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8 UNITED STATES BANKRUPTCY COURT  
9 CENTRAL DISTRICT OF CALIFORNIA  
10 LOS ANGELES DIVISION

11 In re

12 THE DISCIPLINARY PROCEEDING OF  
13 BENJAMIN B. WASSON

Case No. LA MI 09-00003

14 MEMORANDUM OF DECISION ON  
15 DISCIPLINARY PROCEEDING OF  
16 BENJAMIN B. WASSON

17 Date: June 19, 2009

18 Time: 10:00 a.m.

19 Place: Courtroom 1545

Roybal Federal Building

255 East Temple Street

Los Angeles, CA

20 On June 19, 2009, the matter of the disciplinary proceeding of Benjamin B.  
21 Wasson ("Wasson") came on for hearing before the hearing panel designated to hear the  
22 matter consisting of the undersigned United States Bankruptcy Judges, the Hon. Thomas  
23 B. Donovan, Presiding Judge, the Hon. Meredith A. Jury, and the Hon. Robert N. Kwan.  
24 No appearance was made by Benjamin B. Wasson. Ron Maroko, Attorney, Office of the  
25 United States Trustee, appeared for the United States Trustee.

26 This disciplinary proceeding was initiated by the Hon. Alan M. Ahart, United States  
27 Bankruptcy Judge, against Wasson pursuant to this court's General Order 96-05, by a  
28 filing a *Statement of Cause* on February 13, 2009 in the case of *In re Bankers of Ruptcyy  
Hypothcaters & Wholesalers, A UBO*, Case No. 2:08-bk-27335 AA Chapter 11, pending

1 in this court before Judge Ahart. The declaration of service for the *Statement of Cause*  
2 indicates that the court served a copy of the *Statement of Cause* on Wasson at his State  
3 Bar of California address of record at 4403 Morse Ave., Studio City, CA 91604 on  
4 February 13, 2009 by United States mail. Pursuant to the general order, the Clerk of the  
5 Court designated the undersigned United States Bankruptcy Judges as the panel of  
6 judges to hear this matter.

7 In his *Statement of Cause*, Judge Ahart stated that he was referring Wasson for an  
8 attorney disciplinary proceeding because evidence presented in the case demonstrated  
9 that Wasson was not admitted to practice before the United States District Court for the  
10 Central District of California at the time he filed the bankruptcy petition for the debtor in  
11 Case No. 2:08-bk-27335 AA Chapter 11. In addition, Judge Ahart found that Wasson  
12 had filed about 100 bankruptcy petitions on behalf of debtors while not admitted to  
13 practice in this district. In his *Statement of Cause*, Judge Ahart recommended that  
14 Wasson be sanctioned by a duly designated disciplinary hearing panel with a suspension  
15 of one year from practicing before the Bankruptcy Court for the Central District of  
16 California.

17 On May 5, 2009, the court filed and served on Wasson a *Notice of Assignment of*  
18 *Hearing Panel; General Order 96-05; Statement of Cause*. This notice indicated that  
19 Judge Ahart had initiated a disciplinary proceeding under General Order 96-05 and that  
20 the Clerk of the Court had designated a hearing panel for the proceeding. The  
21 declaration of service for the notice indicated that the court served the notice along with  
22 copies of General Order 96-05 and the *Statement of Cause* on Wasson at his State Bar  
23 of California address of record on May 5, 2009 by United States mail.

24 On May 21, 2009, the court filed and served on Wasson a *Notice of Disciplinary*  
25 *Hearing* advising him that a disciplinary hearing concerning him would take place on  
26 Friday June 19, 2009 in Courtroom 1545, Roybal Federal Building and Courthouse, 255  
27 East Temple Street, Los Angeles, California. This notice advised Wasson that he could  
28 appear at the disciplinary hearing with legal counsel and could present evidence to refute  
the statements contained in the *Statement of Cause*, in mitigation and bearing on the  
type and extent of disciplinary action appropriate under the circumstances. The notice  
further advised Wasson that the hearing panel could disregard written statements or  
declarations of innocence or in mitigation of the attorney's conduct unless they were filed

1 with the court with three copies delivered promptly to chambers of the presiding judge  
2 five court days before the hearing. The declaration of service for the notice indicated that  
3 the court served the notice on Wasson at his State Bar of California address of record on  
4 May 21, 2009 by United States certified mail.

