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CLERK U.S. BANKRUPTCY COURT
Central District of California
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**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
LOS ANGELES DIVISION**

In re:

Case No. 2:15-mp-00105

**THE DISCIPLINARY PROCEEDING OF
DAVID TURAJSKI**

**MEMORANDUM OF DECISION ON
DISCIPLINARY PROCEEDING
AGAINST DAVID TURAJSKI**

Date: August 3, 2015
Time: 10:00 a.m.
Place: Courtroom 1445
Roybal Federal Building
255 E. Temple Street
Los Angeles, CA 90012

INTRODUCTION

On August 3, 2015, a hearing (the "Disciplinary Hearing") was held pursuant to the court's Fourth Amended General Order 96-05 (the "General Order") before Judges Peter H. Carroll, Scott H. Yun, and Presiding Judge Thomas B. Donovan (the "Panel"). The issue before the Panel is whether David Turajski ("Turajski") should be disciplined by having his electronic filing privileges terminated and his admission to practice before this court suspended for a

1 minimum of 2 years. The U.S. Trustee appeared at the hearing through Hatty Yip, Esq., and
2 Turajski appeared on his own behalf.

3 At the commencement of the Disciplinary Hearing, Turajski informed the Panel that he
4 and the U.S. Trustee had resolved the disciplinary proceeding by agreeing to the following
5 punishment: his suspension from the practice of law before this court for 1 year and his
6 agreement to obtain client signatures on all documents to be filed with the court instead of using
7 court's form Electronic Filing Declaration ("EFD") in the future. Ms. Yip on behalf of the U.S.
8 Trustee, however, correctly pointed out that the attorney disciplinary proceeding is the court's
9 own proceeding, not the U.S. Trustee's, and that the agreement in principle she reached with
10 Turajski is merely the U.S. Trustee's recommendation to the Panel.

11 Other than reciting the terms of the purported settlement he reached with the U.S.
12 Trustee, Turajski, although given an opportunity to do so, did not present any argument or call
13 witnesses at the Disciplinary Hearing. Instead, when questioned by the Panel about whether he
14 was still asserting the defenses that he raised in the Attorney's Reply With Memorandum of
15 Points and Authorities and Attached Declarations and Appendices (the "Written Reply") (Docket
16 #11), Turajski disavowed the defenses, acknowledged the errors of his way and admitted the
17 allegations made against him in the Statement of Cause.

18 At the conclusion of the Disciplinary Hearing, the Panel took the matter under
19 submission. For the reasons articulated below, the Panel rejects Turajski's and the U.S. Trustee's
20 proposed resolution of this disciplinary proceeding and accepts Chief Judge Bluebond's
21 recommendation to terminate Turajski's electronic filing privileges and suspend him from the
22 practice of law before this court for a minimum of 2 years.

23 PROCEDURAL HISTORY

24 A. Artiaga Case.

25 Chief Judge Sheri Bluebond initiated this attorney disciplinary proceeding against
26 Turajski by filing a Statement of Cause (Docket #1). She recommended that Turajski's electronic
27 filing privileges be terminated and that he be suspended from the practice of law before this court
28 for a minimum of 2 years for his alterations or reuse of the EFDs in multiple cases, his forgery of

1 his client's signature page on a certificate, and his failure to perform under a prior court
2 approved stipulation with the U.S. Trustee intended to prevent the reoccurrence these same
3 problems.

4 On April 2, 2015, Chief Judge Bluebond held hearings on two motions filed by the U.S.
5 Trustee in the chapter 7 bankruptcy case of In re Larry Artiaga, Case No. 2:15-bk-10884-BB
6 ("Artiaga Case"). In the first motion (Docket #1, Part 2, pp. 1-20), the U.S. Trustee sought to
7 disgorge \$900 in fees that Turajski had received from Artiaga based on his alteration or reuse of
8 an EFD and his forgery of his client's signature on a certificate (the "Motion to Disgorge"). In
9 the second motion (Docket #1, Part 2, pp. 21-54), the U.S. Trustee moved the court to strike a
10 document filed in the Artiaga Case that Turajski filed without a valid EFD (the "Motion to
11 Strike"). Turajski filed a response to the Motion to Strike but not did file a response to the
12 Motion to Disgorge.

