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Electronically Filed On: March 19, 2018

6 *Counsel for Shelley D. Krohn, Chapter 7 Trustee*

7
8 **UNITED STATES BANKRUPTCY COURT**

9 **DISTRICT OF NEVADA**

10 In re:
11 ROBERT C. GRAHAM, LTD. fdba ROB
12 GRAHAM & ASSOCIATES fdba
LAWYERSWEST,

13 Debtor.

Case No. BK-S-16-16655-BTB
Chapter 7

DECLARATION OF SHELLEY D. KROHN IN SUPPORT OF EX PARTE APPLICATION TO EMPLOY HOUMAND LAW FIRM, LTD., NUNC PRO TUNC, AS GENERAL BANKRUPTCY COUNSEL FOR SHELLEY D. KROHN, SUCCESSOR CHAPTER 7 TRUSTEE, PURSUANT TO 11 U.S.C. §§ 327(a) AND 328(a) AND FEDERAL RULE OF BANKRUPTCY PROCEDURE 2014

Date of Hearing: N/A
Time of Hearing: N/A

Judge: Honorable Bruce T. Beesley

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21 I, Shelley D. Krohn, hereby declare as follows:

22 1. I am over the age of 18 and mentally competent. Except where stated on
23 information and belief, I have personal knowledge of the facts in this matter and if called upon to
24 testify, could and would do so.

25 2. I make this declaration to support the *Ex Parte Application to Employ Houmand*
26 *Law Firm, Ltd., Nunc Pro Tunc, as General Bankruptcy Counsel for Shelley D. Krohn, Successor*
27 *Chapter 7 Trustee Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Federal Rule of Bankruptcy*
28 *Procedure 2014 (the "Application").*

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1 3. I am the appointed Chapter 7 Trustee in the above-captioned bankruptcy case.

2 4. On December 15, 2016, an *Involuntary Bankruptcy Petition* [ECF No. 1]¹ (the
3 “Involuntary Petition”) was filed against ROBERT C. GRAHAM, LTD., fdba ROB GRAHAM &
4 ASSOCIATES fdba LAWYERSWEST (the “Debtor”) pursuant to 11 U.S.C. § 303. The
5 Involuntary Petition was filed by the Estate of Michael B. Macknin, the Sharona Dagani Trust,
6 and the Margueritte Owens Revocable Trust (collectively, the “Petitioning Creditors”).

7 5. The filing of the Involuntary Petition against the Debtor followed numerous
8 reports that the Debtor had neglected its clients and that its principal, Robert C. Graham, Esq.
9 (“Mr. Graham”), had misappropriated funds from the Debtor’s IOLTA Account.

10 6. Specifically, on December 9, 2016, the Nevada State Bar filed an *Emergency*
11 *Petition for Temporary Suspension Pursuant to Supreme Court Rule 102(4)* (the “Emergency
12 Petition”) with the Supreme Court of the State of Nevada (Case No. 71849). The Emergency
13 Petition sought a temporary suspension of Mr. Graham based upon his misappropriation of
14 millions of dollars from more than fifty clients, guardianships, special needs trusts and estates.
15 The Emergency Petition further details that Mr. Graham abruptly closed his practice and
16 abandoned more than one hundred clients without providing them with any advance notice.

17 7. On December 16, 2016, the Petitioning Creditors filed a *Motion to Appoint*
18 *Interim Trustee in Involuntary Case* [ECF No. 3] (the “Interim Trustee Motion”), which sought
19 authority to appoint an interim trustee to take possession of property and to manage the business
20 operations and assets of the Debtor.

21 8. On December 21, 2016, the Bankruptcy Court entered an *Order on Trustee Motion*
22 *and Order for Relief Under Chapter 7* [ECF No. 21] (the “Order for Relief”). The Order for
23 Relief provided that the Debtor had consented to the filing of a bankruptcy petition and that the
24 filing of the bankruptcy case was effective as of December 15, 2016 (the “Petition Date”). The
25 Order for Relief further required that the Office of the United States Trustee (the “U.S. Trustee”)
26 appoint an Interim Chapter 7 Trustee pursuant to 11 U.S.C. § 701.

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28 ¹ All references to “ECF No.” are to the numbers assigned to the documents filed in the above-
referenced case as they appear on the docket maintained by the clerk of the court.

1 9. On December 22, 2016, Victoria L. Nelson (“Trustee Nelson”) was appointed as
2 the Chapter 7 Trustee in the Debtor’s bankruptcy case [ECF No. 22].