5 On June 8, 2009, the Office of United States Trustee filed and served on Wasson  
6 a *Notice of Intent to Appear* advising the court and Wasson that the office intended to  
7 appear at the disciplinary hearing for the purpose of rebutting any evidence and  
8 statements by Wasson and responding to questions of the hearing panel regarding the  
9 record and proceedings before Judge Ahart. The declaration of service for the notice  
10 indicated that the Office of United States Trustee served the notice on Wasson at his  
11 State Bar of California address of record on June 8, 2009 by United States mail.

12 At the duly scheduled time and place of the hearing on June 19, 2009, the panel  
13 called the matter for hearing, but Wasson did not appear as noticed. Wasson did not file  
14 any written statements or declarations for the disciplinary hearing as described in the  
15 *Notice of Disciplinary Hearing*. At the hearing, the panel heard from the attorney for the  
16 Office of the United States Trustee, and the panel received evidence into the record.  
17 The hearing panel received into the record the various pleadings and orders that Judge  
18 Ahart caused to be filed with this panel, which had been previously filed in Case No.  
19 2:08-bk-27335 AA Chapter 11, including

20 (1) *United States Trustee's Notice of Application and Application for*  
21 *Issuance of an Order Directing Benjamin B. Wasson to Personally Appear and*  
22 *Show Cause Why He Should Not Be Sanctioned and Referred to the Bankruptcy*  
23 *Court's Disciplinary Panel for Filing Bad Faith Petition on behalf of Debtor (FRBP*  
24 *9011); Declarations in support (Docket No. 15);*

25 (2) *United States Trustee's Request for Judicial Notice (Application for*  
26 *Issuance of an Order Directing Benjamin B. Wasson to Personally Appear and*  
27 *Show Cause Why He Should Not Be Sanctioned and Referred to the Bankruptcy*  
28 *Court's Disciplinary Panel for Filing Bad Faith Petition on Behalf of Debtor (FRBP*  
*9011) (Docket No. 16);*

(3) *Order Directing Benjamin B. Wasson to Personally Appear and Show*  
*Cause Why He Should Not Be Sanctioned and Referred to the Bankruptcy Court's*  
*Disciplinary Panel for Filing Bad Faith Petition (Docket No. 18);*

1 (4) *Verified Ex Parte Motion and Request for Judicial Notice under FRE*  
2 *201(d) in Support of Attorney Benjamin B. Wasson Pro-Bono Not-for-Profit*  
3 *Corporate Filing Having No Bad Faith and Not Lacking Due Diligence* (Docket No.  
4 23);

5 (5) *Findings of Fact and Conclusions of Law (Show Cause Hearing Why*  
6 *Benjamin B. Wasson Should Not Be Sanctioned and Referred to the Bankruptcy*  
7 *Court's Disciplinary Panel (FRBP 9011)*(Docket No. 26); and

8 (6) *Order Sanctioning Benjamin B. Wasson under Rule FRBP 9011* (Docket  
9 No. 25).

10 The hearing panel received these documents in Case No. 2:08-bk-27335 AA Chapter 11  
11 into the record.

12 Having considered the evidence received at the hearing and the oral and written  
13 arguments of the parties, the panel finds that Wasson filed the bankruptcy petition in  
14 Case No. 2:08-bk-27335 AA Chapter 11 and about 100 other bankruptcy petitions while  
15 not being admitted to practice in this district. Local Bankruptcy Rule 2090-1(a) requires  
16 that attorneys practicing in this court must be admitted to practice before the United  
17 States District Court for the Central District of California, and the rule further provides that  
18 attorneys not admitted to practice before the District Court may not practice in the  
19 Bankruptcy Court unless otherwise provided by the rule for pro hac vice appearances  
20 and attorneys for the United States (these exceptions are not applicable to Wasson as  
21 private counsel resident in California).

