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FILED
JUN 27 2012
CLERK U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
BY: Deputy Clerk

ENTERED
JUN 27 2012
CLERK U.S. BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
BY: Deputy Clerk

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA**

In re

THE DISCIPLINARY PROCEEDING OF
BRUCE M. GREENFIELD.

Case No. 2:11-mp-00179-TD

**MEMORANDUM AND ORDER re
DISCIPLINARY PROCEEDING OF
BRUCE M. GREENFIELD**

Date: March 19, 2012
Time: 10:00 a.m.
Place: Courtroom 1339
Roybal Federal Building
255 East Temple Street
Los Angeles, CA

INTRODUCTION

On March 19, 2012, a disciplinary hearing was held pursuant to our Fourth Amended General Order 96-05 (General Order) before Judges Erithe Smith, Sandra R. Klein, and Presiding Judge Thomas B. Donovan (the Panel). The issue before the Panel was whether disciplinary sanctions should be imposed on attorney Bruce M. Greenfield, California State Bar No. 80122 (Greenfield). The U.S. Trustee appeared at the hearing through Jennifer L. Braun, Esq., Assistant U.S. Trustee, and Katherine C. Bunker, Esq., Attorney for the U.S. Trustee. Greenfield did not file a brief or submit any responsive

1 evidence, and did not appear at the hearing, even though he had requested and was
2 granted three prior continuances of the hearing date.

3 The matter came before the Panel based on:

- 4 1. The August 29, 2011, referral of Judge Victoria S. Kaufman;
- 5 2. Additional information filed on February 16, 2012, by Judge Geraldine Mund,
6 pursuant to the General Order;
- 7 3. Additional information filed on February 29, 2012, by Judge Alan M. Ahart,
8 pursuant to the General Order; and
- 9 4. The Supplemental Response filed by the Office of the U.S. Trustee on September
10 29, 2011.

11 Judge Kaufman recommended that Greenfield be precluded from representing
12 debtors in chapter 11 bankruptcy cases. Judge Mund concluded, in her referral, that
13 Greenfield was involved in a "massive abuse of the bankruptcy system, which would be
14 inexcusable by a lay person" that she believed was "actionable as to an attorney who has
15 represented clients in bankruptcy for at least ten years." Judge Ahart cited misconduct
16 by Greenfield in three adversary proceedings, including sanction orders issued against
17 Greenfield. Three of Judge Ahart's orders were appealed and were affirmed by the
18 Bankruptcy Appellate Panel for the Ninth Circuit. Judge Ahart also cited the fact that
19 Greenfield filed a Notice of Removal to the Bankruptcy Court of State Bar Proceedings
20 pending against Greenfield. Shortly thereafter, Judge Ahart remanded the State Bar
21 proceedings on equitable grounds to the State Bar Court for the State Bar of California.
22

23 The U.S. Trustee filed a Notice of Appearance and a Supplemental Response.

24 The U.S. Trustee recommended:

- 25 1. That Greenfield be suspended from the practice of law before this court; and

1 2. That Greenfield be required to comply with and demonstrate proof of his
2 compliance with any and all outstanding sanctions and disgorgement orders
3 before consideration by the court of any request by Greenfield for
4 reinstatement of his right to practice before this court, in accordance with the
5 terms and requirements of the General Order.
6

7
8 **FINDINGS OF FACT**

9 **A. NONCOMPLIANCE WITH COURT ORDERS/SANCTIONS**

10 As explained in detail below, Greenfield has a long history of not complying with
11 orders of this court, being sanctioned, and then failing to pay the sanctions.

12 **1. Harassment, Fed. R. Bankr. Proc. 9011 Sanctions, and Sanctions for**
13 **Frivolous Appeal in In re Ghidei**

14 a. Harassment of C. Casey White and Yvonne M. Renfrew

15 In The Alvarez Family Trust v. Michael Ghidei, Bruce Greenfield, Law Offices of
16 Bruce Greenfield (In re Ghidei), LA 04-ap-02187-AA,¹ Greenfield harassed another
17 attorney, C. Casey White, and her agent, Yvonne M. Renfrew, by faxing them thousands
18 of pages of documents. As a result of this conduct, Judge Ahart issued the following
19 orders:
20

- 21 1. A July 29, 2004, Temporary Restraining Order (TRO) against Greenfield
22 (Docket #9);
23 2. An August 4, 2004, Preliminary Injunction against Greenfield for the same
24 conduct as the TRO (Docket #14);
25

26
27 ¹ Citations herein to bankruptcy cases and adversary proceedings are to the dockets in such matters.
28

- 1 3. Three separate Orders to Show Cause re: Contempt, issued on August 19,
2 2004, August 19, 2004, and August 31, 2004. (Docket # 18, regarding 481
3 pages; Docket # 19, regarding 455 pages; and Docket #21 regarding 1,117
4 pages);
- 5 4. Three separate Orders Awarding Sanctions re: Contempt issued on
6 September 28, 2004 (Sanction Orders), (Docket #25, awarding C. Casey
7 White \$455 in sanctions; Docket #26, awarding C. Casey White \$1,561.11
8 in sanctions and Yvonne M. Renfrew \$1,117 in sanctions; and Docket #27,
9 awarding C. Casey White \$158 in sanctions and Yvonne M. Renfrew \$481
10 in sanctions);
- 12 5. Findings of Facts and Conclusions of Law (Docket #39) in which Judge
13 Ahart found that “[f]rom April 1, 2004 to and including October 24, 2004,
14 [Greenfield] willfully and maliciously sent the thousands of pages of
15 documents by facsimile to [C. Casey White] and her agent Yvonne Renfrew
16 for the sole purpose of harassing them, disrupting their businesses and
17 causing them injury.” (Id. at 4).

19 On November 12, 2004, as a result of Greenfield’s conduct, Judge Ahart issued a
20 Permanent Injunction against Greenfield which permanently enjoined him and “his
21 attorneys, agents, employees, and servants, and each of them, from sending or
22 transmitting any documents by facsimile to C. Casey White, her attorneys, agents,
23 employees and servants, including, but not limited to, Yvonne M. Renfrew as her agent
24 for service.” (Docket #40).

