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7 **UNITED STATES BANKRUPTCY COURT**

8 **DISTRICT OF NEVADA**

9 In re

10 RED ROSE, INC.,

- 11 Affects Beachhead Roofing and Supply, Inc.
- 12 Affects California Equipment Leasing Association, Inc.
- 13 Affects Fences 4 America, Inc.
- 14 Affects James Petersen Industries, Inc.
- 15 Affects PD Solar, Inc.
- 16 Affects Petersen Roofing and Solar LLC
- 17 Affects Petersen-Dean, Inc.
- 18 Affects PetersenDean Hawaii LLC
- 19 Affects PetersenDean Roofing and Solar Systems, Inc.
- 20 Affects PetersenDean Texas, Inc.
- 21 Affects Red Rose, Inc.
- 22 Affects Roofs 4 America, Inc.
- 23 Affects Solar 4 America, Inc.
- 24 Affects Sonoma Roofing Services, Inc.
- 25 Affects TD Venture Fund, LLC
- 26 Affects Tri-Valley Supply, Inc.
- 27 Affects All Debtors

Case No. BK-S-20-12814-mkn

- Jointly Administered with
- Case No. BK-S-20-12815-mkn
- Case No. BK-S-20-12816-mkn
- Case No. BK-S-20-12818-mkn
- Case No. BK-S-20-12819-mkn
- Case No. BK-S-20-12820-mkn
- Case No. BK-S-20-12821-mkn
- Case No. BK-S-20-12822-mkn
- Case No. BK-S-20-12823-mkn
- Case No. BK-S-20-12824-mkn
- Case No. BK-S-20-12825-mkn
- Case No. BK-S-20-12826-mkn
- Case No. BK-S-20-12827-mkn
- Case No. BK-S-20-12829-mkn
- Case No. BK-S-20-12831-mkn
- Case No. BK-S-20-12833-mkn

Chapter 11

VERIFIED STATEMENT OF ADAM ALEXANDER IN SUPPORT OF APPLICATION TO EMPLOY AND COMPENSATE CA GLOBAL PARTNERS, INCORPORATED, AS AUCTIONEER; MOTION FOR ORDER AUTHORIZING SALE OF VEHICLES AND MISCELLANEOUS ASSETS FREE AND CLEAR

Hearing Date: OST PENDING
Hearing Time: OST PENDING

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1 I, Adam Alexander, the CEO of CA Global Partners, Incorporated (“CAGP”), engaged in
2 providing asset disposition and auctioneering services, submit the following statement in accordance
3 with sections 327, 328 and 330 of title 11 of the United States Code (the “Bankruptcy Code”), Rules
4 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule
5 2016 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court
6 for the District of Nevada (the “Local Rules”), being duly sworn, deposes and declares under the
7 penalty of perjury:

8 1. I am over the age of 18, am mentally competent, have personal knowledge of the facts
9 in this matter, except where stated as based upon information and belief, and if called upon to testify,
10 could and would do so.

11 2. I am the CEO of CAGP, which maintains an office at 26635 Agoura Rd. Suite 215,
12 Calabasas, CA 91302. I submit this verified statement (the “Verified Statement”) in support of the
13 application (the “Application”)¹ of the above-referenced debtors and debtors in possession
14 (collectively, the “Debtors”), to employ and compensate CAGP as the Debtors’ auctioneer in the
15 above-captioned chapter 11 cases (the “Chapter 11 Cases”), pursuant sections 327, 328 and 330 of
16 the Bankruptcy Code and to provide the disclosures required under Bankruptcy Rules 2014(a) and
17 5002. To the extent that any information disclosed herein requires amendment or modification, I
18 will submit a supplemental declaration to the Court.

19 3. Pursuant to Bankruptcy Rule 2014 and Section 2.1 of the Guidelines of the U.S.
20 Department of Justice, Office of the United States Trustee-Northern and Eastern Districts of
21 California and Nevada (the “Guidelines”), a copy of this Verified Statement was contemporaneously
22 transmitted to the Office of the United States Trustee. Fed. R. Bankr. P. 2014; Guidelines, § 2.1.

23 4. On June 11, 2020 (the “Petition Date”), Debtors filed their voluntary petitions for
24 relief under chapter 11 of the Bankruptcy Code, thereby initiating the Chapter 11 Cases.

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¹ Capitalized terms not defined herein have the meanings assigned to them in the Application.

1 **BACKGROUND**

2 5. After extended consultation and negotiation, on or about November 13, 2020, the
3 Debtors and CAGP entered into the Agreement, providing, *inter alia*, for the Debtors to engage the
4 CAPG to sell the Assets at the Auction Sale. A true and correct copy of the Agreement is annexed
5 as **Exhibit 1** to the Perea Declaration filed in support of the Application.
6

7 **QUALIFICATIONS**

8 6. CAGP has deep expertise in the sale of the type of assets that would be auctioned for
9 the Debtors. CAGP, over the nearly 30-year history of the firm, has sold assets for the most
10 recognized names in the Solar industry, most currently for the bankrupt DC Solar which involved
11 the sale of millions of dollars in brand new solar modules and which continues with the sale of Solar
12 trailers. Recent engagements have also been undertaken for Stion Solar, Abound Solar (millions of
13 dollars in solar modules sold), STR Solar, Schuco Solar, Calisolar, Sanyo Solar, Sloar-Tech and
14 many others.

15 7. Beyond CAGP’s Solar related pedigree is its track record in the sale of vehicles, with
16 tens of millions of dollars in recovery for large firms such as Flint Energy, Tri-State Trucking, and
17 Well Drilling Exploration (\$70 million valuation) Rio Tinto and many others. Further details are
18 available on CAGP’s website at cagp.com.

