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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

San Francisco Division

FORRESTSTREAM HOLDINGS
LIMITED,

Plaintiff,

v.

GREGORY SHENKMAN,
Defendant.

Case No. 16-cv-01609-LB

**ORDER DENYING MR. SHENKMAN'S
CLAIM OF EXEMPTION**

Re: ECF No. 353

INTRODUCTION

The court assumes the reader's familiarity with the subject matter and procedural history of this case.¹ Briefly stated, defendant Gregory Shenkman owes plaintiff Forreststream Holdings Ltd. more than \$5.3 million on the judgment in this case.² Mr. Shenkman has not made any payments toward this judgment in the 22 months since judgment was entered.³

¹ For a fuller description of the subject matter and procedural history of this case, see the court's December 6, 2018 order. *Forreststream Holdings Ltd. v. Shenkman*, No. 16-cv-01609-LB, 2018 WL 6421866 (N.D. Cal. Dec. 6, 2018) (Order – ECF No. 339). Citations refer to material in the Electronic Case File (“ECF”); pinpoint citations are to the ECF-generated page numbers at the top of documents.

² See *Mackintosh Third Aff.* – ECF No. 314 at 2.

³ See *Kampfner Decl.* – ECF No. 329 at 2 (¶ 4).

1 Mr. Shenkman made a claim of exemption in certain personal property subject to levy by the
2 U.S. Marshal. Forreststream filed a motion for the court to make a determination regarding Mr.
3 Shenkman’s claim of exemption. The court held a hearing on February 7, 2019. For the reasons
4 stated on the record at the hearing and discussed below, the court grants Forreststream’s motion
5 for a determination and denies Mr. Shenkman’s claim of exemption. The court further authorizes
6 the U.S. Marshal to proceed with the sale of the 2011 Audi A8L, vehicle-identification number
7 WAUAVAFD0BN000878, immediately and not subject to any exemption.

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ANALYSIS

10 At the February 7 hearing, the parties agreed that the only remaining potential exemptions at
11 issue relate to certain artwork, watches, and cars.

12 With respect to artwork and watches, California Civil Procedure Code § 704.040 provides for
13 an aggregate exemption of no more than \$8,000 for “[j]ewelry, heirlooms, and works of art.”⁴
14 Forreststream has agreed to release a certain watch to Mr. Shenkman worth more than the
15 maximum allowable \$8,000 exemption. The parties agreed on the record at the February 7 hearing
16 that this satisfies any exemption Mr. Shenkman might have in artwork and watches.

17 With respect to cars, California Civil Procedure Code § 704.010 provides for an aggregate
18 exemption of no more than \$3,050 for motor vehicles. Mr. Shenkman previously sold an Infiniti
19 JX35 SUV to CarMax for \$19,000 and retained those proceeds (depositing them in an account
20 held by GS&Co., LLC). The court previously ordered Mr. Shenkman to cause GS&Co. to turn
21 over that \$19,000 to Forreststream.⁵ Mr. Shenkman did not do so. As the \$19,000 that Mr.
22 Shenkman failed to turn over well exceeds the maximum allowable \$3,050 exemption, no further
23 exemption is warranted.

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26 _____
27 ⁴ The exemption for “jewelry” is the only category that plausibly covers the watches in which Mr.
28 Shenkman claims an exemption.

⁵ Order – ECF No. 357 at 2–3.

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Forreststream agreed on the record at the February 7 hearing that the \$19,000 turnover order with respect to the Infiniti proceeds should be adjusted to account for the allowable \$3,050 exemption. The court thus revises its earlier order and orders Mr. Shenkman to cause GS&Co. to turn over \$15,950 (as opposed to \$19,000) to Forreststream.

The U.S. Marshal has custody of a 2011 Audi A8L, vehicle-identification number WAUAVAFD0BN000878, belonging to Mr. Shenkman. Because the entirety of the allowable \$3,050 exemption for motor vehicles is being applied to the Infiniti, no exemption remains for the Audi. The court authorizes the U.S. Marshal to proceed with the sale of the Audi immediately and not subject to any exemption.

CONCLUSION

The court grants Forreststream’s motion for a determination and denies Mr. Shenkman’s claim of exemption. The court further authorizes the U.S. Marshal to proceed with the sale of the 2011 Audi A8L, vehicle-identification number WAUAVAFD0BN000878, immediately and not subject to any exemption.

IT IS SO ORDERED.

Dated: February 11, 2019



LAUREL BEELER
United States Magistrate Judge