26 Greenfield appealed the Sanction Orders, and on July 8, 2005 the Bankruptcy
27 Appellate Panel for the Ninth Circuit (BAP) affirmed those Orders (BAP Opinion).

28

1 (Docket #47). The BAP Opinion contains the following detailed summary of Greenfield's
2 conduct:

3 Bruce Greenfield was counsel for the debtor [Michael Ghidei] and C. Casey
4 White was counsel for a creditor in this bankruptcy case. Beginning in April 2004,
5 Greenfield began sending hundreds of facsimiles to White relating to the
6 bankruptcy case. The facsimiles included numerous copies of the same
7 document. For example, Greenfield sent the same document, a one-page letter,
8 to White via facsimile 71 times.

9 On July 22, 2004, White filed a complaint against Greenfield, alleging that
10 he had sent her 2,769 pages of facsimiles between April 1, 2004 and July 19,
11 2004, and seeking a preliminary and permanent injunction against Greenfield and
12 his agents from sending any facsimiles to White.

13 When White enlisted the help of another attorney, Yvonne Renfrow [sic] to
14 serve certain documents relating to the litigation, Greenfield began sending
15 multiple copies of documents by facsimile to Renfrow.

16 White sought an ex-parte temporary restraining order (TRO). On July 29,
17 2004, the bankruptcy court entered the TRO, which prohibited Greenfield from
18 sending or transmitting any documents by facsimile to either White or Renfrow.
19 The court set the hearing on the motion for preliminary injunction for August 4,
20 2004.

21 Greenfield continued to send multiple copies of documents to counsel via
22 facsimile. He filed an opposition to the motion for preliminary injunction, in which
23 he argued only that White could change her facsimile number if she wanted to
24 avoid receiving facsimile transmissions from him.

25 The court held the hearing on the motion for preliminary injunction on
26 August 4, 2004, and Greenfield did not appear. The court entered the preliminary
27 injunction, enjoining Greenfield or his agents from sending documents by facsimile
28 to either White or Renfrow.

When Greenfield continued to send multiple copies of documents via
facsimile to both counsel despite the preliminary injunction, White applied for and
the court issued three different orders to show cause why Greenfield should not be
held in contempt for violating the TRO and preliminary injunction.

Greenfield filed an opposition to the orders to show cause, arguing that the
court lacked jurisdiction, because Greenfield was not served with the summons
and complaint before entry of the TRO or before the August 4 hearing on the
preliminary injunction.

Greenfield did not appear at the hearing on the orders to show cause. The
court found that Greenfield had willfully violated the TRO and preliminary

1 injunction, and awarded sanctions of \$1.00 per facsimile page for a total of
2 \$3,772.00.

3 (Id. at 2-3).

4 The BAP Opinion affirmed the bankruptcy court's sanction orders and concluded
5 that "[t]he bankruptcy court did not abuse its discretion in awarding sanctions for
6 Greenfield's violation of the TRO and preliminary injunction." (Id. at 8).

7 **b. Failure to Pay Fed. R. Bankr. Proc. 9011 Sanctions**

8 On August 25, 2004, Judge Ahart awarded The Alvarez Family Trust \$9,200.19 in
9 Fed. R. Bankr. Proc. 9011 sanctions against the debtor Michael Ghidei, and his counsel,
10 Greenfield, jointly and severally. (Docket # 124 (Order on Rule 9011 Sanctions Motion);
11 Docket # 125 (Judgment on Rule 9011 Sanctions Motion)).

12 There is no evidence in the record demonstrating that Greenfield paid any of the
13 sanctions that were imposed by Judge Ahart in this case.

14 **c. Sanctions for Frivolous Appeal**

15 In Greenfield v. White (In re Ghidei), BAP No. CC-04-1510-PMoN, on July 8, 2005,
16 the BAP issued an "Order re Sanctions for Frivolous Appeal" (Sanctions Order) (Docket
17 #33) concluding that "[t]his appeal is frivolous. Appellant filed a one-page brief, raising
18 only issues that he failed to timely raise before the bankruptcy court. The personal
19 jurisdiction argument is without merit, and the reasonableness of the amount of the
20 sanction imposed by the bankruptcy court is a factual issue that appellant was required
21 but failed to raise to the bankruptcy court." The court further ordered the appellee to file a
22 statement of fees and costs incurred in defending the appeal. (Id. at 3). On August 12,
23 2005, the BAP sanctioned Greenfield \$658.88, which represented double the amount that
24 the appellee spent defending the appeal. (Docket # 37).
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There is no evidence in the record demonstrating that this sanction was ever paid.

1 **2. Sanctions for Filing Multiple Bankruptcy Cases and Removing Many Cases**
2 **from State Court**

3 In In re High Speed Music, Inc., SV 06-bk-11676-MT, on December 11, 2007, the
4 court entered a "Memorandum of Decision and Order re: Order to Show Cause (1) Why
5 Sanctions Should not be Imposed on Movants/Defendants High Speed Music, Inc.; Better
6 Bandwidth, Inc.; Database Storage and Design, Inc.; and Counsel Bruce M. Greenfield;
7 and (2) Why Bruce M. Greenfield Should not be Referred to the State Bar Disciplinary
8 Panel" (Order). (Docket #26). In the Order the court found that "Greenfield's conduct in
9 filing multiple bankruptcies and numerous removals in the Central District constituted
10 improper conduct to harass, cause unnecessary delay, and to increase the costs of
11 litigation pursuant to F.R.B.P. Rule 9011(b)(1)." (Id. at 13). The court also found
12 Greenfield's conduct to be "egregious because he filed multiple bankruptcies and
13 removals in different forums in an attempt to delay and impede the Superior Court action
14" (Id.). The Order imposed sanctions "jointly and severally in the amount of
15 \$67,901.02" and stated that the "court will refer Greenfield to the state bar disciplinary
16 committee for any further disciplinary actions." (Id. at 20).
17
18

19 There is no evidence in the record demonstrating that this sanction was ever paid.

20 **3. Improper Taking of Postpetition Retainer Without Court Approval and Failure**
21 **to Have a Written Fee Agreement**

