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CLERK, U.S. BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF CALIFORNIA

In re
WORLD-X, INC.,

Debtor.

Bankruptcy No. 01-05146-M7
Adversary No. 03-90174-M7

GERALD DAVIS, Trustee,

Plaintiff,
v.

MEMORANDUM DECISION

STEVEN A. MCKINLAY, MCKINLAY
BUILDERS, INC., NEWPORT ONE
PROJECT, INC., FOOTHILL ONE
PROJECT, INC., FOOTHILL TWO
PROJECT, INC., BVD DEVELOPMENT,
INC., ANDREW PHILLIPS, INC.,
PAYMENT RESOURCES INTERNATIONAL,
SERENITY DEVELOPMENT, LTD., and
SUMMER SOLUTIONS LTD.,

Defendants.

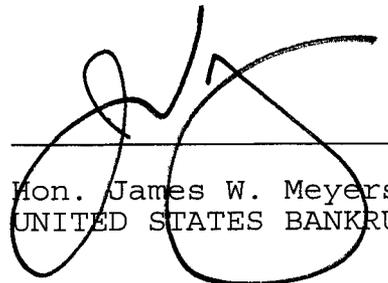
Gerald Davis ("Trustee"), as trustee for the bankruptcy estate of World-X, Inc. ("Debtor"), filed this adversary proceeding to avoid various transfers. On October 6, 2005, the Court conducted a hearing on several motions, including the Trustee's motion for leave to amend his complaint ("Motion").

1 The claim the Trustee seeks to add is based on his contention
2 that the Debtor had an interest in three parcels of real property
3 known as La Vereda, Foothills, and Newport properties. By way of a
4 separate Memorandum Decision, the Court has granted summary judgment
5 in favor of Andrew Phillips ("Phillips"), Payment Resources
6 International, Serenity Development, Ltd. and Summer Solutions Ltd.
7 (collectively the "Defendants") and against the Trustee on the issue
8 of whether a resulting trust can be imposed on the properties on
9 behalf of the Debtor.

10 Since the Court will not impose a resulting trust, the Trustee's
11 argument that the Debtor had an interest in the parcels of real
12 property fails. Furthermore, any transfers involving those properties
13 do not impact property of the estate. Consequently, there is no basis
14 for the claim which the Trustee seeks to add to the complaint. The
15 Motion will be DENIED.

16 Counsel for the Defendants is directed to submit a form of order
17 consistent with this Memorandum Decision within 14 days of the entry
18 of this decision.

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20 Date: MAR 1 2006



Hon. James W. Meyers
UNITED STATES BANKRUPTCY JUDGE

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