

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
FORT WAYNE DIVISION

IN RE:)	
)	
PRECIOUS U. NAKASEN)	CASE NO. 16-11347-reg
)	CHAPTER 7
Debtor)	

ORDER

At South Bend, Indiana, on November 7, 2016.

This matter came before the Court on October 27, 2016, for a hearing on the United States Trustee's Motion for forfeiture of fees and/or sanctions against Krystle K. Lee and on the Court's order entered October 14, 2016, to show cause why the Court should not enter an order forfeiting and disgorging all fees paid to Krystle K. Lee in this case and why the Court should not impose on Krystle K. Lee the maximum fine allowed by 11 U.S.C. §110(l)(1). Present for the hearing was Leonard W. Copeland, counsel for the United States Trustee. By the order to show cause entered October 14, 2016, the Court ordered Krystle K. Lee to personally appear for the hearing on October 27, 2016, and directed the United States Marshall to serve a copy of the order on Krystle K. Lee. Proof of service was filed in the Court record of this case on October 25, 2016. Krystle K. Lee did not file a response to the October 14, 2016, order to show cause or the U.S. Trustee's Motion, and she failed to appear at the hearing as ordered.

The Court received evidence and heard arguments of counsel, and being duly advised in the premises, the Court finds as follows:

The bankruptcy Petition in the above-captioned case was filed on June 29, 2016. Krystle K. Lee acted as a bankruptcy petition preparer in the case. A petition preparer's

written notice, Form 119, was signed on June 21, 2016, and filed in this case on June 29, 2016. A disclosure of compensation, Form B2800, was not filed with the petition as required by §110(h)(2) of the Bankruptcy Code but was subsequently filed on September 2, 2016. The disclosure of compensation filed in this case shows a signing date of June 1, 2016. Based on the disclosure of compensation filed in this case, Krystle K. Lee received a fee of \$200.00 for petition preparer services in this case, and the fee was received before the petition preparer's written notice was provided to the debtor, contrary to the requirements of Bankruptcy Code §110(b)(2)(A). Consequently, based on the uncontradicted facts received into evidence at the hearing on October 27, 2016, the Court finds that Krystal K. Lee violated the requirements of §110 of the Bankruptcy Code in the above-captioned case no. 16-11347.

The Court further finds that Krystle K. Lee has repeatedly violated the requirements of §110 of the Bankruptcy Code based on evidence presented at the hearing and, as discussed below, based on the Court's review of the record in case nos. 16-10729, 16-11095, and 16-10173, filed in the United States Bankruptcy Court for the Northern District of Indiana.

The Court finds that Krystle K. Lee acted as petition preparer in case no. 16-10729, filed by Laquesha R. Link on April 11, 2016, and neither the petition preparer's written notice, Form 119, nor the disclosure of compensation, Form B2800, was filed with the Petition as required. The Court Clerk entered a notice of noncompliance on April 12, 2016, and April 26, 2016, giving notice of the failure to file the required petition preparer forms. On May 24, 2016, the U.S. Trustee filed a motion to review violations of Section 110 of the Bankruptcy Code. After the U.S. Trustee filed the

Motion, Krystle K. Lee filed the required forms, and the U.S. Trustee withdrew the Motion.

The Court finds that Krystle K. Lee acted as petition preparer in case no. 16-11095, filed by Altonia D. Braggs on May 24, 2016, and the petition preparer's written notice, Form 119, was not filed with the Petition as required. The case was dismissed on July 12, 2016, under the automatic dismissal rule pursuant to §521(i)(1). The petition preparer's written notice, Form 119, was never filed in the case.

The Court finds that Krystle K. Lee acted as petition preparer in case no. 16-10173 filed by Crystal Reed on February 16, 2016, and the disclosure of compensation, Form B2800, was not filed with the Petition as required. The Court Clerk entered a notice of noncompliance on March 2, 2016, giving notice of the deficiency. Krystle K. Lee filed the disclosure of compensation on March 21, 2016.

The Court reviewed signature pages filed in an earlier case filed by Laquesha R. Link in the United States Bankruptcy Court for the Northern District of Indiana under case no. 16-10104 and a hand-written motion that was purported to have been signed and filed by the debtor at document no. 24 of said case. Based on the Court's review, the Court finds there is a reasonable inference that the debtor in case no. 16-10104 did not draft and sign document no. 24, but rather, that Krystle K. Lee may have drafted and signed the hand-written motion under the debtor's name.

The Court finds that Krystle K. Lee has failed to show cause why the Court should not enter an order forfeiting and disgorging all bankruptcy petition preparer fees paid to Krystle K. Lee in the above-captioned case and why the Court should not impose the maximum fine allowed by 11 U.S.C. §110(l)(1). Pursuant to §110(j)(2)(B), based on

Krystal K. Lee's multiple violations of 11 U.S.C. §110, as evidenced in case nos.

16-11347, 16-10729, 16-11095, 16-10173, and 16-10104, the Court finds that injunctive relief is necessary to prevent further violations of §110 of the Bankruptcy Code.

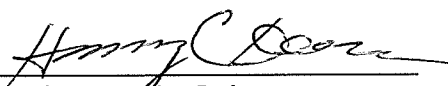
It is therefore ORDERED that the United States Trustee's Motion is GRANTED.

It is further ORDERED as follows:

1. The \$200.00 fee received by Krystle K. Lee for petition preparer services in this case is hereby forfeited. Such fee shall be paid to Chapter 7 Trustee Dustin M. Roach forthwith. Proof of payment shall be filed by Krystle K. Lee in the Court's record of this case within 14 days of this order;

2. A fine of \$500.00 is hereby imposed on Krystle K. Lee and shall be paid within 30 days of this order to the United States Trustee. Proof of payment shall be filed by Krystle K. Lee in the Court's record of this case within seven days after payment; and

3. Krystle K. Lee is hereby enjoined from acting as a bankruptcy petition preparer in any future bankruptcy case in the United States Bankruptcy Court for the Northern District of Indiana.


Harry C. Dees, Jr., Judge
United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF INDIANA
FORT WAYNE DIVISION

IN THE MATTER OF:)	CASE NO.	16-12485
)	CHAPTER	7
ALTONIA D. BRAGGS)	REG/tk	
)		
Debtor(s))		
)		

ORDER REGARDING CONTEMPT

Dated on December 21, 2016.

A hearing to consider whether Krystle K. Lee is in civil contempt of court was held at Fort Wayne, Indiana, on December 19, 2016, with Alontia Braggs, debtor, Krystle K. Lee, in person, and Leonard Copeland, counsel for the United States Trustee, present.

For the reasons stated in open court, Krystle Lee shall not assist any individual, in any way, with or without charge, to file a case, or with regard to a case, under any chapter of the Bankruptcy Code. Should she fail to comply with this order, she shall pay the clerk of this court the sum of \$1,000.00 for each violation.

SO ORDERED.

/s/ Robert E. Grant
Chief Judge, United States Bankruptcy Court