22 In In re Double R. Real Estate Associates, SV 09-bk-16505-GM, on September
23 24, 2009, Judge Geraldine Mund entered an "Order Denying Bruce Greenfield's
24 Application to be Employed as Chapter 11 Bankruptcy Counsel." (Docket #32). The
25 denial of Greenfield's application to be employed as chapter 11 bankruptcy counsel was
26 based on the reasons stated on the record and in the court's written tentative ruling
27
28

1 (Disciplinary Case No. 11-mp-00179 TD, Docket No. 5-2 filed September 29, 2011, Ex. 3,
2 pp. 20-12),² paraphrased by the Panel as follows:

3 On July 7, 2009, Greenfield received a \$7,000 postpetition retainer from the
4 debtor. There was no agreement between the debtor and Greenfield concerning
5 Greenfield's hourly rate. On June 23 and June 30, 2009, he received a \$500 check from
6 the principal of the debtor. Apparently, Greenfield requested to be paid \$250 per hour,
7 but the debtor did not agree to this. Greenfield requested that the court set the hourly
8 rate and clarify the scope of his employment.
9

10 The court determined that Greenfield's taking a postpetition retainer without court
11 approval and failing to have a written retainer agreement with the client prior to providing
12 services violated California Business and Professions Code § 6148 and that not having
13 an agreement as to the billing terms raised serious issues of Greenfield's competency to
14 handle the case.
15

16 If the debtor had any hope of a successful reorganization, it had to deal with its
17 secured creditor (who was owed some \$8 million on a \$2.5 million asset) and/or use the
18 sophisticated tools available to a chapter 11 debtor. Greenfield did not demonstrate the
19 ability to carry out those duties on behalf of his client.
20

21 Judge Mund denied Greenfield's employment motion. She also ordered
22 Greenfield to return the \$7,000 retainer to the debtor and file a declaration confirming that
23 he had done so.
24
25
26

27 ² Citations to Disciplinary Case No. 11-mp-00179 are to the docket in the Greenfield disciplinary
28 proceeding.

1 A review of the docket in this case reflects that Greenfield did not file a declaration
2 stating that he complied with this order. Further, there is no evidence in the record that
3 Greenfield returned the \$7,000 to the debtor as ordered.

4 **4. Failure to Disgorge Compensation**

5 In In re Shahverdi, SV 08-bk-20205-MT, on March 3, 2010, the Honorable
6 Maureen A. Tighe entered an "Order Requiring Bruce M. Greenfield to Disgorge
7 Compensation Pursuant to 11 U.S.C. § 329" ordering Greenfield to disgorge
8 compensation in the amount of \$2,500 to the debtor, Mehran Shahverdi, within 14 days
9 of the entry of the order and to file with the court a declaration evidencing compliance
10 with the order. (Docket #116).

11
12 A review of the docket in this case demonstrates that Greenfield did not file a
13 declaration stating whether he had complied with the order. Further, there is no evidence
14 in the record demonstrating that Greenfield ever disgorged the \$2,500.

15
16 **5. Sanctions for Failure to Comply with General Order and Local Bankruptcy
17 Rule**

18 On December 20, 2011, Chief Judge Peter H. Carroll issued an "Order to Show
19 Cause Why Sanctions Should not be Imposed Against Bruce M. Greenfield, State Bar
20 No. 80122, for Failing to Comply with General Order 06-03 and Local Bankruptcy Rule
21 5005-4, Including: 1) \$50.00 Per Document Filed Non-Electronically After January 3,
22 2011; 2) Being Barred from Practice in the Central District of California; and 3) Being
23 Referred to the State Bar of California for Possible Further Investigation and Discipline,"
24 in case number MI 11-mp-00196-PC (OSC).³ (Docket #1). The OSC ordered Greenfield
25

26
27 ³ As stated in detail in the OSC, paragraph 3 of General Order 06-03 provides that:
28

1 to personally appear on January 18, 2012, and required him to file, by January 11, 2012,
2 a response stating the reasons why he had not complied with General Order 06-03 and
3 Local Bankruptcy Rule 5005-4. (Id.).

4 Greenfield neither filed a response nor appeared at the OSC hearing. On January
5 19, 2012, the Court entered an "Order on Order to Show Cause Why Sanctions Should
6 not be Imposed Against Bruce M Greenfield" (Order on OSC). (Docket #3). The Order on
7 OSC suspended Greenfield from practicing before the United States Bankruptcy Court for
8 the Central District of California pending: "1) the issuance to Greenfield of a live ECF log-
9 in and password in compliance with LBR 5005-4; and 2) payment of the sum of
10 \$1,000.00 in sanctions to the clerk of the court in compensation for violation of LBR 5005-
11 4." (Id.) The Order on OSC also required Greenfield to "file an ex parte application for
12 reinstatement, supported by a declaration establishing compliance with the terms of this
13 order, to terminate this suspension and to resume practicing before the United States
14 Bankruptcy Court for the Central District of California." (Id.).

15 On February 13, 2012, Greenfield filed a "Motion for 'Reconsideration' of Order re:
16 Suspension Issued Upon Default (Without Actual Notice); And Supporting 'Declaration' of
17 Respondent (Bruce M. Greenfield)" (Reconsideration Motion). (Docket #4). Greenfield

21 All attorneys and trustees practicing in the United States Bankruptcy Court for the Central District of
22 California will be required to file all documents electronically using the CM/ECF system

23 Further, Public Notice 07-003 notified attorneys of the electronic filing requirement and that non-compliance
could result in sanctions. Pursuant to Public Notice 07-033:

24 Effective April 1, 2007, attorneys who manually file documents capable of being filed electronically
25 in five or more bankruptcy cases and/or adversary proceedings in a single calendar year must []
26 use CM/ECF, the Court's electronic case filing system (see General Order 06-03). The Court will
monitor compliance with this requirement. Failure to comply with the electronic filing requirement
may result in an Order to Show Cause why sanctions or other consequences should not be
imposed.

