

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF MISSISSIPPI  
Aberdeen Division**

<p>In re:</p> <p style="text-align:center"><b>Waver C. Holmes Darlene C. Holmes,</b></p> <p style="text-align:center">Debtors.</p>	<p style="text-align:center">Case No. 01-16818 Chapter 13</p>
<p><b>R. Michael Bolen, United States Trustee</b></p> <p style="text-align:center">Plaintiff,</p> <p>v.</p> <p><b>Denvil F. Crowe</b></p> <p style="text-align:center">Defendant.</p>	<p style="text-align:center">Adv. Proceeding No. 02-1225 (consolidated)</p>

**CONSENT ORDER AND INJUNCTION**

THIS MATTER came before the Court on the Motion, *ore tenus*, of the Plaintiff to approve the settlement contained herein and to dismiss the above-captioned adversary proceeding with prejudice, and the Court having found no notice is required to be given.

The instant adversary proceeding was commenced on November 18, 2002, by the United States Trustee in 36 cases (later consolidated under Adv. Proceeding No. 02-1225) alleging, inter alia, that Defendant Crowe failed to disclose all fees pursuant to 11 U.S.C. § 329 and Fed. R. Bankr. P. 2016, charged excessive fees in violation of 11 U.S.C. § 329, shared fees with non-attorney employees in violation of 11 U.S.C. § 504 and Miss. R. Prof. Conduct 5.4, breached his fiduciary duty to his clients, and violated various provisions of the Mississippi Rules of Professional Conduct. The United States Trustee also alleged that Defendant InfiniThink Corporation aided and abetted Defendant Crowe's alleged breaches of fiduciary duty.

This Court has previously by Order entered on June 27, 2003, dismissed Defendant InfiniThink Corporation pursuant to a settlement between the United States Trustee and InfiniThink, and has issued a Memorandum Opinion, Bolen v. Crowe (In re Holmes), 304 B.R. 292 (Bankr. N.D. Miss. 2004), and Order on February 2, 2004, granting Partial Summary Judgment to the United States Trustee on his allegations that Defendant Crowe violated 11 U.S.C. § 504 and Miss. R. Prof. Conduct 5.4. Trial on the remaining Counts of Plaintiff's complaint is scheduled for August 23 to 25, 2004.

In order to resolve this matter, Plaintiff and Defendant Crowe have entered into the agreement contained herein and have moved for approval of this Consent Order. Denvil Crowe does not admit to any wrongdoing and does not admit any facts in this agreement, but hereby consents to the following:

1. Denvil Crowe will disgorge the total amount of \$18,285.00 as follows:

<b>Debtor(s)</b>	<b>Case No.</b>	<b>Amount</b>
Melissa S. Dixon	01-16844	\$515
Waver C. and Darlene C. Holmes	01-16818	\$515
Paul David and Ruby McCarty	01-16649	\$515
Charles W. and Clara E. Staples	01-16817	\$515
Toby Keith and Kimberly Ann Steele	01-16824	\$515
Walter Max and Susan Joyce Barnhill	01-16627	\$515
Telace W. Hill	01-16647	\$515
Mattie Will Nevels	01-16626	\$515
Serita Lynn Shumpert	01-16633	\$515
Tammy Ann Cox	01-16344	\$515
Fannie D. Fulton	01-16269	\$515
Tracy Levette Harris	01-16271	\$515
David K. and Mary P. Lowery	01-16272	\$515
Mary Jane Trantham	01-16270	\$515

