

SO ORDERED




THOMAS J. CATLIOTA
U.S. BANKRUPTCY JUDGE

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF MARYLAND
(Greenbelt Division)**

In re: MARGARET AGBEYOME Debtor.	Case No. 19-12881-TJC Chapter 7
JOHN P. FITZGERALD, III ACTING UNITED STATES TRUSTEE, Plaintiff, v. YASSINE GRICE and PDFS, INC. Defendants.	Adversary No.: 19-00113-TJC

**ORDER FOR
FINES, DISGORGEMENT OF COMPENSATION, AND INJUNCTION**

Upon consideration of the Complaint filed by the United States Trustee against the Defendants, Yassine Grice and PDFS, Inc. (“Defendants”), pursuant to §§ 105 and 110 of the United States Bankruptcy Code and Rules 7001, 7003, and 7065 of the Federal Rules of Bankruptcy Procedure, the Defendants’ failure to respond thereto, and the evidence presented at the hearing on the Motion for Default Judgment conducted on June 26, 2019, the Court makes the following findings of fact:

1. Grice and PDFS, the Defendants, are bankruptcy prepetition preparers as that term is defined in 11 U.S.C. § 110(a)(1).

2. On March 6, 2019, Margaret Agbeyome (“Agbeyome”), Debtor, filed *pro se* a petition under Chapter 7 of the Bankruptcy Code, which states that she paid “PDFS Inc – Agent (Yassine Grice)” to help her fill out her bankruptcy forms. Dkt. 1.

3. On the Statement of Financial Affairs, in response to Question No. 16, Agbeyome states that she paid \$390 to PDFS. Dkt. 1.

4. On March 7, 2019, the Court entered an Order that Bankruptcy Petition Preparer Show Cause Why Fees Should not be Refunded, Dkt. 8, because the Defendants did not file a completed or signed Official Form 119 Bankruptcy Petition Preparer’s Notice, Declaration, and Signature and a completed and/or signed Form 2800 Disclosure of Compensation of Bankruptcy Petition Preparer.

5. Similar Orders to show cause why fees should not be refunded for failure to file Official Form 119 Bankruptcy Petition Preparer’s Notice, Declaration, and Signature and a completed and/or signed Form 2800 Disclosure of Compensation of Bankruptcy Petition Preparer were entered in the following cases filed in this District: 17-11117, 18-16225, 18-19314, 18-19652, 18-22908, 18-25880, 18-26067, 18-26070, 19-12445, and 19-14700¹.

6. The earliest show cause order requiring the Defendants to explain why they failed to file Official Form 119 was entered in Case No. 17-11117 on February 2, 2017. ECF 14 in Case No. 17-11117. In response, Defendants filed Official Form 119 in that case on February 17, 2017. ECF 32 in Case No. 17-11117. Thus, Defendants have known since no later than February 17, 2017, of the need to file Official Form 119 as

¹ This is the list of cases discussed at the hearing, the court takes judicial notice of additional cases in which Defendants were issued orders to show cause, these include case nos. 19-18518; 19-14314; 19-18861; 17-16179; and 19-16398.

bankruptcy petition preparers. Nevertheless, in Case Nos. 18-16225, 18-19314, 18-19652, 18-22908, 18-25880, 18-26067, 18-26070, 19-12445, and 19-14700, Defendants failed to file Official Form 119, establishing that they continuously engaged in conduct that violates §110 of the Bankruptcy Code.

7. On March 25, 2019, Grice/PDFS filed a Disclosure of Compensation of Bankruptcy Petition Preparer showing that Agbeyome paid PDFS \$390. The Disclosure of Compensation of Bankruptcy Petition Preparer was signed by Grice as “PDFS (Agent)”. Dkt. 20.

8. On March 22, 2019, Grice filed with the Court a Response to the Order to Show Cause Why Fees Should not be Refunded in which he argues that his fee should not be refunded because Agbeyome paid \$390 to PDFS, but PDFS paid only \$125 to him. Dkt. 16.

9. Grice filed a similar response to the Order to Show Cause Why Fees Should Not be Refunded in which he claimed that PDFS paid him only \$125 in the following cases in this District: 18-19652, 18-22908, 18-26067, and 19-10541.

10. Grice is the incorporator, an officer, and/or a director of PDFS. *See* Exhibits 15, 16 and 19.

11. On March 28, 2019, the Court issued another Order that Bankruptcy Petition Preparer Show Cause Why Fees Should not be Refunded (“Second Show Cause Order”) because the fees charged exceeded the allowed fee set forth in Local Rule of Bankruptcy Procedure 2016- 2. Dkt. 22.

12. In addition to the instant case, the Defendants were notified of Local Rule of Bankruptcy Procedure 2016-2 in the following cases in this District: 16-26777, 17-11117, 18- 19652, 18-26067, and 19-10541, by the issuance of similar show cause orders.

13. On April 19, 2019, this Court entered an Order Directing Bankruptcy Petition Preparer to Refund All Fees. Dkt. 36. The Order states that the Defendants must file a certification within fourteen (14) days of the Order, stating the amount of such refund, the date it was paid, and the person to whom it was paid.