13 In granting the Motion to Disgorge and the Motion to Strike, Chief Judge Bluebond made
14 the following factual findings against Turajski:

15 1. On August 15, 2013, the U.S. Trustee filed a Motion to Strike Schedules,
16 Amendments, and/or Statements in In re Robert P. Black and Maricia Da Silva, Case No.
17 6:13-bk-13328-SC (the "Black Case"), after identifying 5 cases where Turajski altered,
18 recycled or forged EFDs filed with the court.

19 2. On September 25, 2013, Turajski entered into a Stipulation Resolving
20 Potential Motion to Disgorge Attorney Compensation (the "Riverside Stipulation") with
21 the U.S. Trustee in order to settle the allegations made against him in the Black Case.

22 3. The Riverside Stipulation stated that Turajski was to disgorge \$1,400 and
23 that within 180 days of the entry of an order approving the Riverside Stipulation, Turajski
24 would submit a declaration stating that he and his staff would complete continuing legal
25 education training and that Turajski would certify that any staff under his direction would
26 complete two hours of ethics training related to bankruptcy practice and has read and
27 reviewed the Court Manual.

28

1 4. On September 27, 2013, the court, Judge Scott C. Clarkson presiding,
2 entered an Order Approving Stipulation Resolving Potential Motion to Disgorge Attorney
3 Stipulation (the “Riverside Order”) in the Black Case.

4 5. Turajski, however, failed to comply with the Riverside Order and the
5 terms of the Riverside Stipulation by failing to file a declaration within 180 days of entry
6 of the Riverside Order stating that he and his staff completed continuing legal education
7 training and that his staff completed two hours of ethics training related to bankruptcy
8 practice and read and reviewed the Court Manual.¹

9 6. On January 21, 2015 Debtor Larry Artiaga (“Artiaga”), by and through
10 Turajski, filed a voluntary petition commencing the Artiaga Case, utilizing a “/s/” and an
11 EFD.

12 7. On January 21, 2015, Artiaga, by and through Turajski, filed an EFD
13 dated January 21, 2015 for the “Incomplete Chapter 7 Bankruptcy”, in the Artiaga Case
14 (the “January 21, 2015 EFD”).

15 8. On January 27, 2015, Artiaga, by and through Turajski, filed an EFD
16 dated January 27, 2015 for the “complete Chapter 7 Bankruptcy”, in the Artiaga Case
17 (the “January 27, 2015 EFD”).

18 9. The January 27, 2015 EFD related to the bankruptcy schedules filed with
19 the court on January 27, 2015, in the Artiaga Case.

20 10. The U.S. Trustee requested that Turajski produce the original executed
21 “wet” signature for the January 21, 2015 EFD and January 27, 2015 EFD for the U.S.
22 Trustee’s review.

23
24 ¹ Turajski only belatedly attempts to comply with the Riverside Order and the Riverside
25 Stipulation in July of 2015, close to two years after the entry of the Riverside Order. Attached to
26 the Written Reply he filed in response to the Statement of Cause on July 27, 2015 are his
27 declaration and declarations of his paralegals that attempt to show their compliance with the
28 Riverside Stipulation. The declarations, however, come too late and they do not fully comply
with the Riverside Stipulation. For example, other than the self-serving statements in the
declaration, there’s no evidence to support the contention that Turajski’s paralegals took 2 hours
of MCLE ethics courses.

1 11. On February 11, 2015, Turajski produced the original executed January
2 27, 2015 EFD with Artiaga's "wet" signature but failed to produce the original executed
3 January 21, 2015 EFD.

4 12. Turajski never produced the original executed January 21, 2015 EFD with
5 Artiaga's "wet" signature to the U.S. Trustee.

6 13. It was alleged in the Motion to Strike and Motion to Disgorge and was
7 undisputed that Artiaga's signature on the January 21, 2015 EFD and January 27, 2015
8 EFD were identical; therefore, Chief Judge Bluebond found that Artiaga's signature on
9 the January 21, 2015 EFD and the January 27, 2015 EFD were identical.

10 14. It was alleged in the Motion to Strike and Motion to Disgorge and was
11 undisputed that the date on the January 27, 2015 EFD was manually altered; therefore,
12 Chief Judge Bluebond found that the date on the January 27, 2015 EFD was manually
13 altered.

14 15. On March 5, 2015, Artiaga, by and through Counsel, filed a Debtor's
15 Certification of Completion of Postpetition Instructional Course Concerning Personal
16 Financial Management ("Certificate"), in the Artiaga Case.