22 As Wasson admitted in his *Verified Ex Parte Motion and Request for Judicial*  
23 *Notice under FRE 201(d) in Support of Attorney Benjamin B. Wasson Pro-Bono Not-for-*  
24 *Profit Corporate Filing Having No Bad faith and Not Lacking Due Diligence* (Docket No.  
25 23 filed on January 14, 2009 in Case No. 2:08-08-bk-27225 AA Chapter 11), he filed the  
26 petition in that case and petitions in about 100 other bankruptcy cases (Page 3: "Since  
27 passing the bar and graduating law school in 1999, Mr. Wasson has also filed  
28 approximately 100 bankruptcy petitions throughout the bankruptcy courts in Riverside,  
Los Angeles, and Ventura County. Mr. Wasson has personally attended each and every  
341(a) meeting with his clients." Page 5: "Mr. Wasson had successfully filed so many  
bankruptcy petitions throughout Los Angeles, Ventura, and Riverside Counties in the  
past, he assumed this filing to be another routine filing.") Los Angeles, Ventura and

1 Riverside Counties are located in the federal judicial district of the Central District of  
2 California. 28 U.S.C. § 84(c).

3 The bankruptcy petition in Case No. 2:08-bk-27335 AA Chapter 11 was filed with  
4 the Bankruptcy Court on October 16, 2008. *United States Trustee's Request for Judicial*  
5 *Notice (Application for Issuance of an Order Directing Benjamin B. Wasson to Personally*  
6 *Appear and Show Cause Why He Should Not Be Sanctioned and Referred to the*  
7 *Bankruptcy Court's Disciplinary Panel for Filing Bad Faith Petition on Behalf of Debtor*  
8 *(FRBP 9011)* (filed on December 9, 2008 as Docket No. 16 in Case No. 2:08-bk-27335  
9 AA Chapter 11) at 3-14 (copy of file-stamped bankruptcy petition; Wasson's signature on  
petition as attorney for debtor is on page 7 of *Request for Judicial Notice*).

10 Uncontested evidence presented by the United States Trustee in Case No. 2:08-  
11 bk-27335 AA Chapter 11 showed that Wasson was not an attorney admitted to practice  
12 in the District Court. *United States Trustee's Notice of Application and Application for*  
13 *Issuance of an Order Directing Benjamin B. Wasson to Personally Appear and Show*  
14 *Cause Why He Should Not Be Sanctioned and Referred to the Bankruptcy Court's*  
15 *Disciplinary Panel for Filing Bad Faith Petition on behalf of Debtor (FRBP 9011);*  
16 *Declarations in support* (filed on December 9, 2008 as Docket No. 15 in Case No. 2:08-  
17 bk-27335 AA Chapter 11) at 18, 25-27 (*Declaration of Patti A. Brundige* and copy of  
District Court attorney admissions records attached as Exhibits 1 and 2 thereto).

18 Further uncontested evidence submitted by the United States Trustee indicated  
19 that a word search of ECF/Pacer records for the Bankruptcy Court for the Central District  
20 of California indicated that Wasson was counsel of record for a bankruptcy debtor in 99  
21 bankruptcy cases. *Id.* at 22-24 (*Declaration of Helen Cruz*).

22 This evidence supports Judge Ahart's findings of fact in Case No. 2:08-bk-27335  
23 AA Chapter 11 that Wasson had not been admitted to practice before the United States  
24 District Court for the Central District of California; that Wasson was identified on the  
25 petition as Debtor's counsel and did sign the Debtor's petition as its counsel; that Wasson  
26 engaged in the unauthorized practice of law by filing Debtor's petition; that Wasson filed  
27 numerous bankruptcy petitions while not admitted to practice before the District Court for  
28 the Central District; that the United States Trustee identified almost 100 bankruptcy filings  
for third parties by Wasson; and that Wasson also approximated the number in his  
papers as 100. *Findings of Fact and Conclusions of Law (Show Cause Hearing Why*

1 *Benjamin B. Wasson Should Not Be Sanctioned and Referred to the Bankruptcy Court's*  
2 *Disciplinary Panel (FRBP 9011)*(filed on January 30, 2009 as Docket # 26 in Case No.  
3 2:08-bk-27335 AA Chapter 11), Findings of Fact Nos. 3, 4, 14 and 15.