14. The Defendants never filed the required certification. The Defendants have not complied with the Order Directing Bankruptcy Petition Preparer to Refund All Fees, Dkt. 36

15. On May 15, 2019, this Court entered an Order to Show Cause Why Yassine Grice Should not be Held in Contempt. Dkt. 44.

16. Yassine Grice has failed to respond to the Order to Show Cause Why Yassine Grice Should not be Held in Contempt, Dkt. 44.

17. In addition to the instant case, the Defendants have outstanding and unsatisfied orders to refund fees in the following cases in this District: 16-26777, 17-12098, 18-26067, 19- 12445, and 19-14700.

18. On February 22, 2018, the Bankruptcy Court in the Eastern District of North Carolina (Greenville Division) entered an Order on Motion for Sanctions, which enjoined Grice and PDFS, the Defendants, from acting as bankruptcy petition preparers in that district. Ex. 17.

19. On September 18, 2017, the Bankruptcy Court in the Southern District of Mississippi entered an Order enjoining Grice and PDFS, the Defendants, from acting as bankruptcy petition preparers in that district. Ex. 18.

20. On June 24, 2019, the Bankruptcy Court in the Eastern District of Wisconsin entered an Order enjoining Grice and PDFS, the Defendants, from acting as bankruptcy petition preparers in that district. Ex. 19.

21. In the instant case and other cases filed in this District cited herein, Grice and PDFS, the Defendants, engaged in conduct in violation of Section 110 of the Bankruptcy Code.

22. In the instant case and other cases filed in this District cited herein, Grice and PDFS, the Defendants, engaged in fraudulent, unfair or deceptive conduct.

23. Grice and PDFS, the Defendants, have continually engaged in conduct described in sub-clauses (I), (II) or (III) of clause (i) of Section 110 of the Bankruptcy Code.

24. An injunction prohibiting such future violations of Section 110 of the Bankruptcy Code would not be sufficient to prevent Grice and PDFS, the Defendants, from interfering with the proper administration of this title.

25. Grice and PDFS, the Defendants, have not paid a penalty imposed under this section, or failed to disgorge all fees ordered by the Court.

26. Grice and PDFS, the Defendants, failed to disgorge all fees ordered by this Court.

WHEREFORE, in consideration of the facts set forth above and the evidence presented at the hearing conducted on June 26, 2019, IT IS for the United States Bankruptcy Court for the District of Maryland hereby

ORDERED that Grice and PDFS, the Defendants, refund to the Debtor herein all fees pursuant to the Order entered on April 19, 2019, Dkt. 36, within fourteen (14) days of this Order; and it is further

ORDERED that, pursuant to 11 U.S.C. § 110(i)(1), Grice and PDFS, the Defendants, shall pay \$2,000 to the Debtor within fourteen (14) days of this Order;

ORDERED that Grice and PDFS are hereby PERMANENTLY ENJOINED from

engaging in any of the following activity:

- 1) Acting as a bankruptcy petition preparer in the District of Maryland, as defined in 11 U.S.C. § 110;
- 2) Using or directing any agent, representative, entity, corporation, partnership, association or structure of any kind or any name, fictitious or otherwise, to act as a bankruptcy petition preparer in the District of Maryland, as defined in 11 U.S.C. §110;
- 3) Accepting any fees, in the District of Maryland, for acting as a Bankruptcy Petition Preparer;
- 4) Assisting any person or entity in drafting or preparing any petition, schedule, motion, pleading or other document to be submitted in the District of Maryland on a debtor's behalf, or under a debtor's signature. For purposes of this paragraph, the term "assist" includes, in addition to any other action that would constitute assistance under the ordinary usage of the term: (i) the gathering of information for the purpose of drafting or preparing any petition, schedule, motion, pleading or document to be filed in any court; (ii) the provision to a debtor of a completed petition, schedule, motion, pleading or document for the purpose of filing the petition, schedule, motion, pleading or document in any court; and/or (iii) the provision to any person of a form petition, schedule, motion, pleading of document, obtained via the internet, form book, data bank, or other similar source; and
- 5) Otherwise participating in any form or fashion in the District of Maryland in the rendering of legal advice, consultation, consideration and/or preparation of any petition or document which is contemplated to be filed as or in a case under Title 11 of the United States Code; and it is further

ORDERED, that nothing in this order shall be deemed or interpreted to prohibit, limit or otherwise abridge Yassine Grice's rights to proceed pro se in any legal proceeding and that the restrictions above shall not apply to any petition, pleading, motion or document that Yassine Grice prepares or files in any court on his own behalf; and it is further,

ORDERED, that any and all prior orders of this Court directing Yassine Grice to take any action, pay any fine, and/or refund any fees remain in full force and effect.

cc:

Lynn A. Kohen at lynn.a.kohen@usdoj.gov

PDFS, Inc. at 607 W. Wright Street, Pensacola, Florida 32502
Yassine Grice at 101 S. Palafox Place, #13083, Pensacola, Florida 32591
Yassine Grice at 1218 Lepley Road, Pensacola, Florida 32534
Yassine Grice at 100 S 1st Street, #583462, Minneapolis, Minnesota, 55458

END OF ORDER