



**SO ORDERED.**

**SIGNED this 21 day of August, 2024.**

A handwritten signature in blue ink that reads "David M. Warren".

**David M. Warren**  
**United States Bankruptcy Judge**

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**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NORTH CAROLINA  
WILMINGTON DIVISION**

**IN RE:**

**CASE NO. 23-00584-5-DMW**

**JAMES DAVIS BOWEN, JR.**

**CHAPTER 13**

**DEBTOR**

**ORDER IMPOSING SANCTIONS, FINES, AND CIVIL PENALTY AND  
ENJOINING PETITION PREPARATION AND DEBT RELIEF AGENCY SERVICES**

This matter comes before the court upon the Bankruptcy Administrator's Motion for Sanctions and Order Enjoining Conduct filed by Brian C. Behr, Esq. ("BA"), United States Bankruptcy Administrator for the Eastern District of North Carolina, on April 17, 2024, requesting the court to sanction Informational Services Group, Inc. ("ISG"), TNT Rapid Refund, LLC ("TNT"), Berdina Raynette Wright ("Berdina Wright" or "Dina Wright"), and Talia E. Wright ("Talia Wright") (collectively, "Respondents") for violating 11 U.S.C. §§ 110, 526, 527, and 528.

The court conducted a hearing on June 4, 2024 in Raleigh, North Carolina. The BA and Kylie B. Beresford, Esq. appeared behalf of the BA, and no one appeared for the Respondents. Tina Roberson, Operations Manager for this court, and James Davis Bowen, Jr. ("Debtor") testified for the BA, and the BA tendered five exhibits which the court admitted into evidence. On June 25,

2024, in response to the court’s request made at the hearing, the BA filed an Affidavit in Support of Assessment of Damages. Based on the evidence presented, the court record, and arguments of counsel, the court makes the following findings of fact and conclusions of law:

Findings of Fact

1. The Debtor is a citizen and resident of Duplin County, North Carolina.
2. Berdina Wright and Talia Wright are citizens and residents of the State of Georgia.
3. Berdina Wright is the mother of Talia Wright.
4. Neither Berdina Wright nor Talia Wright is an attorney.
5. The Debtor is not related to either Berdina Wright or Talia Wright.
6. ISG is an entity incorporated in the State of Georgia in 2018. Berdina Wright was originally the CEO, CFO, and Registered Agent for ISG, but in 2022, Berdina Wright sold ISG to Talia Wright, and Talia Wright is the current CEO, CFO, Secretary, and Registered Agent for ISG.
7. TNT is an entity incorporated in the State of Georgia in 2016. Berdina Wright is the sole Manager and Registered Agent for TNT.
8. Neither ISG nor TNT is a law firm.
9. In or around the middle of February 2023, the Debtor was delinquent in making mortgage payments for his real property located in Beulaville, North Carolina, and he received notice that a foreclosure sale of the property was scheduled for February 28, 2023. Around the same time that the Debtor received notice of the scheduled foreclosure sale, he received an advertisement mailer (“Mailer”) from ISG, which includes the following language:

We are a local housing counseling agency helping families stay in their home regardless of a foreclosure sale date. County records indicate that your home is scheduled to be sold on courthouse steps in **30 days**. It’s not too late to save your home, but you must take **ACTION** immediately!!

10. The Mailer is signed “***Our Legal Team***, Informational Services Group, Inc.”

11. On February 27, 2023, the Debtor called the telephone number provided on the Mailer and spoke with Berdina Wright about the pending foreclosure, and Berdina Wright told the Debtor that she would take care of the problem for him. Berdina Wright did not mention bankruptcy to the Debtor, and the Debtor believed that she would help him negotiate a payment plan or refinance with the mortgage lender or assist with obtaining a grant for mortgage assistance.

12. The Debtor did not enter into a written agreement with any of the Respondents, but Berdina Wright quoted orally that the fees for their services would be \$700.00 up front plus \$520.00 per month for the following three months.

13. Berdina Wright instructed the Debtor to cease making mortgage payments pending a resolution of the default.

14. On February 27, 2023, Berdina Wright sent the following text message to the Debtor:

Mr. Bowen this is Dina with informational services group. I just talked to the attorneys and your home is scheduled to go on sale tomorrow morning. Please send me a picture of your driver's license. Give me a call as soon as you get this message, we need to go over some important paperwork immediately.