<b>Debtor(s)</b>	<b>Case No.</b>	<b>Amount</b>
Gregory Bernard Cunningham	01-16370	\$515
Margaret Mason	01-16372	\$515
Sonya Denise Richardson	01-16422	\$515
Margaret M. Rogers	01-16421	\$515
Chad Allan and Misty Renee Hatcher	01-16744	\$515
Jeffrey Scott Burnette	01-17048	\$515
Ricky Lynn and Amanda Northington	01-17029	\$515
Sarah Elaine Mathis	01-16962	\$515
Thadis A. and Vera H. Sartain	01-16953	\$260
Robert Joseph Zepernick	01-17398	\$515
Jon C. and Chrissy E. Kulovitz	01-17306	\$515
Pamela H. Moore	01-17301	\$515
Nancy Louise Williams	01-17243	\$515
Billy Zane Hamilton	01-17242	\$515
Ella Glendora McDaniel	01-17400	\$515
Scott Murdock and Janet Faye Glover	01-17649	\$515
Gary Lamont Thomas	01-17642	\$515
Wendell and Mary A. Toliver	01-17639	\$515
Joseph Lloyd	01-17635	\$515
James T. and Sherry J. Reedwood	01-16957	\$515
John L. and Joyce A. Shumpert	01-16628	\$515
John and Christie Beard	01-15375	\$515

Payment of these amounts will be due no later than August 15, 2004, and shall be remitted to the chapter 13 trustee in each case if the case remains open, or to the chapter 7 trustee if the case has been converted and remains open, or to the debtor if the case has been dismissed or closed.

2. Denvil Crowe agrees to modify his office procedures to eliminate payment of bonuses to non-attorney employees and incentives related to initial conferences, paperwork, bring-backs and selling additional services, etc. pursuant to the opinion published in Bolen v. Crowe (In re Holmes), 304 B.R. 292 (Bankr. N.D. Miss. 2004). However, Crowe may award semi-annual or annual bonuses to his employees based upon work performance or the general profitability of his firm.

3. Denvil Crowe consents to entry of an injunction for a period of twelve months commencing July 1, 2004, enjoining him from (a) the practice of law before any bankruptcy court in Mississippi, (b) representing or giving legal advice for Mississippi clients concerning the bankruptcy laws of the United States, and (c) any and all acts that could constitute the practice of law on a bankruptcy issue before any bankruptcy court in Mississippi. However, the parties agree that this injunction does not apply to Crowe's representation of himself, to any pending case filed by Crowe or his firm prior to July 1, 2004, or to any case on the attached list filed by Crowe or his firm prior to September 15, 2004. Specifically, between July 1, 2004, and September 15, 2004, Crowe may file new cases for the 25 existing clients specified on the attached list. Finally, prior to termination of this injunction, Crowe agrees to complete 12 hours of bankruptcy law continuing legal education that has been approved by the Mississippi Bar.

4. Denvil Crowe agrees that prior to the filing of any client's bankruptcy, he or his associate attorneys will consult with each of his clients to explain their bankruptcy case and sign a document which certifies that (a) he personally met with a client and reviewed all relevant documents provided by that client, and (b) advised the client whether filing bankruptcy was in the best interests of the client, and if so, advise the client of the different chapters available for bankruptcy relief and the chapter that would best serve the client.

5. Denvil Crowe will amend his form retainer agreement to reflect a level of service consistent with the Amended Standing Order in the Northern District of Mississippi dated August 15, 2000, regarding reasonable attorney's fees in a chapter 13 case. Crowe will also eliminate language stating that any fees paid are non-refundable.

6. All advertising that Denvil Crowe runs offering to represent potential clients shall be pre-approved by the Mississippi Bar and shall clearly indicate that "bankruptcy services" are being offered unless the Mississippi Bar deems this inappropriate.

7. Denvil Crowe agrees that he shall fully disclose all fees paid to him by future bankruptcy clients within one year prior to filing of such bankruptcy client's case. If payment of the fee is for services not related to the bankruptcy case, Crowe shall disclose the fee in the bankruptcy schedules as well as the subject of the representation and fully denote the amount that is not related to the bankruptcy case. If the subject of the representation is of a sensitive or privileged nature, Crowe shall disclose the amount of the fee in his Rule 2016 attorney disclosure statement and denote that the subject is privileged or confidential. In such a case, Crowe agrees to disclose the subject of the representation to the United States Trustee or the Court "in camera" upon request. Crowe specifically agrees that he shall fully disclose all payments or agreements concerning the provision of other services which were marketed to a bankruptcy client at an initial consultation or other meeting, such as, but not limited to, durable powers of attorney or living wills.

