

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF
CALIFORNIA

In re Debtor Sam Usamah Khulusi

In re Khulusi · No. 2:25-cv-09152-JLS · Decided January 16, 2026

SUMMARY

The United States District Court for the Central District of California issued an order to show cause why Sam Usamah Khulusi’s appeal from a Bankruptcy Court order should not be dismissed for lack of prosecution. The court stated that the appellant had not filed the required statement of issues, designation of record, or notice of transcripts, and ordered him to respond by February 16, 2026, or alternatively obtain a Certificate of Readiness from the Bankruptcy Clerk.

CASE DETAILS

COURT	United States District Court for the Central District of California
WRITING FOR THE COURT	Josephine L. Staton
JURISDICTION	United States District Court for the Central District of California
DECIDED	January 16, 2026
DOCKET	2:25-cv-09152-JLS
DISPOSITION	other
PROCEDURAL POSTURE	Appeal from an order of the Bankruptcy Court; the district court issued an order to show cause why the appeal should not be dismissed for lack of prosecution.
STANDARD OF REVIEW	Dismissal for failure to prosecute is evaluated under the five-factor standard governing dismissal of a civil action under Federal Rule of Civil Procedure 41(b): the public interest in expeditious resolution, the court's need to manage its docket, the risk of prejudice to opposing parties, the public policy favoring disposition on the merits, and the availability of less drastic sanctions.
PRECEDENTIAL VALUE	Unknown; district court civil minutes order and order to show cause.
PARTIES	Sam Usamah Khulusi

TOPICS

- appellate procedure
- bankruptcy
- civil procedure
- standard of review

PRACTICE AREAS

bankruptcy appellate procedure

civil procedure

QUESTIONS PRESENTED

1. Whether an appellant's failure to file the statement of issues, designation of record, and notice of transcripts required by the Federal Rules of Bankruptcy Procedure authorizes dismissal of the bankruptcy appeal for lack of prosecution.
2. What standard governs dismissal of a bankruptcy appeal for failure to perfect and prosecute the appeal.

HOLDINGS

1. When an appellant fails to perfect a bankruptcy appeal in the manner required by the Federal Rules of Bankruptcy Procedure, dismissal is authorized under Federal Rule of Bankruptcy Procedure 8003(a)(2).
2. A bankruptcy appeal subject to dismissal for failure to perfect is evaluated under the five-factor standard for dismissal of a civil case for failure to prosecute under Federal Rule of Civil Procedure 41(b).

KEY QUOTATIONS

“(1) the public’s interest in expeditious resolution of litigation; (2) the court’s need to manage its docket; (3) the risk of prejudice to the [opposing parties]; (4) the public policy favoring the disposition of cases on their merits; and (5) the availability of less drastic sanctions.”

FACTUAL BACKGROUND

The Bankruptcy Court issued a notice of deficiency informing Appellant that he had failed to file the statement of issues, designation of record, and notice of transcripts required to perfect the appeal. The district court reviewed the underlying bankruptcy docket and found that Appellant had not responded or filed the required materials during the ensuing three months.

PROCEDURAL HISTORY

Sam Usamah Khulusi appealed an order of the Bankruptcy Court. The Bankruptcy Court issued a notice of deficiency stating that Appellant had not filed the statement of issues, designation of record, or notice of transcripts required for the appeal. After approximately three months without the required filings, the district court ordered Appellant to show cause why the appeal should not be dismissed or, alternatively, to take the steps necessary for the Bankruptcy Clerk to issue a Certificate of Readiness.

DISPOSITION

other

CASES CITED

- Nat'l Bank of Long Beach v. Donovan (In re Donovan), 871 F.2d 807, 808 (9th Cir. 1989) (per curiam)
- In re Eisen, 31 F.3d 1447, 1451 (9th Cir. 1994)

- In re Phenylpropanolamine (PPA) Prods. Liab. Litig., 460 F.3d 1217, 1226-29 (9th Cir. 2006)

OPINION

In re Debtor Sam Usamah Khulusi

PER CURIAM.

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:25-cv-09152-JLS Date: January 16, 2026 Title: In re Debtor Sam Usamah Khulusi

Present: HONORABLE JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE

Kelly Davis N/A Deputy Clerk Court Reporter Attorneys Present for Plaintiff: Attorneys Present for Defendant: Not Present Not Present PROCEEDINGS: (In Chambers) ORDER TO CAUSE (“OSC”) RE

DISMISSAL OF APPEAL FOR LACK OF

PROSECUTION. This case is an appeal of an Order of the Bankruptcy Court. (See Notice of Appeal, Doc. 1.) On October 16, 2025, the Bankruptcy Court issued a Notice of Deficiency, notifying Appellant Sam Usamah Khulusi that he has failed to file his statement of issues, designation of record, and notice of transcripts in this matter. (See Appeal Deficiency Notice, Doc. 8); see also Fed. R. Bankr. Pro. 8009(a)(1) (designation of the record and statement of issues) & (b)(1) (notice of transcripts). A review of the Bankruptcy Court docket in the underlying case, In re Khulusi, No. 2:22-BK-13980-VZ (C.D. Cal. Bankr.), reveals that, in the ensuing three months, Appellant has not responded to this Notice with the identified filings. Where an appellant fails to perfect his appeal in the manner specified by the Federal Rules of Bankruptcy Procedure, dismissal is authorized pursuant to Rule 8003(a)(2). In such cases, courts apply the standard for dismissal of a civil case for failure to prosecute pursuant to Federal Rule of Civil Procedure 41(b). See Nat’l Bank of Long Beach v. Donovan (In re Donovan), 871 F.2d 807, 808 (9th Cir. 1989) (per curiam). Such dismissals require consideration of five factors:

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. 2:25-cv-09152-JLS Date: January 16, 2026 Title: In re Debtor Sam Usamah Khulusi “(1) the public’s interest in expeditious resolution of litigation; (2) the court’s need to manage its docket; (3) the risk of prejudice to the [opposing parties]; (4) the public policy favoring the disposition of cases on their merits; and (5) the availability of less drastic sanctions. In re Eisen, 31 F.3d 1447, 1451 (9th Cir. 1994); see also In re Phenylpropanolamine (PPA) Prods. Liab. Litig., 460 F.3d 1217, 1226-29 (9th Cir. 2006). Therefore, the Court hereby ORDERS Appellant to show

cause in writing no later than February 16, 2026, why this action should not be dismissed for lack of prosecution. Alternatively, by that same date, Appellant may take the steps necessary for the Bankruptcy Clerk to issue a Certificate of Readiness as to this appeal. This matter will stand submitted upon the filing of a response by Appellant or the issuance of the Certificate of Readiness by the Bankruptcy Clerk. Failure to timely address this issue may result in dismissal under the relevant legal standard. IT IS SO ORDERED. Initials of Deputy Clerk: kd CC: Bankruptcy Court