15. On February 28, 2023, the Debtor texted Berdina Wright a photograph of his North Carolina Driver License.

16. On February 28, 2023, the Debtor paid \$700.00 to Berdina Wright.

17. On March 1, 2023, an email was sent from the address taliawright@yahoo.com to the court's electronic Self-Representation filing system with the subject line "JAMES DAVIS BOWEN BK FILING." The body of the email states the following:

Hello  
My fathers name is James Bowen and he just Filled [sic] for Chapter 13 Bankruptcy online can you please expedite him a case number thank you!

18. On March 2, 2023, an Official Form 101: Voluntary Petition for Individuals Filing for Bankruptcy (“Petition”) was filed on the court’s docket, Case Number 23-00584-5-DMW, requesting *pro se* relief for the Debtor under Chapter 13 of the Bankruptcy Code. Neither the Debtor nor any of the Respondents signed the Petition. The Petition is dated February 28, 2023 and includes the email address of taliawright@yahoo.com for the Debtor.

19. The question on the Petition of “[d]id you pay or agree to pay someone who is not an attorney to help you fill out your bankruptcy forms?” is answered by a check in a box next to “No.” The Respondents did not complete and file an Official Form B2800: Disclosure of Compensation of Petition Preparer.

20. The Petition is accompanied by certain required Schedules and a Statement of Financial Affairs (“SOFA”); however, these documents appear to be incomplete and inaccurate. On March 2, 2023, the court issued Deficiency Notices for the Debtor’s failure to include with the Petition the following documents (“Missing Documents”): certification of mailing matrix, statement of social security number, certificate of completion of pre-petition credit counseling, application to pay filing fee in installments, proof of identification, Chapter 13 plan, Schedule C, and signed declaration regarding electronic filing. The Deficiency Notices instructed the Debtor to cure the filing deficiencies by March 16, 2023.

21. The Debtor did not authorize the filing of the Petition, Schedules, and SOFA and was unaware of his bankruptcy case until he began receiving notices from the court. The Respondents did not provide the Debtor with copies of the Petition, Schedules, and SOFA prior to filing them, and the Respondents did not provide the Debtor with an Official Form 119: Bankruptcy Petition Preparer’s Notice, Declaration, and Signature.

22. On March 2, 2023, Berdina Wright texted the Debtor and requested that he provide her with additional information, including the Debtor's 2020 and 2021 tax returns, personal checking account banking statements for November and December 2022, a current utility bill, and a mortgage statement. This text message begins as follows:

HELLO MR. BOWEN  
PLEASE EMAIL/FAX THE FOLLOWING DOCUMENTS TO ME THIS WEEK  
TO GET THE PROCESS STARTED WITH YOUR LENDER:

Berdina Wright did not tell the Debtor about the Petition filed that same day.

23. On March 9, 2023, a librarian from the Duplin County Public Library sent, on behalf of the Debtor, an email to [informationalservicesgrp@gmail.com](mailto:informationalservicesgrp@gmail.com) with a copy of the Debtor's bank statement and mortgage statement. The cover page of the email is written to the attention of "Dina Wright" and signed by "James D. Bowen, Jr."

24. On March 13, 2023, the Debtor paid \$520.00 to Berdina Wright.

25. The Debtor did not file any of the Missing Documents by March 16, 2023. On March 22, 2023, the court entered an Order to Show Cause, directing the Debtor to appear at a hearing ("Show Cause Hearing") scheduled for April 5, 2023 and show cause why the case should not be dismissed for failure to file timely the Missing Documents.

26. On March 24, 2023, upon motions filed by the BA, the court entered four Orders Granting Bankruptcy Administrator's Motions for Production of Documents Pursuant to Bankruptcy Rule 2004 ("Production Orders") directing each of the Respondents, respectively, to produce certain identified documents to the BA no later than April 12, 2023.

27. On April 5, 2023, the Debtor texted Berdina Wright the following message:

Mrs. Dena [sic] Wright called me about your payment and your number will not accept a Zelle account. So we will use my card for the payment. Thank you, James. Call me when ready.

Around the time of this message, the Debtor paid \$500.00 to Berdina Wright.

28. The Debtor did not appear at the Show Cause Hearing, and on April 11, 2023, the court entered an Order Dismissing Case. Despite the dismissal of the Debtor's case, the court kept the case open to allow the BA to investigate the Respondents and the circumstances of the preparation of the Petition.