3 10. On January 4, 2017, Trustee Nelson filed an *Application to Employ Nelson &*
4 *Houmand, P.C., Nunc Pro Tunc, As General Bankruptcy Counsel for Victoria L. Nelson, Chapter*
5 *7 Trustee Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Federal Rule of Bankruptcy Procedure*
6 *2014* [ECF No. 35] (the “Employment Application”), which sought to employ Nelson &
7 Houmand, P.C. (the “Firm”) as general bankruptcy counsel.

8 11. On March 23, 2017, the Court entered an *Order Granting Application to Employ*
9 *Nelson & Houmand, P.C., Nunc Pro Tunc, As General Bankruptcy Counsel for Victoria L.*
10 *Nelson, Chapter 7 Trustee Pursuant to 11 U.S.C. §§ 327(a) and 328(a) and Federal Rule of*
11 *Bankruptcy Procedure 2014* [ECF No. 219].

12 12. On January 13, 2018, Trustee Nelson died.

13 13. On January 19, 2018, I was appointed as the successor Chapter 7 Trustee in the
14 Debtor’s bankruptcy case.

15 14. I desire to continue to have the Firm represent the bankruptcy estate on the same
16 terms as set forth in the Employment Application.

17 15. In order to assist me in administering the Debtor’s bankruptcy case, recovering
18 other assets which may be available for distribution to creditors and fulfilling my statutory
19 obligations under Section 704 of Title 11, including my responsibility to investigate the financial
20 affairs of the Debtor, I now desire to employ the Houmand Law Firm, Ltd. (the “Firm”), as
21 general bankruptcy counsel in the Debtor’s bankruptcy case.

22 16. The Application seeks employment of the Firm *nunc pro tunc* effective as of my
23 appointment.

24 17. The Firm is well suited for the type of representation required by me. The Firm
25 specializes in insolvency and reorganization matters, particularly the representation of Chapter 7
26 Trustees in bankruptcy cases. Attorneys associated with the Firm have represented debtors,
27 Chapter 7 Trustees, creditors, and other parties-in-interest, and is qualified to act as counsel for
28

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1 me. Accordingly, I have determined that the Firm has the resources and experience necessary to
2 represent me in this case.

3 18. The attorneys of the Firm that will render services in relation to the above-
4 captioned bankruptcy case are familiar with the United States Bankruptcy Code, the Federal
5 Rules of Bankruptcy Procedure, the Federal Rules of Civil Procedure, and the Local Rules and
6 will comply with them, as well as the procedures set forth in the "Guide to Applications for
7 Professional Compensation," promulgated by the Office of the United States Trustee (the "U.S.
8 Trustee") with regard to compensation of professionals.

9 19. The attorneys employed by the Firm are duly admitted to practice before this
10 Court.

11 20. I desire to employ the Firm as my general counsel in this bankruptcy case to render
12 the following professional services:

- 13 (a) To investigate the financial affairs of the Debtor and
14 determine if there are any preferential transfers, fraudulent
15 conveyances, or turnover actions that may be filed on behalf
16 of the bankruptcy estate pursuant to 11 U.S.C. §§ 542, 544,
17 547, and 548.
- 18 (b) To prosecute any and all preferential transfers, fraudulent
19 conveyances, or turnover actions that may be filed on behalf
20 of the bankruptcy estate pursuant to 11 U.S.C. §§ 542, 544,
21 547, and 548.
- 22 (c) To advise the Trustee of her rights and obligations and
23 performance of her duties during the administration of this
24 bankruptcy case;
- 25 (d) To represent the Trustee in all proceedings before this Court
26 and any other court which assumes jurisdiction of a matter
27 related to or arising in this bankruptcy case;
- 28 (e) To assist the Trustee in the performance of her duties as set
forth in 11 U.S.C. § 704;
- (f) To assist the Trustee in developing legal positions and
strategies with respect to all facets of these proceedings; and

1 (g) To provide such other counsel and advice as the Trustee
2 may require in connection with this bankruptcy case.

3 21. I have selected the Firm because its attorneys have experience in matters of this
4 character, are familiar with bankruptcy practice and the administration of the Debtor's bankruptcy
5 case and are qualified to represent me in this case.

6 22. I am aware that the Firm was counsel of record for Trustee Nelson, the Chapter 7
7 Trustee that was initially appointed in the Debtor's bankruptcy case.

8 23. I am aware that Trustee Nelson was previously a member of the Firm.

9 24. I have employed the Firm in other bankruptcy cases unrelated to the above-
10 referenced bankruptcy case.

11 I declare under penalty of perjury under the laws of the United States that the foregoing is
12 true and correct.

13 Dated this 14 day of March, 2018.

14 
15 _____
16 Shelley D. Krohn, Chapter 7 Trustee