4 At the disciplinary hearing on June 19, 2009, the attorney for the Office of the  
5 United States Trustee advised the panel that Wasson was admitted to the bar of the  
6 District Court prior to the panel hearing. District Court attorney admissions records  
7 available online indicate that Wasson was admitted to practice in the District Court on  
8 January 22, 2009. See Rule 201 of the Federal Rules of Evidence (judicial notice).  
9 Thus, while Judge Ahart's finding of fact of January 30, 2009 was not technically correct  
10 that Wasson was not admitted to practice in the District Court as of that date, the findings  
11 of fact were substantively correct with respect to the facts that Wasson was not admitted  
12 to practice in the District Court and in the Bankruptcy Court when he filed the bankruptcy  
13 petition for the debtors in Case No. 2:08-bk-27335 AA Chapter 11 and almost 100 other  
14 bankruptcy petitions as Wasson admitted in his *Verified Ex Parte Motion and Request for*  
15 *Judicial Notice under FRE 201(d) in Support of Attorney Benjamin B. Wasson Pro-Bono*  
16 *Not-for-Profit Corporate Filing Having No Bad Faith and Not Lacking Due Diligence*  
17 (Docket No. 23 filed on January 14, 2009 in Case No. 2:08-08-bk-27225 AA Chapter 11).

18 The panel finds that Wasson's filing of these numerous bankruptcy petitions  
19 without being admitted to practice in this district constituted repeated violation of the  
20 Local Bankruptcy Rule 2090-1(a) by engaging in the unauthorized practice of law. The  
21 panel concludes that disciplinary sanctions should be imposed against Wasson for his  
22 repeated violation of the court's rules, as follows:

- 23 1. Wasson should be suspended for one year from practicing before the United  
24 States Bankruptcy Court for the Central District of California.
- 25 2. Wasson should be ordered to complete 10 hours of continuing legal education  
26 in the subject of legal ethics before he may apply for reinstatement to practice  
27 before the United States Bankruptcy Court for the Central District of California.

28 This memorandum decision constitutes the panel's findings of fact and  
conclusions of law. A separate order setting forth the panel's rulings will follow.

IT IS SO ORDERED.

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Dated: 9/18/09



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Thomas B. Donovan, Presiding  
United States Bankruptcy Judge

Dated: 9/18/09



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Meredith A. Jury  
United States Bankruptcy Judge

Dated: 9/18/09



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Robert N. Kwan  
United States Bankruptcy Judge

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**PROOF OF SERVICE/CERTIFICATE OF MAILING**

I, Vanessa Keith Garcia, a regularly appointed and qualified clerk of the United States Bankruptcy Court for the Central District of California, do hereby certify that in the performance of my duties as such clerk, I served on each of the parties listed below, at the addresses set opposite their respective names, a copy of the Memorandum of Decision on Disciplinary Proceeding of Benjamin B. Wasson in the within matter by placing a true copy thereof enclosed in a sealed envelope with postage thereon, fully prepaid, in the United States Mail on September 18, 2009.

Benjamin B. Wasson, Esq.  
4403 Morse Avenue  
Studio City, CA 91604

Peter C. Anderson, United States Trustee  
Office of the United States Trustee  
725 S. Figueroa Street, Suite 2600  
Los Angeles, CA 90017  
Attn: Ron Maroko, Esq.

I declare under penalty of perjury that the foregoing is true and correct.

Date: September 18, 2009

Vanessa K. Garcia  
(Deputy Clerk)