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Attorneys for Interested Party Kenneth Mattson

UNITED STATES BANKRUPTCY COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SANTA ROSA DIVISION

In Re:  
 LEFEVER MATTSON, a California  
 corporation, et al.,  
 Debtors.

Lead Case No. 24-10545-CN

Chapter 11

Jointly Administered

In Re:  
 KS MATTSON PARTNERS, LP,  
 Debtor

Case No. 24-10715-CM

**OPPOSITION TO MOTION FOR  
 SUBSTANTIVE CONSOLIDATION BY  
 CREDITORS COMMITTEE OF  
 LEFEVER MATTSON**

Date: July 25, 2025

Time: 11:00 a.m.

Place: United States Bankruptcy Court  
 1300 Clay Street, Courtroom 215  
 Oakland, CA 94612

Judge: Hon. Charles Novack

Kenneth Mattson (“**Mattson**”), through his counsel, Fennemore, opposes the *Motion of the Official committee of Unsecured Creditors for Substantive Consolidation of Debtor Lefever Mattson and KS Mattson Partners, LP and for Related Relief* filed on June 20, 2025, as Docket No.

1 157 (the “**Motion**”), and requests that it be denied on the following grounds:

2 1. **Objector’s Standing.** Mattson has a direct pecuniary interest in the outcome of  
3 the Motion. He, together with his spouse Stacy, are the owners of KS Mattson Partners, LP  
4 (“**KSMP**”) and he is a 50% co-owner of LeFever Mattson, a California Corporation (“**LFM**”).  
5 The assets, interests, obligations and operations of both are the culmination of his life’s work.

6 2. **Lack of Benefit.** The Motion ignores the effect of substantive consolidation on  
7 stakeholders in any of the constituent bankruptcy cases. No economic analysis is provided. It  
8 therefore fails to show any benefit to any of the estates’ creditors or investors.<sup>1</sup>

9 3. **The Motion Lacks Evidentiary Substantiation.** Other than the unsubstantiated  
10 narrative that Mattson committed bad acts, the Motion lacks evidentiary substantiation of benefit:  
11 it relies on alleged facts that are not available for inspection by Mattson or the public.<sup>2</sup> It is based  
12 largely on hearsay and secret information.

13 4. **Consolidation Would Harm KSMP.** KSMP appears to be a surplus case with  
14 minimal overhead. Absent proof of some other effect, consolidation would almost certainly result  
15 in dilution, waste, and diminishment of KSMP’s value, drowned in the flood of out-of-control  
16 administrative expenses in the LFM cases.

17 5. **The Motion is Premature.** Instead of seeking to negotiate a resolution between  
18 the estates, LFM seeks to force consolidation before the newly appointed responsible person for  
19 KSMP (Robbin Itkin) has even filed KSMP’s Schedules, identified its creditors, evaluated its  
20 assets, much less come to understand the economies of the LFM consolidated cases. The Motion  
21 is premature and overaggressive.

22 6. **The Motion is Procedurally Anomalous.** The Motion was filed without any  
23 evidentiary support. Weeks later, pleadings purporting to be evidence (“**Papers**”) were filed and  
24 notice was given that the hearing on the Motion would be held as a status conference. Nonetheless,  
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26 <sup>1</sup> The Motion focuses on KSMP and LFM’s alleged use of assets of one entity to the pay debts of  
27 another – calling such arrangement a classic Ponzi Scheme (requiring criminal prosecution and  
28 documents being placed under seal). The remedy they propose is to combine estates so that the  
assets of one entity may be used to pay the debts of the others.

<sup>2</sup> It relies on proofs of claims groomed by the Creditors Committee that are not available for public  
inspection and therefore not subject to vetting or review.

1 the notice of hearing stated that oppositions were due to be filed on July 18, 2025. Some of the  
2 Papers were sought to be filed under seal. The Motion is therefore procedurally defective and  
3 uncertain. Consequently, Mattson reserves his right to further oppose the Motion on additional  
4 grounds pending further orders of the Court.

5 **REQUEST FOR RELIEF**

6 For the foregoing reasons, the Motion should be denied.

7  
8 Dated: July 18, 2025

FENNEMORE LLP

9  
10 By: /s/Mark Bostick

11 Micheline Nadeau Fairbank

12 Mark Bostick

13 James P. Hill

14 Attorneys for Kenneth W. Mattson  
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**CERTIFICATE OF SERVICE**

I, Linda Gubba-Reiner, declare:

I am a citizen of the United States and am employed in the County of San Diego. I am over the age of 18 years and not a party to the within-entitled action. My business address is 600 B Street, Suite 1700, San Diego, California 92101.

On the date set forth below I caused to be served the following document(s):

**OPPOSITION TO MOTION FOR SUBSTANTIVE CONSOLIDATION BY  
CREDITORS COMMITTEE OF LEFEVER MATTSON**

on each party listed below in the following manner:

☐ BY FIRST CLASS MAIL: by placing said document(s) in a sealed envelope with postage fully prepaid, in a United States mail box at Oakland, California, addressed as set forth below.

☐ BY PERSONAL SERVICE: by causing to be delivered by reputable messenger service said document(s) addressed as set forth below.

☐ BY ELECTRONIC MAIL: by transmitting via email said document(s) to the email address set forth below.

☒ (ECF): Pursuant to controlling General Orders and LBR, the foregoing document(s) will be served by the court via Notice of Electronic Filing ("NEF") and hyperlink to the document(s). On the date set forth below, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the list of parties to receive NEF transmission at the email addresses stated below:

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

Executed on July 18, 2025, at San Diego, California.

/s/ Linda Gubba-Reiner