17 16. It was alleged in the Motion to Strike and Motion to Disgorge and
18 undisputed that Artiaga's signature on the Certificate was completely different from his
19 signatures on the January 21, 2015 EFD and the January 27, 2015 EFD; therefore, Chief
20 Judge Bluebond found that Artiaga's signature on the Certificate was different from his
21 signatures on the January 21, 2015 EFD and the January 27, 2015 EFD.

22 17. It was alleged in the Motion to Strike and Motion to Disgorge and was
23 undisputed that Artiaga's signature on the Certificate was forged by Turajski and/or his
24 staff; therefore, Chief Judge Bluebond found that Artiaga's signature on the Certificate
25 was forged by Turajski and/or his staff.

26 18. Turajski admitted at the hearing on the Motion to Strike and Motion to
27 Disgorge that his paralegal altered and/or re-used the January 27, 2015 EFD.
28

1 19. Turajski stated that he prepared the voluntary petition and bankruptcy
2 schedules in the Artiaga Case but his paralegal went over the bankruptcy schedules with
3 Artiaga.

4 20. In the Opposition to Motion to Strike, Turajski argued that he did nothing
5 wrong and showed no remorse for his actions.

6 Based on these factual findings, Chief Judge Bluebond concluded that Turajski violated
7 the Court's electronic filing procedures as detailed in Section 3.4(b) of the Court Manual and that
8 Turajski failed to properly supervise his staff to ensure that they complied with the Court Manual
9 and the electronic filing rules. On April 14, 2015, Chief Judge Bluebond entered findings of fact
10 and conclusions of law (Docket #1, Part 5, pp. 58-63) and an order (Docket #1, Part 5, pp. 55-57)
11 granting the Motion to Strike and Motion to Disgorge in the Artiaga Case, which required
12 Turajski to disgorge \$900 to Artiaga and to file a declaration with the court with the proof of
13 payment within 30 days of the entry of the order.

14 B. Referral to the Panel.

15 Because of Turajski's failure to comply with the Riverside Order and the terms of the
16 Riverside Stipulation, and his unrepentant, continuing and repeated violations of the Court's
17 electronic filing procedures as evidenced by his conduct in the Artiaga Case, Chief Judge
18 Bluebond initiated this attorney disciplinary proceeding against Turajski under the General Order
19 by filing the Statement of Cause with the Clerk of the Court in order for the Panel to consider
20 whether court wide discipline of Turajski is warranted.

21 In accordance with the procedure set forth in the General Order, the Clerk of the Court
22 designated a panel of 3 bankruptcy judges from this district to hear this disciplinary proceeding.
23 The Notice of Assignment of Hearing Panel (Docket #5) was served on Turajski on May 11,
24 2015. Pursuant to the General Order, Turajski had until the expiration of a period of 14 days
25 after service of the foregoing notice to move to recuse one or more of the judges assigned to the
26 Panel. No motion to recuse was filed.

27 On June 10, 2015, the court served the Amended Notice of Disciplinary Hearing (Docket
28 #9) on Turajski, and he was given notice of the attorney disciplinary hearing to be held before

1 the Panel on August 3, 2015 and also notifying Turajski that any statements or declarations must
2 be filed and served at least 7 days before the disciplinary hearing. The amended notice also
3 provided that the U.S. Trustee may appear but that the U.S. Trustee must serve a Notice of Intent
4 to Appear at least 14 days before the hearing.

5 In accordance with the Amended Notice of Disciplinary Hearing, on June 23, 2015, the
6 U.S. Trustee filed his Notice of Intent to Appear (Docket #10), and Turajski filed his Written
7 Reply on July 27, 2015 (Docket #11). The U.S. Trustee also filed and served the Notice of
8 Lodgment of Transcript of April 2, 2015 Court Hearing on July 28, 2015 (Docket #12).

9 **TURAJSKI'S WRITTEN REPLY**

10 As described above, Turajski acknowledged at the beginning of the Disciplinary Hearing
11 that he had no defenses to the allegations contained in the Statement of Cause and disavowed the
12 defenses that he raised in the Written Reply. Up until that point, however, Turajski had shown no
13 remorse and remained unrepentant about his numerous violations of the court's electronic filing
14 procedures as set forth in the Court Manual governing the use of EFD. For example, in response
15 (Docket #1, Part 2, pp. 75-100) to the Motion to Strike in the Artiaga Case, Turajski claimed that
16 recycling or altering EFDs was the equivalent of "amending" pleadings and that "[T]his is how
17 the e-file declarations is supposed to work." Turajski made similar arguments in response to the
18 Statement of Cause in his Written Reply.