27 On January 5, 2009, Local Bankruptcy Rule LBR 5005-4 became effective. LBR 5005-4 incorporates the
28 requirements of General Order 06-03 regarding the mandatory electronic filing requirement.

1 requested reconsideration of the Order on OSC claiming that "neither Order dated
2 1/19/12 nor 'OSC' were received by the Respondent; and thus, he had no notice of OSC
3 – as it was mailed to different suite – than the documents filed by respondent." (Id. at 1,
4 emphasis in original). In his declaration, Greenfield alleged that his office address is 520
5 S. Sepulveda Blvd., Suite 404, Los Angeles, CA 90049-0077. (Id. at 2). According to
6 Greenfield, he did not receive the OSC and the Order on OSC because they were mailed
7 to "Suite 405 [not 404] as set forth in all the documents filed." (Id.). Greenfield further
8 claimed that he was exempt from the ECF filing requirement because he filed as
9 "attorney of record less than 5 cases during calendar year 2011." (Id., emphasis in
10 original).
11

12 On February 14, 2012, the court issued an "Order Denying Motion for
13 Reconsideration." (Docket #5). On February 16, 2012, Greenfield filed a second "Motion
14 for 'Reconsideration' of (OSC re: Suspension and Sanctions)" (Second Reconsideration
15 Motion). (Docket #7). The Second Reconsideration Motion was exactly the same as the
16 Reconsideration Motion filed on February 13, 2012, except that the dates on the
17 signature lines were different and the declaration was executed in Thousand Oaks rather
18 than in Los Angeles.
19

20 On February 17, 2012, the court set a hearing on March 6, 2012, at 9:30 a.m.,
21 regarding Greenfield's Second Reconsideration Motion. (Docket #8). Greenfield did not
22 appear at the March 6, 2012 hearing, either in person or through an attorney. During the
23 hearing, the court determined that the OSC and Order on OSC had been properly served
24 on Greenfield's address of record with the court and the State Bar and that he was
25 attorney of record in five cases filed in 2011, exclusive of his own individual bankruptcy
26 case.
27
28

1 In an "Order Denying Motion for 'Reconsideration' of Order re: Suspension Issued
2 Upon Default (Without Actual Notice)" the court stated "[h]aving considered the Motion
3 and evidentiary record, and based upon findings of fact and conclusions of law stated
4 orally and recorded in open court pursuant to F.R. Civ. P. 52(a), as incorporated into
5 FRBP 7052 and applied to contested matters by FRBP 9014(c) it is ORDERED that
6 Greenfield's Motion is denied." (Docket #9).
7

8 There is no evidence demonstrating that Greenfield obtained a live ECF log-in and
9 password, paid the \$1,000 fine, or filed an ex parte application for reinstatement to
10 practice before the United States Bankruptcy Court for the Central District of California.

11 **6. Sanctions for Violation of Suspension Order**

12 In direct contravention of the January 19, 2012 Order on OSC, on January 25,
13 2012, Greenfield filed a document in In re Ghasseminejad, SV 11-bk-12173-VK, entitled
14 "Opposition to OSC re: Dismissal." (Docket # 31). As a consequence, on March 12,
15 2012, the court in the Ghasseminejad case entered its "Order Imposing Sanctions For
16 Filing Document After Being Prohibited From Doing So." (Docket #49). Greenfield was
17 ordered to pay sanctions in the amount of \$300.00 within 30 days of entry of the Order.
18 (Id.). On May 11, 2012, the Clerk of Court filed a Notice of Delinquent Sanctions
19 notifying Greenfield of the outstanding sanctions. (Docket #66). The docket does not
20 reflect that the sanctions have ever been paid.
21

22 **B. ABUSE OF PROCESS**

23 **1. Repeatedly Filing Notices/Motions of Conversion**

24 Greenfield repeatedly filed notices of conversion in the following cases, often
25 without allowing the court an opportunity to rule on a notice before filing additional notices
26 and without actually filing any Motion for Conversion:
27
28

1 a. In re 21st Century Properties, Inc., SV 09-bk-27480-GM

2 On December 28, 2009, Greenfield filed a chapter 11 case for 21st
3 Century Properties, Inc., In re 21st Century Properties, Inc., SV 09-bk-27480-GM. He
4 signed the petition both as attorney for debtor and as its CEO/President. On February 2,
5 2010, the U.S. Trustee moved to dismiss or convert the case on the grounds that debtor
6 had failed to file required documents and to pay quarterly fees. (Docket #10). The U.S.
7 Trustee further objected that Greenfield could not be employed as debtor's counsel as he
8 could not satisfy the disinterestedness standard under 11 U.S.C. §327(a). On February
9 3, 2010, Greenfield filed a motion to convert the case to chapter 7. (Docket #12). An
10 order converting the case was entered on February 9, 2010. (Docket #15).

11
12 On June 8, 2010, Greenfield filed a motion to reconvert the case to
13 chapter 11 ("Reconversion Motion") and noticed a hearing date regarding the same more
14 than three months out, i.e., for September 15, 2010. (Docket #19).

15
16 On August 24, 2010, Greenfield filed a notice of continuance of the
17 September 15, 2010 hearing to October 19, 2010, stating that debtor's only creditor,
18 Chase/Washington Mutual (Chase), had not been properly served with the Reconversion
19 Motion. (Docket #20). Six days later, on August 31, 2010, a second notice of
20 continuance was filed requesting that the Reconversion Motion be continued to
21 November 16, 2010. (Docket #22). The reason stated for the second notice was that
22 debtor wished to postpone reconversion until it had received a response from its
23 insurance carrier regarding a pending insurance claim.

24
25 A hearing on the Reconversion Motion was held on September 15, 2010.
26
27
28

1 Despite reservations about the necessity for the multiple notices of continuance⁴, the
2 court continued the matter to November 16, 2010.