29. On April 19, 2023, the Debtor sent Berdina Wright the following text messages:

Call me asap

Mrs. Wright, I am very surprised with you. I have been calling and have had no luck in getting in touch with you, no calls back.

I think this may be a scam. I was given info from my bank. The number you have listed for the Georgia office is no longer in service.

Berdina Wright did not send text replies to these messages.

30. On April 21, 2023, the Debtor sent the following text messages to Berdina Wright:

Tell me with fax number or is it the same

Another letter from [mortgage lender] hardship letter call me  
james

Paperwork sent at 248pm today 4/21/23. You should have received it by now. Get back with me asap  
James

It went to ISG@gmail.com

Berdina Wright did not send text replies to these messages.

31. On May 1, 2023, the Debtor sent the following text message to Berdina Wright:

Are you ready for  
Questions Mrs. Wright

Berdina Wright did not send a text reply to this message.

32. Berdina Wright did not send a text message to the Debtor after March 2, 2023, the date of the Petition, until November 20, 2023, when she sent the following message:

Hello James,  
Sorry I missed your call earlier today. Please call me back tomorrow between 10am-7pm  
Dina Wright  
Isg, Inc.

Three days prior to this text message, on November 17, 2023, the Respondents filed a motion for the court to reconsider its Order of Contempt entered on November 7, 2023, holding the Respondents in civil contempt for failure to comply with the Production Orders.

33. As a result of making payments totaling \$1,720.00 to Berdina Wright and following her instructions not to make further payments to his mortgage lender, the Debtor became further delinquent on his mortgage loan and will likely file a second Chapter 13 bankruptcy petition, this time with the assistance of a licensed attorney.

34. As a result of the Debtor's interactions with the Respondents, he has incurred or will incur the following expenses totaling \$6,994.30:

a. Costs associated with the Debtor's attendance at the hearing conducted in this matter on June 4, 2024:

- i. Milage reimbursement of \$127.30 (190 miles at the approved governmental rate of \$0.67 per mile);
- ii. Witness fee of \$40.00 pursuant to 28 U.S.C. § 1821(b); and
- iii. Meal reimbursement of \$14.00 (approved governmental rate for breakfast in Wake County, North Carolina); and

b. Costs associated with the Debtor's anticipated Chapter 13 bankruptcy filing:

- i. Attorneys' fees of \$6,500.00 (standard base fee allowed in this district); and
- ii. Chapter 13 filing fee of \$313.00.

35. Prior to their interactions with the Debtor, the Respondents, particularly Berdina Wright, were aware of the responsibilities and obligations imposed by the Bankruptcy Code upon bankruptcy petition preparers and debt relief agencies.

36. In a different bankruptcy case, this court sanctioned and fined Berdina Wright, ISG, and TNT for violations of 11 U.S.C. § 110, 526, 527, and 528 and enjoined them from providing petition preparation services with this district. *In re Farrow*, No. 19-04431-5-JNC, ECF 94 (Bankr. E.D.N.C. Nov. 16, 2020). The Respondents' actions in this case are in direct violation of this injunction.

37. The Respondents have been subject to contempt, sanctions, or injunctions in the United States Bankruptcy Courts for the Middle and Southern Districts of Georgia. *See Gargula v. Wright (In re Alexander)*, No. 20-04002-JTL, ECF 18 (Bankr. M.D. Ga. Apr. 9, 2020); *Gargula v. Wright (In re Mills)*, No. 17-01025-SDB, ECF 123 (Bankr. S.D. Ga. May 14, 2019); *McDermott v. Wright (In re Mahone)*, No. 18-04016-JTL, ECF 8, 9 (Bankr. M.D. Ga. Nov. 5, 2018). In a pleading filed in the *Alexander* case, Berdina Wright acknowledges that she violated provisions of 11 U.S.C. §§ 110, 526, 527, and 528. Answer, at \*3, ¶ 19, *Gargula v. Wright (In re Alexander)*, No. 20-04002-JTL, ECF 21 (Bankr. M.D. Ga. Apr. 16, 2020).

#### Conclusions of Law

##### *Jurisdiction*

38. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) which the court has the authority to hear and determine pursuant to 28 U.S.C. § 157(b)(1). The court has subject



matter jurisdiction pursuant to 28 U.S.C. §§ 157(a) and 1334 and the General Order of Reference entered on August 3, 1984 by the United States District Court for the Eastern District of North Carolina.