19 Despite Turajski's belated contriteness and withdrawal of his defenses at the beginning of
20 the Disciplinary Hearing, the Panel is not convinced that Turajski is truly remorseful or that he
21 understands the gravity of the numerous violations of court's electronic filing procedures and
22 ethical violations that he committed.² In order to ensure that Turajski fully understands the
23 Panel's decision, each one of Turajski's arguments in the Written Reply, although they were
24 withdrawn at the Disciplinary Hearing, is addressed below.

25
26 ² The Panel believes that Turajski and his staff potentially committed numerous bankruptcy
27 crimes by forging his clients' signatures or reusing their signatures without the clients' explicit
28 consent. See 18 U.S.C. §§ 152(2) and (3) (knowingly and fraudulently making a false oath or
false declaration in or relating to a case under title 11); 18 U.S.C. § 1001 (making a false
statement to mislead the court); and 18 U.S.C. §1623(a) (false declaration before a court).

1 A. Recycling EDF is Not the Equivalent of an Amendment.

2 First, Turajski argues that recycling, altering or reusing an EDF is equivalent to an
3 amendment under Rule 1009(a) of the Federal Rules of Bankruptcy Procedure. Turajski's
4 argument is without merit. Although Rule 1009(a) does authorize a debtor to liberally amend a
5 petition, schedules or statement during a case, it does not authorize a debtor or a debtor's counsel
6 to forge or reuse signature pages. Each amended petition, schedule or statement must be signed
7 under penalty of perjury. Reuse or forgery of signature pages is not allowed by Rule 1009(a).

8 The correct authority governing the use and filing of EFD is Section 3.4 of the Court's
9 Manual. Specifically, Section 3.4(b)(1) of the Court Manual states, "[T]he debtor or other
10 represented party shall sign a true and correct hard copy of the document before the electronic
11 version of the same has been filed." Section 3.4(b)(2) of the Court Manual requires that all
12 electronically filed documents containing "/s/" for signatures must be accompanied by a scanned
13 copy of the EFD and that, under Section 3.4(b)(3), counsel for the debtor or other represented
14 party shall maintain the executed original EDF for a period of 5 years after the closing of the
15 case or adversary proceeding. Turajski, therefore, was required to have his client execute an EDF
16 each time a signature was required by a client and that he keep the original EDF with his client's
17 signature for a period of 5 years.

18 Here, Turajski admitted before Chief Judge Bluebond that his paralegal altered or reused
19 the January 27, 2015 EFD in the Artiaga Case and that, as a result, there is no original "wet"
20 signature page for that EFD. It appears that, based on the Riverside Stipulation filed in the Black
21 Case, Turajski and his staff have engaged in this conduct for many years in numerous cases.
22 Turajski clearly violated Section 3.4 of the Court Manual.

23 B. Turajski Was Not Authorized to Sign the EFDs on Behalf of His Clients.

24 Turajski next argues that his debtor clients gave him the power of attorney to execute the
25 EFDs on their behalf. Turajski, however, did not provide copies of any actual signed power of
26 attorney from his debtor clients. Instead, Turajski attached declarations of Sandra Alvarado and
27 Larry Artiaga to support his argument that he was authorized to execute the EFDs on their
28 behalf. Nothing can be further from the truth.

1 Mr. Artiaga's declaration attached to the Written Reply (Docket #11, p. 21) actually
2 states that he authorized Turajski or his paralegals to sign post-petition documents for him "and
3 so long as the document *did not require a signature under penalty of perjury.*" EFD requires a
4 debtor to execute it under penalty of jury and thus, even if this *ex post* declaration dated July 1,
5 2015 could suffice as a de facto power of attorney, it actually prohibits Turajski and his
6 paralegals from executing or recycling the EFD on behalf of Mr. Artiaga.

7 Ms. Alvarado's declaration (Docket #11, p. 18) is also unhelpful to Turajski. In her
8 declaration, Ms. Alvarado does not authorize Turajski or his paralegals to sign documents on her
9 behalf at all. In fact, the opposite is claimed. Ms. Alvarado states that she personally signed each
10 and every page that required her signature, including the original EFD filed with the voluntary
11 petition. There's no mention of a power of attorney or authorization to allow Turajski or his staff
12 to execute subsequent EFDs on her behalf.