3 On September 16, 2010, one day after the first scheduled hearing,
4 Greenfield filed a third notice of continuance, this time seeking to postpone the hearing to
5 December 14, 2010 on the ground that Chase had, once again, not been properly
6 served. (Docket #23). Approximately two weeks later, on October 1, 2010, a fourth
7 notice was filed to continue the hearing to January 18, 2011. (Docket #25).
8

9 Despite the third and fourth notices, the court heard the Reconversion
10 Motion on November 16, 2010. No appearance was made on behalf of debtor and the
11 motion was denied. An order denying the motion was entered on November 19, 2010.
12 (Docket #26). Undeterred by the court's denial of the motion, Greenfield filed a
13 withdrawal of the Reconversion Motion on December 16, 2010. (Docket #29).
14

15 On January 27, 2011, Greenfield filed a second motion to convert the case
16 to chapter 11 (Second Reconversion Motion) and noticed a hearing for March 15, 2011.
17 (Docket #37). By this time, he had resigned as CEO and president of debtor in an
18 attempt to meet the disinterestedness requirement.⁵ (Docket #38).

19 On March 14, 2011, Greenfield filed a request for a 30-day continuance of
20 the March 15, 2011 hearing due a scheduling conflict. (Docket #39).
21

22 _____
23 ⁴ In its tentative ruling for the September 15, 2010 hearing, the court noted in reference to the multiple
24 requests for continuance that "[i]t appears that a lot of time is being wasted for no apparent reason." U.S.
Trustee's Supplemental Response at 98.

25 ⁵ The attempt was unsuccessful as the term "disinterested person" is defined in 11 U.S.C. §101(14)(B) as a
26 person that "is not and was not, within 2 years before the date of the filing of the petition, a director, officer,
27 or employee of the debtor." Greenfield's postpetition resignation could not erase his status as an officer of
28 debtor within the 2-year period preceding the filing.

1 The matter came on for hearing on March 15, 2011, at which time the
2 court continued the hearing to April 12, 2011, but expressed concern in its tentative ruling
3 about Greenfield's eligibility and competence to serve as debtor's counsel. U.S. Trustee's
4 Supplemental Response at 127-28. Two days later, Greenfield withdrew the Second
5 Reconversion Motion. (Docket #40).
6

7 On April 25, 2011, Greenfield filed a notice regarding a third motion to reconvert
8 the case with a hearing date of July 25, 2011. (Docket #44). The court's docket does not
9 reflect that a third motion was ever filed.

10 b. In re Leonard Greenfield & Associates, CPA, a Professional Corp., SV 11-
11 bk-13241-VK

12 A chapter 7 case, In re Leonard Greenfield & Associates, CPA, a Professional
13 Corp., SV11-bk-13241-VK, was filed on March 16, 2011. (Docket #1).⁶ On April 7, 2011,
14 debtor filed a two-page "Notice of Intent re: Conversion (From - Chapter 7) - to Chapter
15 11." (Docket #6). No Motion for Conversion was attached to the Notice or was ever filed
16 with the court. On April 18, 2011, Debtor filed a "Notice of Motion for Motion Conversion
17 from Chapter 7 to Chapter 11 case." (Docket #7). No Motion for Conversion was
18 attached to the Notice or was ever filed with the court. On April 25, 2011, debtor filed
19 another Notice of Motion for Motion Conversion from Chapter 7 to Chapter 11 case.
20 (Docket #9). No Motion for Conversion was attached to the Notice or ever filed with the
21 court.
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26 _____
27 ⁶ The petition stated that the debtor was not represented by an attorney. (Docket #1). However, the same
28 day that the petition was filed, a substitution of attorney was also filed in which Greenfield substituted in as
counsel for the present counsel, who was listed as "Debtor ('pro se')." (Docket #4).

1 On June 27, 2011, the court dismissed the case and ordered that "the debtor is
2 prohibited from filing another bankruptcy petition under any chapter of the Bankruptcy
3 Code for a period of 180 days from the date of the entry of this Order." (Docket # 24).

4 c. In re Bruce Greenfield, Attorney at Law, a Professional Law Corp., SV 11-
5 bk-13576-GM

6 Another chapter 7 case, In re Bruce Greenfield, Attorney at Law, a Professional
7 Law Corp., SV 11-bk-13576-GM was filed on March 23, 2011. (Docket #1).

8 Approximately one week later, on April 1, 2011, debtor filed a "Notice of Intent re:
9 Conversion (from - Chapter 7) - to Chapter 11." (Docket # 8). No Motion for Conversion
10 was attached to the Notice or was ever filed with the court. On April 18, 2011, debtor
11 filed a "Notice of Motion for Motion for Conversion from Chapter 7 to Chapter 11."
12 (Docket #11). No Motion for Conversion was attached to the Notice or was ever filed with
13 the court. On April 25, 2011, debtor filed another "Notice of Motion for Motion for
14 Conversion from Chapter 7 to Chapter 11." (Docket #12). No Motion for Conversion was
15 attached to the Notice or was ever filed with the court. On May 16, 2011, the court
16 entered an "Order and Notice of Dismissal for Failure to Appear at 341(a) Meeting of
17 Creditors." (Docket #15).

18 d. In re Bruce Greenfield, Attorney at Law, a Professional Law Corp., SV 11-
19 bk-16108-GM

20 Another chapter 7 case, In re Bruce Greenfield, Attorney at Law, a Professional
21 Law Corp., SV 11-bk-16108-GM was filed on May 17, 2011. On May 24, 2011,
22 Greenfield filed a "Notice of Intent re: Conversion (from - Chapter 7) - to Chapter 11."
23 (Docket # 8). No Motion for Conversion was attached to the Notice or was ever filed with
24 the court. On June 2, 2011, debtor filed a "Notice of Motion for Motion for Conversion
25 from Chapter 7 to Chapter 11." (Docket #9). Attached to the June 2, 2011 filing was a
26
27
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1 copy of Greenfield's May 24, 2011 "Notice of Intent re: Conversion (from - Chapter 7) - to
2 Chapter 11." No Motion for Conversion was attached to the Notice or was ever filed with
3 the court.

4 On September 28, 2011, the court entered an "Order and Notice of Dismissal for
5 Failure to Appear at 341(a) Meeting of Creditors." (Docket #19).

