



**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

**BRENDAN LINEHAN SHANNON
CHIEF JUDGE**

**824 N. MARKET STREET
WILMINGTON, DELAWARE
(302) 252-2915**

June 3, 2016

Mr. Ahmad Shuib
518 West 4th Street
Wilmington, DE 19801

David Gerardi, Esquire
Office of the United States Trustee
J. Caleb Boggs Federal Building
844 King Street, Suite 2313
Lockbox 35
Wilmington, DE 19801

Re: In re: Ahmad Shuib
Case No. 16-10044 (BLS)
Andrew R. Vara, United States Trustee v. Ahmad Shuib
Adv. Proc. No. 16-50424 (BLS)

Dear Mr. Shuib and Mr. Gerardi:

Before the Court is the United States Trustee's complaint to deny the Debtor's discharge pursuant to Bankruptcy Code § 727. On May 23, 2016, the Court conducted a hearing at which the declaration of Michael C. West, a Bankruptcy Auditor for the Office of the United States Trustee, Region 3, District of Delaware, was admitted into evidence. The Court also heard arguments from Ahmad Shuib and counsel for the United States Trustee. For the reasons stated below, the Court will grant the U.S. Trustee's request and deny Mr. Shuib's discharge under 11 U.S.C. § 727(a) ("Section 727(a)").

The relevant facts are not in dispute. Between 1992 and 2010 Mr. Shuib filed for bankruptcy relief twelve times in the Eastern District of Pennsylvania. In at least five of these filings Debtor failed to disclose his interest in real property at the location 1715 S. 18th Street, Philadelphia, PA. In the most recent filing in the Eastern District of Pennsylvania, case number 10-129581, that court barred Mr. Shuib from filing another bankruptcy.¹

¹ That case was dismissed with prejudice, and the order barred Mr. Shuib from filing for bankruptcy relief from 06/09/2010 until "12/31/3000". It is unclear if the reference to the year "3000" is a typographical error. In any event, this Court is not basing its denial of discharge in this case on the bar order entered in the Eastern District of Pennsylvania.

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Mr. Shuib filed his Chapter 7 petition in this Court on January 8, 2016. On January 21, 2016, Debtor amended the petition. Mr. Shuib is sixty-six years old and testified he has not filed a tax return since the 1980's. In his schedule of filings, Mr. Shuib failed to disclose he owned a vacant lot located at 1715 S. 18th Street, Philadelphia, PA and at least two Santander bank accounts. In addition, Mr. Shuib failed to provide documentation requested by the Chapter 7 Trustee regarding monies Mr. Shuib received from his mother's estate within one year of filing bankruptcy. The monies in question relate to the sales of homes in Pennsylvania and Florida. Also, Mr. Shuib failed to disclose in his original schedule or amended schedule any income generated by his business Global Response Consulting or Ahmad Shuib d/b/a Ahmad Shuib Global Response Consulting.

ANALYSIS

Section 727(a) creates a presumption that a debtor is entitled to a discharge unless one of the listed conditions is met. These conditions consider a debtor's conduct in relation to the preparation and prosecution of a bankruptcy case. Objections to discharge "are to be strictly construed against the creditor and in favor of the debtor." *Rosen v. Bezner*, 996 F.3d 1527, 1533 (3rd. Cir. 1993). However, the fresh start of bankruptcy is a, "privilege—not a right—which must be earned." *In re Mezvinsky*, 265 B.R. 681, 690 (Bankr. E.D. Pa. 2001).

The U.S. Trustee requests denial of the discharge under several exceptions listed in Section 727(a). This provision states the Court shall grant a discharge, unless one of the listed condition occurs. These conditions concern a debtor's attempt to frustrate the rights of creditors. For the reasons set forth below, the Court concludes that Mr. Shuib's conduct falls into the exceptions under Section 727(a).

A debtor may be denied a discharge if, with intent to hinder, delay, or defraud a creditor, the debtor has concealed property, within one year before the petition. 11 U.S.C. § 727(a)(2)(A). A "concealment" of property constituting grounds for denial of discharge should involve secreting of assets in context of bankruptcy proceeding. *Miles Emp. Fed. Credit Union v. Griffin*, 22 B.R. 821, 826 (S.D. Ohio 1982). In this instance, the record reflects Mr. Shuib has concealed property located at 1715 S. 18th Street, Philadelphia, Pa. Even after his January 21, 2016 amended filing, Mr. Shuib did not disclose his interest in that property. Mr. Shuib has also failed to disclose banking accounts and substantial funds from his mother's estate. He has failed to disclose accounts and income from his personal business. From his twelve previous bankruptcy filings, as well as his work as a petition preparer, Mr. Shuib has enough experience to know these must be included and disclosed in the filing of the Chapter 7 petition. This demonstrates Mr. Shuib's intent to hinder, delay, or defraud his creditors through concealing property in the bankruptcy filings.

Additionally, a debtor may be denied a discharge if he has concealed or failed to keep any recorded information, including records and papers. 11 U.S.C. § 727(a)(3). Here, the Debtor has failed to adequately account for the proceeds he received from the 2015 sale of a home at 6536 Culver Street, Philadelphia, PA, as part of his mother's estate. The amount he received from the sale is unclear. Further, Debtor received a \$5,946.53 distribution from JG Wentworth that is not reflected in Debtor's

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bank statements or otherwise accounted for in his records. Mr. Shuib failed to provide these records even after requests by the Chapter 7 Trustee.

Finally, a debtor may be denied a discharge if he knowingly and fraudulently, in connection with the case, made a false oath or account. 11 U.S.C. § 727(a)(4)(A). Here, Mr. Shuib's failure to disclose accounts and interest in properties, even after amended filings, amounts to false accounts of his assets and liquidity at the filing of the petition.

CONCLUSION

Based upon the record before the Court, the United States Trustee's motion is granted pursuant to Section 727(a), and Mr. Shuib's request for discharge is denied. An appropriate order will issue.

Very truly yours,

A handwritten signature in black ink, appearing to read "Brendan Linehan Shannon", written over a horizontal line.

Brendan Linehan Shannon
Chief United States Bankruptcy Judge

cc: Alfred Thomas Giuliano, Esquire

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

In re:)	Chapter 7
)	
AHMAD SHUIB,)	Case No. 16-10044 (BLS)
)	
Debtor.)	
_____)	
ANDREW R. VARA,)	
UNITED STATES TRUSTEE,)	
)	
Plaintiff,)	
)	
v.)	Adversary Proceeding No. 16-50424 (BLS)
)	
AHMAD SHUIB,)	Adv. Docket No. 1
)	
Defendant.)	

ORDER AND JUDGMENT DENYING DISCHARGE

Upon consideration of the Complaint [Adv. Pro. Docket No. 1] filed herein; and it appearing that the Defendant/Debtor herein has answered the Complaint [Docket No. 6]; and the Court having conducted a trial in this matter on May 23, 2016, upon sufficient and adequate notice to all parties herein, it is therefore

ORDERED, ADJUDGED AND DECREED that, for the reasons stated in the Court's letter ruling dated June 3, 2016, the Debtor's request for a discharge is DENIED.

Dated: Wilmington, Delaware
June 3, 2016



Brendan Linehan Shannon
Chief United States Bankruptcy Judge