# IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re

Chapter 11

WOODBRIDGE GROUP OF COMPANIES, LLC, et al., 1

Case No. 17-12560 (BLS)

Remaining Debtors.

(Jointly Administered)

WOODBRIDGE WIND-DOWN ENTITY, LLC and WB 714 OAKHURST, LLC,

Plaintiffs,

v.

Adv. Proc. No. 19-50102 (BLS)

MONSOON BLOCKCHAIN STORAGE, INC.,

Re: Adv. D.I. 49

Defendant.

MOTION PURSUANT TO DEL. BANKR. L.R. 9006-1(e) FOR AN ORDER SHORTENING THE TIME FOR NOTICE OF THE HEARING TO CONSIDER THE MOTION OF BAYARD, P.A. AND PROCOPIO, CORY, HARGREAVES & SAVITCH, LLP FOR LEAVE TO WITHDRAW AS COUNSEL TO DEFENDANT MONSOON BLOCKCHAIN STORAGE, INC.

Bayard P.A. ("<u>Bayard</u>") and Procopio, Cory, Hargreaves & Savitch, LLP ("<u>Procopio</u>", and together with Bayard, "<u>Withdrawing Counsel</u>"), counsel to Monsoon Blockchain Storage, Inc. ("<u>Defendant</u>") in the above-captioned adversary proceeding (the "<u>Adversary Proceeding</u>"), hereby moves (the "<u>Motion to Shorten</u>") pursuant to sections 102(1) and 105 of title 11 of the United States Code, §§ 101–1532, as amended (the "<u>Bankruptcy Code</u>"), Rule 9006(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 9006-1(e) of the

<sup>&</sup>lt;sup>1</sup> The Remaining Debtors and the last four digits of their respective federal tax identification numbers are as follows: Woodbridge Group of Companies, LLC (3603) and Woodbridge Mortgage Investment Fund 1, LLC (0172). The Remaining Debtors' mailing address is 14140 Ventura Boulevard #302, Sherman Oaks, California 91423.

Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") for entry of an order, substantially in the form attached hereto as Exhibit A, (i) shortening notice and objection periods with respect to the *Motion of Bayard, P.A. and Procopio, Cory, Hargreaves & Savitch, LLP for Leave to Withdraw as Counsel to Defendant Monsoon Blockchain Storage, Inc.* filed concurrently herewith (the "Motion to Withdraw"); (ii) scheduling the Motion to Withdraw to be heard at a hearing to be scheduled at the Court's earliest convenience (the "Hearing"); (iii) requiring objections, if any, to the Motion to Withdraw to be filed and served on or before a date to be determined prior to the Hearing (the "Objection Deadline"); (iv) granting such other relief as may be just and proper. In support of this Motion, Withdrawing Counsel respectfully states as follows:

## **JURISDICTION**

- 1. The United States Bankruptcy Court for the District of Delaware (this "Court") has jurisdiction over this Motion to Shorten pursuant to 28 U.S.C. §§ 157 and 1334(b) and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated as of February 29, 2012. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
  - 2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.
- 3. Pursuant to Bankruptcy Rule 7012(b) and Local Rule 7012-1, Withdrawing Counsel consents to the entry of a final order by the Court in connection with this Motion to Shorten to the extent that it is later determined that the Court, absent consent of the Parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

4. The statutory predicates for the relief requested herein are sections 102(1) and 105(a) of the Bankruptcy Code, as supplemented by Bankruptcy Rules 9006(c), and Local Rule 9006-1(e).

### **BACKGROUND**

5. The relevant factual and procedural background is set forth in the Motion to Withdraw. The facts contained in the Motion to Withdraw are incorporated by reference as if set forth in full herein.

## RELIEF REQUESTED

6. By this Motion to Shorten, Withdrawing Counsel requests that the Court enter the Proposed Order: (a) shortening the notice and objection periods with respect to the Motion to Withdraw; (b) scheduling the Motion to Withdraw to be heard during the Hearing; (c) requiring objections, if any, to the Motions be filed and served on or before the Objection Deadline set by the Court; and (d) granting such other relief as may be just and proper under the circumstances.

#### BASIS FOR RELIEF REQUESTED

- 7. Local Rule 9006-1(c)(i) states that "all motion papers shall be filed and served . . . at least fourteen (14) days prior to the hearing date." Del. Bankr. L.R. 9006-1(c)(i).
- 8. Section 102(1) of the Bankruptcy Code explains that the phrase "after notice and a hearing" requires only such notice and opportunity for a hearing as may be appropriate under the circumstances. 11 U.S.C. § 102(1). Additionally, section 105(a) of the Bankruptcy Code provides that the Court "may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions" of the Bankruptcy Code. 11 U.S.C. § 105(a).
- 9. Under Bankruptcy Rule 9006(c), the Court may order time periods set by the Bankruptcy Rules to be reduced "for cause shown." Fed. R. Bankr. P. 9006(c). In exercising

such discretion, the court should "consider the prejudice to parties entitled to notice and weigh this against the reasons for hearing the motion on an expedited basis." *In re Philadelphia Newspapers, LLC*, 690 F.3d 161, 171-72 (3d Cir. 2012) (noting the commonality of such motions "given the accelerated time frame of bankruptcy proceedings").