6 e. In re Bruce Greenfield, SV11-bk-18805-AA

7 On July 22, 2011, Greenfield filed a personal chapter 13 bankruptcy case In re
8 Bruce Greenfield, SV11-bk-18805-AA. (Docket #1). The case was originally assigned to
9 Judge Geraldine Mund and was reassigned to Judge Alan M. Ahart on September 9,
10 2011. On October 3, 2011, Greenfield filed a "Notice of Intent re: Conversion (from
11 Chapter 13 - to Chapter 11)." (Docket # 19). No Motion for Conversion was attached to
12 the Notice. On November 1, 2011, Greenfield filed a "Notice of Motion for Motion for
13 Conversion from Chapter 13 to Chapter 11." (Docket #29). No Motion for Conversion
14 was attached to the Notice or was ever filed with the court.

15 On November 4, 2011, Greenfield filed a "Notice of Motion for 'Amended' Notice of
16 Motion for Motion for Conversion - from Chapter 13 to Chapter 11." (Docket #32). No
17 Motion for Conversion was attached to the Notice or was ever filed with the court. On
18 December 5, 2011, Greenfield filed a "Notice of Debtor's Motion to Convert Case Under
19 11 U.S.C. § 706(a)" (Docket # 48) and "Debtor's Request to Convert Chapter 13 Case to
20 One Under Chapter 7 Pursuant to 11 U.S.C. § 1307(a)." (Docket #50). On that same
21 day, the case was converted from a chapter 13 to a chapter 7. (Docket #51).

22 On December 13, 2011, Greenfield filed a "Notice of Motion for 'Amended' -
23 Notice of Motion for Conversion - (From Chapter 7 to Chapter 11)." (Docket #60). No
24 Motion for Conversion was attached to the Notice or was ever filed with the court. On
25

1 January 12, 2012, the court held a hearing on Greenfield's Motion to convert the case
2 from Chapter 13 to Chapter 11. (Docket #32). The court's tentative ruling was to deny
3 the motion because the case was a chapter 7 and because there was no evidence
4 submitted in support of the motion. The tentative ruling indicated that no appearances
5 were required and no one appeared at the hearing. The court adopted its tentative ruling.
6 (Docket #92).
7

8 On January 17, 2012, Greenfield filed a "Notice of Motion for Notice of Motion for
9 Conversion – (from Chapter 7 to Chapter 11)." (Docket #79). No Motion for Conversion
10 was attached to the Notice or was ever filed with the court.

11 On February 2, 2012, Greenfield filed a "Notice of Motion for: Notice of Motion for
12 Conversion - (From Chapter 7 to Chapter 13)." (Docket #90). On February 14, 2012,
13 Greenfield filed a "Notice of Motion for Notice of Motion for Conversion - (From Chapter 7
14 to Chapter 13)." (Docket #94). No Motion for Conversion was attached to the Notice or
15 was ever filed with the court.
16

17 On February 24, 2012, Judge Ahart set a March 7, 2012 hearing on Greenfield's
18 "Notice of Motion for Notice of Motion for Conversion – (From Chapter 7 to Chapter 11)",
19 which was filed on January 17, 2012. (Docket #112). During the March 7, 2012 hearing
20 Judge Ahart denied Greenfield's Motion to Convert on the basis that there was no
21 evidence or legal basis to support the motion and because Greenfield was not eligible
22 because he had not obtained postpetition credit counseling.
23

24 On March 7, 2012, Greenfield filed a "Request for Reconsideration: of Denial of
25 Debtor's Eligibility re: Motion to Convert to Chapter 13." (Docket #121). On April 6,
26 2012, Judge Ahart entered an order denying this request for reconsideration. (Docket
27 #170).
28

1 **C. ABANDONMENT OF A CLIENT**

2 **1. In re Mehran Shahverdi, SV 08-bk-20205-MT**

3 On March 4, 2010, in In re Mehran Shahverdi, SV 08-bk-20205-MT, Judge
4 Maureen Tighe entered "Findings of Fact and Conclusions of Law on the United States
5 Trustee's Motion for and Order Disgorging Attorney Compensation Pursuant to 11 U.S.C.
6 § 329 and/or Sanctioning Counsel Pursuant to 11 U.S.C. § 105 and the Court's Inherent
7 Powers" (March 4, 2010 Findings). (Docket #118).
8

9 As paraphrased by the Panel, relevant details of Judge Tighe's March 4, 2010
10 Findings are as follows.

11 On December 13, 2008, Shahverdi met with Greenfield because he sought
12 representation in an arbitration matter. Greenfield suggested Shaverdi file a chapter 13
13 bankruptcy rather than proceed with the arbitration. On December 15, 2008, Shaverdi
14 issued a check in the amount of \$774 to Greenfield. Greenfield gave Shahverdi a letter
15 receipt acknowledging the payment, \$274 of which was for the court filing fee, and \$500
16 of which was for filing an "emergency petition." The letter stated that if Shahverdi
17 decided to go forward with bankruptcy, Greenfield would complete the bankruptcy
18 schedules for \$2,000, "strip" a second deed of trust from the debtor's property, and
19 challenge any objection to the debtor's eligibility for chapter 13.
20

21 On December 18, 2008, when Greenfield filed Shahverdi's chapter 13 petition,
22 Greenfield did not disclose his identity as the debtor's attorney on the petition. At
23 approximately the same time as the petition was filed, Shahverdi paid Greenfield an
24 additional \$2,000. Thus, in total, Shahverdi paid Greenfield \$2,500 in connection with
25 Shahverdi's bankruptcy case, excluding the filing fee of \$274.
26
27
28

1 On December 30, 2008, Greenfield filed schedules, a Statement of Financial
2 Affairs, and a chapter 13 plan on behalf of Shahverdi. The debtor's schedules, which
3 Greenfield prepared, listed no debt to Greenfield and listed no claimed right to setoff on
4 Schedule F. No proof of claim was filed by Greenfield. Greenfield did not apply for court
5 approval of any setoff. He did not apply to be paid compensation postpetition or enter
6 into a Rights and Responsibility Agreement (RARA), a court-approved form commonly
7 entered into between chapter 13 debtors and attorneys.
8