*11 U.S.C. § 110*

39. A “bankruptcy petition preparer” is an individual or entity, other than an attorney or employee of an attorney, who prepares for compensation a document for filing in a bankruptcy court. 11 U.S.C. § 110(a). The Respondents are bankruptcy petition preparers.

40. Section 110 of the Bankruptcy Code codifies numerous requirements for bankruptcy petition preparers, and “[a] bankruptcy petition preparer who fails to comply with any provision of subsection (b), (c), (d), (e), (f), (g), or (h) may be fined not more than \$500.00 for each such failure.” 11 U.S.C. § 110(l)(1). The Respondents should be fined \$500.00 for each of the following violations:

- a. Failure to sign the Debtor’s petition, schedules, and statements filed with the court as required by 11 U.S.C. § 110(b)(1);
- b. Failure to provide the Debtor with Official Form 119: Bankruptcy Petition Preparer’s Notice, Declaration, and Signature prior to preparing the Debtor’s petition, schedules, and statements or accepting fees from the Debtor pursuant to 11 U.S.C. § 110(b)(2);
- c. Failure to place sufficient information on the Debtor’s petition, schedules, and statements to identify the Respondents as bankruptcy petition preparers as required by 11 U.S.C. § 110(c)(1);
- d. Failure to present to the Debtor copies of documents to be filed with the court as required by 11 U.S.C. § 110(d);

e. Failure to inform the Debtor that a bankruptcy petition would be filed on his behalf which is an inherent obligation under the 11 U.S.C. § 110(d) requirement that a bankruptcy petition preparer provide a debtor with copies of documents to be filed;

f. Deciding to file a bankruptcy petition on behalf of the Debtor in violation of the prohibition set forth in 11 U.S.C. § 110(e)(2) of a bankruptcy petition preparer providing a potential bankruptcy debtor legal advice;

g. Deciding that the Debtor's bankruptcy petition should be filed under Chapter 13 in violation of the prohibition set forth in 11 U.S.C. § 110(e)(2) of a bankruptcy petition preparer providing a potential bankruptcy debtor legal advice;

h. Signing the Mailer with "*Our Legal Team*" in violation of the prohibition set forth in 11 U.S.C. § 110(f) of a bankruptcy petition preparer using the word "legal" or other similar term in any advertisement;

i. Failure to notify the Debtor of the maximum allowable fee for a bankruptcy petition preparer before accepting a fee or preparing documents for filing as required by 11 U.S.C. § 110(h)(1); and

j. Failure to complete and file Official Form B2800: Disclosure of Compensation of Petition Preparer as required by 11 U.S.C. § 110(h)(2).

41. The court shall triple the amount of any fines assessed under 11 U.S.C. § 110(l)(1) in any case in which the court finds that a bankruptcy petition preparer failed to inform the debtor that the debtor would be filing for bankruptcy relief or prepared a document for filing in a manner that failed to disclose the identity of the bankruptcy petition preparer. 11 U.S.C. §§ 110(l)(2)(C) and (D). The Respondents failed on both counts; therefore, the court will triple the fines totaling

\$5,000.00 assessed under 11 U.S.C. § 110(l)(1) as detailed in Paragraph 40 *supra*. The tripled fines total \$15,000 and should be paid to the BA pursuant to 11 U.S.C. § 110(l)(4).

42. The court shall disallow and require the immediate turnover of any fee paid by a debtor to a bankruptcy petition preparer within the 12 months immediately preceding the filing of the bankruptcy case or any unpaid fee charged to the debtor which the court finds to be in excess of the value of services rendered by the bankruptcy petition preparer during that time period. 11 U.S.C. § 110(h)(3)(A). In this district, the presumptive fee for bankruptcy petition preparation services is \$80.00. *In re Moore*, 290 B.R. 287 (Bankr. E.D.N.C. 2003). The fees totaling \$1,720.00 paid by the Debtor to the Respondents far exceeds the presumptive amount and should be disallowed.

43. All fees charged by a bankruptcy petition preparer may be forfeited in any case in which the bankruptcy petition preparer failed to comply with 11 U.S.C. §§ 110(b), (c), (d), (e), (f), (g), or (h). 11 U.S.C. § 110(h)(3)(B). Due to the Respondents violations of these sections as set forth in Paragraph 40 *supra*, the Respondents must forfeit and return to the Debtor the collected fees totaling \$1,720.00.