13 C. Turajski's Claimed Disability.

14 Finally, Turajski argued that he should not be disciplined because he was disabled during
15 the time the EFD in the Artiaga Case was recycled and when the Certificate was recycled. The
16 only proof Turajski offers for his claimed disability is a letter dated July 12, 2015 from a
17 podiatrist (Docket #11, p.16) that purports to state that Turajski had a part of his toenail removed
18 to treat an in-grown toenail on his right foot. The letter is not authenticated by a declaration from
19 the podiatrist and, therefore, is not admissible evidence. The letter also appears very dubious.
20 There's no letterhead from the podiatrist on the letter, and it appears the letter was printed on a
21 blank sheet of paper. There are two places in the letter that also appear as if someone whited out
22 or wrote over what was actually written.

23 Even if the letter was properly authenticated and there was foundation for its admission,
24 the content does not support Turajski's claim that he was disabled for 90 days. The claim is not
25 credible. The letter indicates that Turajski had a very minor procedure using local anesthetic for
26 which he was prescribed antibiotics but not pain killers. It's hard to imagine how such a minor
27 procedure could have incapacitated Turajski for 90 days. In any event, although Mr. Turajski
28

1 claims that disciplining him would violate "California's anti-discrimination laws", he does not
2 cite to any statute or case law to support his claim of disability.

3 DECISION

4 The Panel adopts the detailed factual findings made by Chief Judge Bluebond in the
5 Artiaga Case, which are undisputed by Turajski. The findings of fact are repeated above and can
6 also be found in the attachments to the Statement of Case (Docket #1, Part 5, pp. 58-63). There's
7 abundant evidence to support adopting Chief Judge Bluebond's recommendation to terminate
8 Turajski's electronic filing privileges and suspend him from the practice of law before the court
9 for a period of 2 years. Turajski has altered, recycled or reused EFDs in at least 6 different cases
10 over the span of many years in violation of the court's electronic filing procedures as set forth in
11 3.4 of the Court Manual, Turajski or his staff appears to have forged the Certificate in the
12 Artiaga Case, and Turajski failed to perform under the Riverside Order and the Riverside
13 Stipulation. In deciding to suspend Turajski for 2 years instead of 1 year as recommend by the
14 U.S. Trustee and Turajski, the Panel took into consideration Turajski's own statement that only
15 30 percent of his legal practice is bankruptcy law. Turajski will not be completely deprived of his
16 profession or ability to work since a great majority of his legal practice is outside of the
17 bankruptcy court.

18 Based on the Statement of Case, the findings contained in the Memorandum Decision,
19 the U.S. Trustee's Notice of Lodgment of Transcript, and Turajski's withdrawal of his defenses
20 at the Disciplinary Hearing, the Panel concludes that David Turajski be suspended for 2 years
21 from practicing before the United States Bankruptcy Court for the Central District of California,
22 including the termination of his electronic filing privileges. Upon the expiration of such
23 suspension, Turajski may apply for reinstatement to practice before the court as set forth in the
24 General Order.

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Dated: 9/4/2015



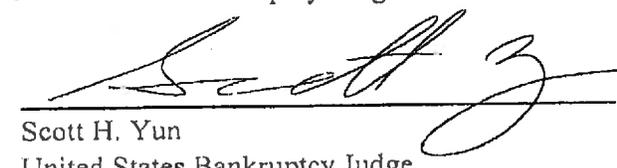
Thomas B. Donovan
United States Bankruptcy Judge

Dated: 9/4/2015



Peter H. Carroll
United States Bankruptcy Judge

Dated: 9/4/2015



Scott H. Yun
United States Bankruptcy Judge

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CERTIFICATE OF MAILING

I HEREBY CERTIFY that a copy of the MEMORANDUM attached hereto was served either by Notice of Electronic Filing ("NEF") or by overnight mail, as indicated below, to the following parties on September 4, 2015.

Federal Express (overnight mail)

David Turajski
Attorney at Law
4541 Cambury Drive
La Palma, CA 90623

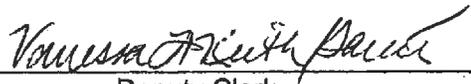
NEF (electronic service)

United States Trustee (LA) – ustpreion16.la.ecf@usdoj.gov

Ron Maroko – ron.maroko@usdoj.gov

Hatty Yip – hatty.yip@usdoj.gov

Kathleen Campbell, Clerk of Court
US BANKRUPTCY COURT

By: 
Deputy Clerk