8. Each party will bear his own Court costs, expenses and attorney's fees.

9. Upon approval of a Consent Order approving these terms, the Complaint shall be dismissed with prejudice.

10. The United States Trustee and his staff agree to notify Denvil Crowe of future issues which they believe are in violation of this Consent Order, and will provide Crowe with notice in writing and a 15 day period to cure any alleged violation. To the extent that the parties are unable to agree on a remedy to an alleged violation of this order, the parties acknowledge that either party can seek appropriate injunctive or other relief in a court of competent jurisdiction to enforce the provisions of this Order.

Upon review of the foregoing settlement and the motion of the United States Trustee to approve this settlement, the Court finds and concludes that the aforementioned settlement is in the best interests of all affected parties, and it is hereby

ORDERED that the foregoing settlement is APPROVED, and it is further

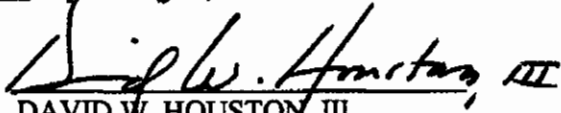
ORDERED that Denvil Crowe is hereby enjoined, effective July 1, 2004, from (a) the practice of law before any bankruptcy court in Mississippi, (b) representing or giving legal advice for Mississippi clients concerning the bankruptcy laws of the United States, and (c) any and all acts that could constitute the practice of law on a bankruptcy issue before any bankruptcy court in Mississippi, excepting Crowe's representation of himself, any pending case filed by Crowe or his

firm prior to July 1, 2004, or any case on the attached list filed by Crowe or his firm prior to September 15, 2004, and it is further

ORDERED that this injunction will terminate on June 30, 2005, only if Denvil Crowe has fully complied with all terms of this order and has submitted proof to this Court in the form of a verified motion that all amounts detailed in this Consent Order have been timely paid to the parties set forth above, or to the registry of this Court should Crowe be unable to locate the affected parties, and that 12 hours of continuing legal education have been completed pursuant to the terms of this Consent Order, and it is further

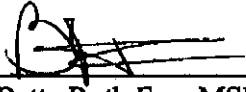
ORDERED that the instant adversary proceeding be and hereby is DISMISSED WITH PREJUDICE.

ORDERED and ADJUDGED this 2<sup>nd</sup> day of August, 2004.

  
DAVID W. HOUSTON, III  
UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND APPROVED FOR ENTRY:

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

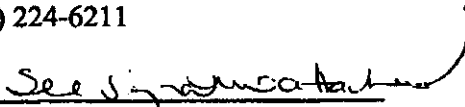
By:   
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and

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DENVIL CROWE

By Counsel  
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By:   
Robert Q. Whitwell, MSB #7176  
Attorney for Defendant

**AGREED TO AND APPROVED FOR ENTRY:**

**R. MICHAEL BOLEN**  
United States Trustee  
Region 5, Louisiana and Mississippi

By: \_\_\_\_\_  
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By: *Robert Q. Whitwell*  
Robert Q. Whitwell, MSB #7176  
Attorney for Defendant



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- 1 Atkins, Ricky & Teresa
  - 2 Black, Ezra
  - 3 Bailey, Sarah
  - 4 Buchanan, Rovon
  - 5 Cook, Anita
  - 6 Edwards, William & Donna
  - 7 Hershfelt, Constance
  - 8 Holmes, Clarence
  - 9 Hood, Gerald & Tersi
  - 10 Jagers, Steve
  - 11 Jones, Bobby
  - 12 Kilgore, Wayne
  - 13 Lowery, George
  - 14 Miller, Ethel
  - 15 Otts, Emma
  - 16 Patterson, Barry
  - 17 Pearson, Nathaniel & Jamie
  - 18 Phillips, Melissa
  - 19 Pulliman, Katherine
  - 20 Scott, Carolyn
  - 21 Shumpert, William & Debra
  - 22 Snow, William
  - 23 Thomas, Brain
  - 24 Underwood, Pete & Lisa
  - 25 Price, Teresa