9 Greenfield failed to disclose his prepetition agreement with Shahverdi for
10 compensation, the \$500 in compensation that he received from Shahverdi before the
11 filing of the petition, or the \$2,000 in compensation that he received from Shahverdi when
12 the petition was filed. Greenfield filed no Statement of Disclosure of Compensation of
13 Attorney for Debtor. On the Statement of Financial Affairs that Greenfield prepared and
14 filed for debtor, no fees paid to Greenfield were disclosed. Greenfield did, however, list
15 the debtor's attorneys' fees paid to another firm.
16

17 Shortly before Shahverdi's meeting of creditors pursuant to 11 U.S.C. § 341(a) (§
18 341(a) meeting), set for January 28, 2009, Greenfield informed Shahverdi that he would
19 not appear at the § 341(a) meeting because he had a "conflict of interest" with the judge
20 before whom Shahverdi's case was pending.⁷ Greenfield advised Shahverdi to not
21 appear at the § 341(a) meeting; that Shahverdi should allow the case to dismiss; and that
22 Greenfield would file another petition in the Los Angeles Division to have Shahverdi's
23 bankruptcy assigned to another judge. Greenfield told Shahverdi that "three dismissals
24 are allowed." He did not explain to Shahverdi the prejudice and harm that Shahverdi
25

26
27 ⁷ Greenfield refused to appear at the § 341(a) meeting because Judge Tighe had sanctioned Greenfield in
28 a past matter, In re High Speed Music, Inc., (SV 06-bk-11676-MT) and related cases. See March 4, 2010
Findings. (Docket #118 at 4).

1 might suffer if his case were dismissed or mention any legal or other potential
2 consequences of a dismissed bankruptcy case. That same day Greenfield sent
3 Shahverdi an email stating that he did not have a contract with Shahverdi and that he
4 was not his attorney of record.

5
6 Prior to Shahverdi's bankruptcy filing, Greenfield never told Shahverdi that he
7 would not represent him if the case were assigned to Judge Tighe. Shahverdi was
8 distraught when he later learned that Greenfield stated that he was not his lawyer. Until
9 that time, Shahverdi had not understood that the bankruptcy papers that Greenfield
10 prepared and filed to commence Shahverdi's chapter 13 case would suggest that he was
11 unrepresented by an attorney. Greenfield had added language to the petition form that
12 blended with the typeface of the petition stating that the debtor was "not represented by
13 attorney." March 4, 2010 Findings. (Docket #118 at 4). Shahverdi reasonably believed
14 that he was represented by Greenfield in his chapter 13 case.
15

16 Shahverdi never agreed to or intended to represent himself in his bankruptcy case.
17 Greenfield's position that he never represented or agreed to represent Shahverdi is
18 contradicted by Greenfield's request that Shahverdi allow the case to be dismissed so
19 that Greenfield would not have to appear before Judge Tighe. Worse, by his own actions
20 towards Shahverdi, Greenfield abandoned his client. Greenfield refused to find
21 replacement counsel at Shahverdi's request or refund the \$2,500 in fees that Shahverdi
22 paid him.
23

24 After December 30, 2008, when he filed schedules and other documents,
25 Greenfield provided no further services to Shahverdi. Among other things, Greenfield
26 failed to provide the specific services he promised regarding avoiding liens on
27 Shahverdi's property and defending challenges to Shahverdi's eligibility for chapter 13.
28

1 Contrary to Greenfield's advice, Shahverdi appeared at his § 341(a) meeting. He
2 did not allow the case to be dismissed, hired new counsel, and confirmed a chapter 13
3 plan. Shahverdi's new counsel was required to complete and amend Shahverdi's
4 Greenfield-prepared-and-filed bankruptcy documents. As a result, Shahverdi was
5 required to pay twice for those services.
6

7 Greenfield failed to fulfill his legal obligations to Shahverdi for which he was
8 compensated. Greenfield provided inadequate representation to the debtor; he put his
9 own interests before the interests of his client.

10 Pursuant to 11 U.S.C. § 329(a), an attorney for the debtor must disclose
11 compensation paid or agreed within a year before the filing of the bankruptcy petition, for
12 services rendered in contemplation of or in connection with the bankruptcy case.
13 Pursuant to Rule 2016(b) of the Federal Rules of Bankruptcy Procedure, within 14 days
14 of the order for relief, an attorney must file a statement of compensation agreed to be
15 paid or paid within a year before the filing of the petition. Failure to disclose the
16 information required by § 329(a) was misconduct that warrants forfeiture of all
17 compensation, without any consideration of the reasonable value of the attorney's
18 services. Greenfield's failure to disclose his agreement for compensation and the fees he
19 received therefore warrant disgorgement of all compensation that he received in
20 connection with this case, specifically the sum of \$2,500.
21
22

23 **2. In re Behnam Ghasseminejad, SV 11-bk-12173-VK**

24 On February 22, 2011, Behnam Ghasseminejad filed a chapter 11 petition
25
26
27
28

1 *pro se*, assigned case number SV 11-bk-12173-VK. This filing represents Mr.
2 Ghasseminejad's fifth *pro se* bankruptcy filing since 2009.⁸ Approximately two weeks
3 after the filing, on March 9, 2011, Greenfield filed a Substitution of Attorney as counsel of
4 record for Mr. Ghasseminejad⁹. (Docket #14). Despite the substitution, Greenfield did not
5 appear with Mr. Ghasseminejad at his 341a meeting on March 29, 2011, did not file an
6 employment application pursuant to 11 U.S.C. §327(a), Fed.R.Bankr.P. 2014(a) and
7 Local Bankruptcy Rule 2014-1(b), did not file the disclosure of compensation required by
8 11 U.S.C. §329(a) and Fed.R.Bankr.P. 2016(b), did not assist the debtor in filing monthly
9 operating reports, did not seek a claims bar date, and did not file a plan or a disclosure
10 statement. In fact, from the commencement of the filing on February 22, 2011, until
11 January 2012, other than a Motion In Individual Case for Order Imposing a Stay or
12 Continuing Automatic Stay which was granted on April 6, 2011, no substantive pleading
13 was filed by Greenfield on behalf of Mr. Ghasseminejad in furtherance of the
14 administration of the case.
15
16

17 Greenfield's virtual abandonment of the case nearly caused the case to be dismissed
18 with prejudice. On December 8, 2011, Judge Kaufman issued an Order to Show Cause
19 Why Case Should Not Be Dismissed With 180-Day Bar Or Converted To A Case Under
20

21 ⁸ The prior four cases are identified in the court's records as LA 09-bk-34753-EC, LA 10-bk-13844-VK, SV
22 10-bk-20567-KT, and SV 10-bk-21043-VK.