19 8. On October 19, 2020, pursuant to a prior Court Order [see ECF No. 1001], CAGP
20 conducted an auction sale (the “First Auction”) of similar assets of certain Debtors. The First
21 Auction was highly successful, netting the Debtors’ estates approximately \$300,000 to \$400,000,
22 and selling approximately 99% of the assets that were on the auction list.

23 9. I personally have served as CEO founder and CEO of CA Global Partners auctioneers
24 for over 23 years. With a career in the business that spans over three decades, I have presided over
25 the sale of billions of dollars’ worth of capital equipment and inventories globally for some of the
26 world’s most recognized companies. Engagements have included projects for Chrysler, Rio Tinto,
27 Midas, Boeing, Lockheed Martin, Pratt & Whitney, Bombardier, Terex, The US Government,
28 Heathrow Airport, Canada Dry, Borders Books, Target Stores and many other notable entities.

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1 Additionally, I have been involved as a court appointed liquidator/auctioneer in almost every United
2 States Bankruptcy Court jurisdiction.

3 10. I studied business at Pepperdine University, the London School of Economics, and
4 TRIUM Global Executive. I am a member of the Royal Institute of Chartered Surveyors (UK), the
5 Industrial Auctioneers Association (USA), the Turnaround Management Association (Global), the
6 National Association of Auctioneers (USA), the Machinery Dealer's National (USA) and the
7 Southern California Auctioneers Association (USA).

8 **DISINTERESTEDNESS**

9 11. To the best of my knowledge, information and belief, as of the date of this Verified
10 Statement, CAGP and each of its employees:

- 11 (a) is not a creditor or insider of the Debtors;
- 12 (b) does not hold or represent an interest adverse to Debtors;
- 13 (c) is a "disinterested person," as defined by section 101(14), modified by
14 section 1107(b), and used in sections 327(a) and 328(c) of the Bankruptcy
15 Code;
- 16 (d) does not represent any other creditor, party in interest, or entity in this
17 Chapter 11 Case; and
- 18 (e) has no connection with Debtors, their creditors, or other parties in interest in
19 All Chapter 11 Cases.

20 12. Out of an abundance of caution, I am disclosing that I am also the Managing Member
21 of Great American Global Partners, LLC, which is partly owned by Great American Group, LLC,
22 which is wholly owned by B. Riley Financial, Inc., which is the parent company of GlassRatner
23 Advisory & Capital Group, LLC, which has been employed as the financial advisor to the Official
24 Committee of Unsecured Creditors in Debtors' Chapter 11 Cases.

25 **SERVICES TO BE RENDERED / COMPENSATION**

26 13. After extended consultation and negotiation, CAGP and the Debtors entered into the
27 Agreement, providing, *inter alia*, for the Debtors to engage CAGP to sell the Assets by a live auction
(the "Auction Sale").

28 14. Under the Agreement, CAGP has agreed to hold the Auction Sale on December 15,

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2020, after the Court approves the Application. Because the Assets are depreciating in value, a December 15, 2020 sale date (the “Auction Date”) is necessary. In order to obtain the highest sale price possible for the Assets, CAGP must conduct an extensive three-week marketing campaign leading up to the Auction Date.

15. CAGP will charge the purchasers a buyer’s premium equal to 18% (the “Buyer’s Premium”) of the Assets’ purchase price (the “Sale Proceeds”). CAGP will retain the Buyer’s Premium and remit the Sales Proceeds, after deducting its out-of-pocket expenses (not to exceed \$40,000 in aggregate, the “Expense Reimbursement”) and any applicable sales taxes collected, to the Debtors (the “Net Proceeds”). CAGP has agreed to 0% commission on the Sale Proceeds.

16. The proposed compensation to CAGP for its services is within the realm of what is customary in the industry for transactions of this kind.

17. The Agreement is conditioned upon the Court authorizing CAGP (a) to be paid the Expense Reimbursement from the proceeds of the Auction, and (b) to collect and retain the Buyer’s Premium, all without further application to the Court, pursuant to Bankruptcy Code §§ 328 & 330.

18. Because CAGP is in the business of selling vehicles, equipment, tools, solar/PV panels and fencing materials, and has had vast experience over many years doing so, the Debtors believe that the sale of the Assets under the terms of the Agreement will bring the highest possible price for the Assets.

19. CAGP will market and auction the Assets, and pay the Debtors the Net Proceeds within thirty (30) days after completion of the Auction Sale. CAGP will be entitled to the Expense Reimbursement and the Buyer’s Premium.

UST GUIDELINES FOR LARGER CASES

20. Answers to the UST Guidelines for Larger Cases, Section D.2:

a. *Did you agree to any variations from, or alternatives to, your standard or customary billing arrangements for this engagement?*

No

b. *Do any of the professionals included in this engagement vary their rate based on the geographic location of the bankruptcy case?*

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No

c. *If you represented the client in the 12 months prepetition, disclose your billing rates and material financial terms for the prepetition engagement, including any adjustments during the 12 months prepetition. If your billing rates and material financial terms have changed post-petition, explain the difference and the reasons for the difference.*

No

d. *Has your client approved your prospective budget and staffing plan, and, if so, for what budget period?*

Yes, budget approved for the Sale Term described in the Agreement.

CONCLUSION

21. By reason of the foregoing, I believe that CAGP is eligible for employment and compensation by the Debtors, pursuant to sections 327, 328 and 330 of the Bankruptcy Code, Bankruptcy Rules 2014 and 2016, and Local Rule 2016. I shall amend this statement upon my learning that (a) any of the within representations are incorrect, or (b) there is any change of circumstance relating thereto.

I verify under penalty of perjury that the foregoing statement is true and correct to the best of my information, knowledge and belief.

Executed this 16th day of November 2020.



By: Adam Alexander
CEO of CA Global Partners, Incorporated

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