12

### 13 DISCUSSION

14 The only question pending before this Court is whether there is a main liquidation  
15 proceeding pending against Zandian in the Commercial Court of PONTOISE. Liquidator  
16 Canet believes he has amply demonstrated that: (1) a liquidation proceeding, separate and  
17 apart from the liquidation proceeding against Computer World, was ordered against Zandian  
18 on April 3, 1998, and (2) the liquidation proceeding against Zandian is not yet terminated.

19 Section 1516, entitled Presumptions concerning recognition provides, in part:

20 (a) If the decision or certificate referred to in section 1515(b) indicates that the  
21 foreign proceeding is a foreign proceeding and that the person or body is a foreign  
representative, the court is entitled to so presume.

22 (b) The court is entitled to presume that documents submitted in support of the  
23 petition for recognition are authentic, whether or not they have been legalized.

24 The certificate referred to in § 1515(b) indicates that the foreign proceeding is a foreign  
25 proceeding and appoints Patrick Canet as the liquidator. See, ¶ 7. This Court has been  
26 provided with certified copies of the Order directing the liquidation proceedings against  
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28 <sup>1</sup> See, **DE 1, page 5 of 12.**

1 Zandian and the Certificate Regarding Insolvency Proceedings indicating that the  
2 proceedings against Zandian have not terminated. See, *In re Betcorp Ltd.*, 400 B.R. 266,  
3 294 (Bankr. D. Nev. 2009). Liquidator Canet is entitled to the presumptions which have not  
4 been rebutted by Margolin.

5 It may well be that the allegations made by Margolin against Zandian are true;  
6 however, the policy provisions which are set forth in § 1501(a) and (b) support entry of an  
7 order recognizing the foreign main proceeding pending in the Commercial Court of Pontoise  
8 in France. Section 1501(a) and (b) provide:

9 (a) The purpose of this chapter is to incorporate the Model Law on Cross-Border  
10 Insolvency so as to provide effective mechanisms for dealing with cases of cross-  
11 border insolvency with the objectives of—

12 (1) cooperation between—

13 (A) courts of the United States, United States trustees, trustees,  
14 examiners, debtors, and debtors in possession; and

15 (B) the courts and other competent authorities of foreign countries  
16 involved in cross-border insolvency cases;

17 (2) greater legal certainty for trade and investment;

18 (3) fair and efficient administration of cross-border insolvencies that protects  
19 the interests of all creditors, and other interested entities, including the  
20 debtor;

21 (4) protection and maximization of the value of the debtor's assets; and

22 (5) facilitation of the rescue of financially troubled businesses, thereby  
23 protecting investment and preserving employment.

24 (b) This chapter applies where—

25 (1) assistance is sought in the United States by a foreign court or a foreign  
26 representative in connection with a foreign proceeding;

27 (2) assistance is sought in a foreign country in connection with a case under  
28 this title;

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(3) a foreign proceeding and a case under this title with respect to the same debtor are pending concurrently; or  
(4) creditors or other interested persons in a foreign country have an interest in requesting the commencement of, or participating in, a case or proceeding under this title.

There is a foreign main proceeding pending against Zandian and Liquidator Canet seeks assistance in this Court with respect to that proceeding by obtaining an order recognizing the foreign proceeding. Such an order will be in furtherance of the policy considerations of § 1501(a).

**CONCLUSION**

Liquidator Canet requests that the Court (1) recognize the presumption set forth in § 1516, (2) overrule the Margolin Objection, and enter an order recognizing the foreign main proceeding as requested in DE 1 and for such other and further relief as is appropriate.

DATED: August 3, 2016.

**HARTMAN & HARTMAN**

/S/ Jeffrey L. Hartman  
Jeffrey L. Hartman, Esq.  
Attorney for Patrick Canet,  
Foreign Representative

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CERTIFICATE OF SERVICE

I certify that I am an employee of Hartman & Hartman, and that on August 3, 2016, I caused to be served the foregoing document by the following means to the persons as listed below:

- ✓ a. Electronically, via the Court’s ECF System, to  
 LOUIS M. BUBALA, III on behalf of Creditor KAEMPFER CROWELL  
[lbubala@kcnvlaw.com](mailto:lbubala@kcnvlaw.com),  
[bubalalawyer@gmail.com](mailto:bubalalawyer@gmail.com); [mmarsh@kcnvlaw.com](mailto:mmarsh@kcnvlaw.com); [cbyrne@kcnvlaw.com](mailto:cbyrne@kcnvlaw.com)  
 JEFFREY L HARTMAN on behalf of Foreign Representative PATRICK CANET  
[notices@bankruptcyreno.com](mailto:notices@bankruptcyreno.com), [sji@bankruptcyreno.com](mailto:sji@bankruptcyreno.com)  
 ARTHUR A. ZORIO on behalf of Creditor JED MARGOLIN  
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- ✓ b. U. S. Mail, postage prepaid, to  
 STEVE E. ABELMAN  
 on behalf of Creditor JED MARGOLIN  
 BROWNSTEIN HYATT FARBER SCHRECK  
 410 17th STREET, STE 2200  
 DENVER, CO 80241

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

Dated: August 3, 2016.

/S/ Stephanie Ittner  
Stephanie Ittner