23 ⁹ Notably, in Case no. LA 10-bk-13844-VK, Greenfield substituted into the case approximately six weeks
24 after the filing and after the U.S. Trustee had filed a motion to dismiss or convert the case.(Docket #s
25 11,17). Similarly, in Case No. SV 10-bk-210343-VK, though Mr. Ghasseminejad filed the chapter 11 case
26 *pro se*, he advised the court at a hearing on the U.S. Trustee's motion to dismiss or convert the case that
27 he had paid Greenfield, who was present in the courtroom, to represent him and that Greenfield would be
28 filing a substitution of attorney that same day. Greenfield thereafter made a formal appearance at the
hearing as "proposed counsel for the debtor in possession, Behnam Ghasseminejad." U. S. Trustee's
Supplemental Response at 257-58).

1 Chapter 7, noting that "to date, Debtor(s) has/have not confirmed a chapter 11 plan nor
2 filed a disclosure statement and a chapter 11 plan." (Docket #22). By the time the OSC
3 came on for hearing on February 9, 2012, Greenfield had been suspended from
4 practicing before this court for refusing to comply with General Order 06-03 and Local
5 Bankruptcy Rule 5005-4 and the debtor was forced to appear at the hearing *pro se*. (See
6 discussion in Section A(5) herein and Docket #32).¹⁰ Recognizing the debtor's
7 predicament, Judge Kaufman continued the hearing to allow the debtor to obtain new
8 counsel. (Docket #32). Within 90 days of being employed, the debtor's new counsel
9 filed all twelve delinquent monthly operating reports, obtained a claims bar date, and filed
10 a plan and disclosure statement. (Docket #s 37-45, 50, 52, 58, 59, 67, 68).
11
12

13 CONCLUSIONS OF LAW

14
15 The Panel concludes that, based upon the foregoing findings, disciplinary action
16 against Greenfield is warranted.
17

18 ORDER

19 It is hereby ORDERED:

20 1. Greenfield should be and is suspended from the practice of law before this
21 court for a period of five years, commencing from the date of the entry of this
22 Memorandum and Order;

23
24 2. Greenfield should be and is required hereby to comply with and
25 demonstrate compliance with any and all outstanding sanctions orders and disgorgement
26

27 ¹⁰As noted previously herein, in response to the OSC, Greenfield filed a short opposition on behalf of the
28 debtor in violation of Judge Carroll's January 19, 2012 suspension order.

1 orders (a) prior to and as a condition of any future reinstatement and (b) regardless of
2 any request for reinstatement by Greenfield.

3 3. Any future application for reinstatement submitted by Greenfield must
4 include a declaration signed by Greenfield under penalty of perjury (a) explaining his
5 actions in the cases cited in the record before this Panel and (b) describing in detail the
6 remedial steps taken by Greenfield to demonstrate that he has complied with every
7 outstanding order of the court and to assure the court that he will practice in a manner in
8 compliance with the rules and orders of the court.
9

10 4. A copy of this decision shall be filed with the California State Bar.
11
12

13 Dated: 6/27/12



Thomas B. Donovan, Presiding
United States Bankruptcy Judge

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18 Dated: 6/27/12



Erithe A. Smith
United States Bankruptcy Judge

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20
21
22 Dated: 6/27/12



Sandra R. Klein
United States Bankruptcy Judge

23
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27
28

NOTICE OF ENTERED ORDER AND SERVICE LIST

Notice is given by the court that a judgment or order entitled (*specify*):) **MEMORANDUM AND ORDER re DISCIPLINARY PROCEEDING OF BRUCE M. GREENFIELD** was entered on the date indicated as "Entered" on the first page of this judgment or order and will be served in the manner stated below:

1. SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF) – Pursuant to controlling General Orders and LBRs, the foregoing document was served on the following persons by the court via NEF and hyperlink to the judgment or order. As of 6/27/12, the following persons are currently on the Electronic Mail Notice List for this bankruptcy case or adversary proceeding to receive NEF transmission at the email addresses stated below.

Katherine Bunker on behalf of U.S. Trustee Office of the United States Trustee
kate.bunker@usdoj.gov

Ron Maroko on behalf of U.S. Trustee United States Trustee (LA)
ron.maroko@usdoj.gov

United States Trustee (LA)
ustpregion16.la.ecf@usdoj.gov

Service information continued on attached page

2. SERVED BY THE COURT VIA UNITED STATES MAIL: A copy of this notice and a true copy of this judgment or order was sent by United States mail, first class, postage prepaid, to the following persons and/or entities at the addresses indicated below:

Bruce M. Greenfield, Esq.
520 Sepulveda Blvd., Ste 404
Bel Air, CA 90049-0077

Bruce Greenfield, Esq.
520 S. Sepulveda Blvd. #405
Bel Air, CA 90049

Bruce Greenfield
1524 Thornhill Ave.
Westlake, CA 91361

Case No. 08-O-10074
Attn: Jayne Kim, Acting Chief Trial Counsel
The State Bar Court of California
1149 South Hill Street
Los Angeles, CA 90015-2299

Service information continued on attached page

3. TO BE SERVED BY THE LODGING PARTY: Within 72 hours after receipt of a copy of this judgment or order which bears an "Entered" stamp, the party lodging the judgment or order will serve a complete copy bearing an "Entered" stamp by United States mail, overnight mail, facsimile transmission or email and file a proof of service of the entered order on the following persons and/or entities at the addresses, facsimile transmission numbers, and/or email addresses stated below:

Service information continued on attached page