- 10. In addition, Local Rule 9006-1(e) likewise provides for shortened notice "by order of the Court, on written motion . . . specifying the exigencies justifying shortened notice." Del. Bankr. L.R. 9006-1(e).
- 11. Withdrawing Counsel submits that there is sufficient cause to justify shortening the required notice and objections periods for the Motion to Withdraw.
- 12. As set forth more fully in the Motion to Withdraw and for the reasons stated therein, counsel for Defendant has determined that they can no longer represent Defendant in the Adversary Proceeding. In light of Defendant's impending Answer Deadline, which was extended by agreement of the Parties to August 12, 2020,² there is an immediate and pressing need for clarity regarding Withdrawing Counsel's request for leave to withdraw as counsel to Defendant in the Adversary Proceeding. Swift adjudication of the Motion to Withdraw will serve to facilitate a smooth transition of counsel and uninterrupted representation of Defendant and its legal rights and interests in the Adversary Proceeding should the relief in the Motion to Withdraw be granted. Further, clarity regarding the resolution of the Motion to Withdraw is critical to Withdrawing Counsel's assessment of its obligations to Defendant and to the Court, and its responsibilities under all applicable statutes, rules, procedures, and orders, including the

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<sup>&</sup>lt;sup>2</sup> Counsel to the Plaintiffs have agreed to further extend Defendant's Answer Deadline to September 9, 2020 in light of the relief requested herein in order to, *inter alia*, allow Defendant adequate time to retain replacement counsel in connection with the Adversary Proceeding. The Parties intend to file a stipulation regarding the proposed further extension of the Answer Deadline with the Court under Certification of Counsel.

Model Rules of Professional Responsibility, particularly in light of the impending Answer Deadline.

## **AVERMENT PURSUANT TO BANKR. L. R. 9006-1(e)**

13. Withdrawing Counsel contacted counsel to (i) the Office of the United States Trustee (the "<u>U.S. Trustee</u>"), (ii) the Plaintiffs, and (iii) Defendant to determine whether any such parties objected to the relief requested herein. Counsel to the Plaintiffs have indicated that they have no objection to the relief requested herein. Counsel to the U.S. Trustee has indicated that it takes no position regarding the relief requested herein. No response was received from Defendant.

#### **NOTICE**

14. Notice of this Motion will be served on (i) counsel to the Plaintiffs and (ii) the Office of the United States Trustee for Region 3 by first-class United States mail and electronic mail, and on (iii) Defendant by certified mail and overnight delivery. Withdrawing Counsel respectfully submits that under the circumstances and in light of the nature of the relief requested, no other or further notice need be given.

### **CONCLUSION**

WHEREFORE, Withdrawing Counsel respectfully requests this Court (a) shorten the notice and objection periods with respect to the Motion to Withdraw; (b) schedule the Motion to Withdraw to be heard during the Hearing; (c) require objections, if any, to the Motion to Withdraw be filed and served on or before the requested Objection Deadline; and (d) grant such other relief as may be just and proper under the circumstances

Dated: August 13, 2020 Wilmington, Delaware

# BAYARD, P.A.

# /s/ Evan T. Miller

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Counsel for Defendant

# IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE

In re

Chapter 11

WOODBRIDGE GROUP OF COMPANIES, LLC, et al., 1

Case No. 17-12560 (BLS) (Jointly Administered)

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ORDER SHORTENING THE TIME FOR NOTICE OF THE HEARING TO CONSIDER THE MOTION OF BAYARD, P.A. AND PROCOPIO, CORY, HARGREAVES & SAVITCH, LLP FOR LEAVE TO WITHDRAW AS COUNSEL TO DEFENDANT MONSOON BLOCKCHAIN STORAGE, INC.

Upon consideration of the *Motion Pursuant to Del. Bankr. L.R. 9006-1(e) for an Order Shortening the Time for Notice of the Hearing to Consider the Motion of Bayard, P.A. and Procopio, Cory, Hargreaves & Savitch, LLP for Leave to Withdraw as Counsel to Defendant Monsoon Blockchain Storage, Inc.* (the "Motion to Shorten") filed by Bayard P.A. ("Bayard") and Procopio, Cory, Hargreaves & Savitch, LLP ("Procopio", and together with Bayard, "Withdrawing Counsel"), counsel to Monsoon Blockchain Storage, Inc. in its capacity as

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Defendant<sup>2</sup> in the above-caption adversary proceeding (the "Adversary Proceeding"), requesting entry of an order (a) shortening the notice and objection periods with respect to Motion of Bayard, P.A. and Procopio, Cory, Hargreaves & Savitch, LLP for Leave to Withdraw as Counsel to Defendant Monsoon Blockchain Storage, Inc.; (b) scheduling the Motion to Withdraw to be heard during a hearing before the Court, 824 N. Market Street, 6th Floor, Courtroom No. 1, Wilmington, Delaware 19801 to be scheduled at the Court's earliest convenience; (c) requiring objections, if any, to the Motion to Withdraw to be filed and served on Withdrawing Counsel on or before a date prior to such hearing to be established by the Court; and (d) granting such other relief as may be just and proper, all as further described in the Motion to Shorten; and the Court having found that: (i) the Court has jurisdiction to consider the Motion to Shorten and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); and (iv) notice of the Motion to Shorten was sufficient under the circumstances; and after due deliberation and good and sufficient cause having been shown for the relief sought by the Motion to Shorten,

#### IT IS HEREBY ORDERED that:

- 1. The Motion is GRANTED, as set forth herein.
- 2. The relief requested in the Motion to Withdraw will be considered at a hearing before the Court on August \_\_\_\_\_\_, 2020 at \_\_:\_\_\_.m. (ET) (the "Hearing").

<sup>&</sup>lt;sup>2</sup> Capitalized terms used but not otherwise defined herein have the meaning ascribed to them in the Motion to Shorten.

- 3. Objections, if any, to the relief requested in the Motion to Withdraw shall be filed and served on Withdrawing Counsel on or before August \_\_\_\_\_\_, 2020 at 4:00 p.m. (ET) (the "Objection Deadline").
  - 4. This Order shall be immediately effective and enforceable upon its entry.
- 5. This Court shall retain jurisdiction with respect to any matters related to or arising from the implementation of this Order.