

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF LOUISIANA**

In re:

**RON WILSON,
LaRHONDA WILSON,**

Debtors.

CASE NO. 07-11862

Section “A”

CHAPTER 13

**UNITED STATES TRUSTEE’S MOTION FOR SANCTIONS AGAINST LENDER
PROCESSING SERVICES, INC. AND THE BOLES LAW FIRM**

TO THE HONORABLE ELIZABETH W. MAGNER:

The United States Trustee for Region 5 (“United States Trustee”) files this opposed motion for relief pursuant to this Court’s inherent powers to sanction bad faith conduct and pursuant to 11 U.S.C. § 105(a) (“Motion”). In support of this Motion, the United States Trustee states:

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; 11 U.S.C. § 105(a); Fed.R.Bankr.P. 9014; and the Court’s inherent authority. Venue is proper and consistent with 28 U.S.C. § 1409 because the instant case is being administered in this District. This is a core proceeding pursuant to 11 U.S.C. §§ 157(b)(2)(A); 157(b)(2)(B) and 157(b)(2)(G).
2. The United States Trustee elects to raise issues and be heard in this matter pursuant to his standing under 11 U.S.C. §307 and 28 U.S.C. § 586.
3. Upon information and belief, the respondents, Lender Processing Services, Inc., f/k/a Fidelity National Information Services, Inc. (“Fidelity”) and The Boles Law Firm (“Boles”),

misrepresented to this Court their knowledge of mortgage payments made by the Debtors, Ron Wilson and LaRhonda Wilson.

4. Fidelity and Boles made the alleged misrepresentations in statements and/or testimony in open court, during the course of show-cause proceedings initiated by the Court. The show cause proceedings (“OSC proceeding”) have been conducted pursuant to this Court’s show cause Orders of May 9, 2008; July 11, 2008; and July 18, 2008. The misrepresentations relate to the March 10, 2008 Motion to Lift Stay (“2d MFR”) and execution of a false affidavit supporting the 2d MFR, filed on behalf of Option One Mortgage Corporation, n/k/a Sand Canyon Corporation (“Option”). The misrepresentations concern payments received but not posted by Option, dated January 2, 2008; January 31, 2008; and March 3, 2008 (the “Unposted Payments”).

5. Upon information and belief, Fidelity misrepresented to this Court its knowledge of, and whether it communicated with Boles about, the Unposted Payments. Further, upon information and belief, Fidelity misrepresented that it did not function as a “go between” in this case, between Boles and Option, with respect to the Unposted Payments.

6. Boles lacked candor before this Court, based on statements that one of its attorneys made to the Court on June 26, 2008 during the OSC proceeding. In that hearing, the Boles attorney indicated that, although Boles possessed one or more of the Unposted Payments, Boles did not know why it had received them. Upon information and belief, the proof will show that Boles received the Unposted Payments because Boles had issued instructions directing that each of the Unposted Payments be sent to it.

7. The respondents' representations were not well grounded in fact, were made in bad faith to avoid potential liability, and have resulted in unnecessarily protracted discovery and litigation concerning their roles involved with the 2d MFR and false affidavit.

8. Accordingly, the United States Trustee seeks the imposition of monetary and non-monetary sanctions against Fidelity and Boles, pursuant to the Court's inherent powers and 11 U.S.C. § 105(a).

WHEREFORE, the United States Trustee requests that the Court:

1. Grant the Motion and enter an order imposing on the respondents sanctions or other monetary or non-monetary relief as this Court deems appropriate.

2. Grant the United States Trustee such additional general relief to which the United States Trustee may be entitled including the award of attorney's fees and costs as may be allowed by law.

Respectfully submitted,

R. MICHAEL BOLEN
United States Trustee
Region 5, Judicial Districts of
Louisiana and Mississippi

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