44. Section 110(i)(1) of the Bankruptcy Code provides that—

[i]f a bankruptcy petition preparer violates this section or commits any act that the court finds to be fraudulent, unfair, or deceptive . . . the court shall order the bankruptcy petition preparer to pay the debtor—

- (A) the debtor's actual damages;
- (B) the greater of—
  - (i) \$2,000; or
  - (ii) twice the amount paid by the debtor to the bankruptcy petition preparer for the preparer's services; and
- (C) reasonable attorneys' fees and costs in moving for damages under this subsection.

11 U.S.C. § 110(i)(1). The court finds easily that the Respondents' actions in violation of 11 U.S.C. § 110 were fraudulent, unfair, and deceptive. The Respondents, who are well-familiar with the requirements of 11 U.S.C. § 110, targeted the vulnerable Debtor with an advertisement that was misleading as to their credentials and as to available services. The Respondents then made false assurances to the Debtor in exchange for payment and proceeded to file an unauthorized bankruptcy petition on his behalf. The Petition was grossly inadequate by failing to include the Missing Documents, resulting in dismissal of the Debtor's bankruptcy case. The Respondents should pay the Debtor sanctions totaling \$10,434.30 as follows:

- a. The Debtor's actual damages of \$6,994.30 as detailed in Paragraph 34 *supra*; and
- b. The amount of \$3,440.00 which is twice the amount paid by the Debtor to Berdina Wright.

*11 U.S.C. §§ 526, 527, and 528*

45. A "debt relief agency" is any individual or entity who provides bankruptcy assistance to an "assisted person" in exchange for the payment of money or other valuable consideration. 11 U.S.C. § 101(12A). An "assisted person" is any individual or entity whose debts consist of primarily consumer debts and the value of whose nonexempt property is less than \$226,850.00. 11 U.S.C. § 101(3). Respondents are debt relief agencies, and the Debtor is an assisted person.

46. A debt relief agency shall not "make any statement, or counsel or advise any assisted person or prospective assisted person to make a statement in a document filed in a case . . . that is untrue or misleading." 11 U.S.C. § 526(a)(2). The Respondents violated this provision by

indicating in the Petition that the Debtor did not pay or agree to pay a non-attorney to fill out bankruptcy forms filed with the court.

47. A debt relief agency shall not misrepresent to any assisted person or prospective assisted person with respect to the services to be provided to such person or the benefits and risks that may result should that person become a debtor in a bankruptcy case. 11 U.S.C. § 526(a)(3). The Respondents violated this provision not only by failing to inform the Debtor of the benefits and risks of his filing for bankruptcy relief but also by failing to inform him that the Petition would be filed on his behalf.

48. A debt relief agency providing bankruptcy assistance to an assisted person shall provide written notice of information regarding the case as required by 11 U.S.C. § 342(b)(1) along with a clear and conspicuous statement about bankruptcy assistance services. 11 U.S.C. §§ 527(a)(1) and (b). The Respondents did not provide the Debtor with either of these required disclosures.

49. A debt relief agency providing bankruptcy assistance to an assisted person shall provide that person, prior to filing a petition for bankruptcy relief, a written contract that clearly and conspicuously explains the services to be provided and the fees and charges for such services. 11 U.S.C. § 528(a). The Respondents did not provide the Debtor with a written contract for their services.

50. The Bankruptcy Code authorizes the court to impose an “appropriate civil penalty” against any individual or entity violating restrictions on debt relief agencies. 11 U.S.C. § 526(c)(5). Given the Respondents’ egregious and knowing violations of 11 U.S.C. §§ 526, 527, and 528, the court will impose a civil penalty against them of \$10,000.00.

*Injunctive Relief*

51. Although the injunction imposed in the *Farrow* case remains in full force and effect, Talia Wright was not a party to that injunction and the other Respondents willfully and knowingly violated the injunction. The court will impose a new injunction against any of the Respondents providing petition preparation or debt relief agency services in this district. Should the Respondents defy this injunction or otherwise fail to comply with the directives of this Order, then the court will not hesitate to seek the assistance of the United States Marshals Services to compel their compliance; now therefore,

It is ORDERED, ADJUDGED, and DECREED as follows:

1. The Respondents, jointly and severally, be, and hereby are directed to pay to the Debtor within 10 days of the date of this Order the amount of \$12,154.30, representing the following:

a. Fees totaling \$1,720.00 paid by the Debtor to Berdina Wright which are disallowed pursuant to 11 U.S.C. § 110(h)(3)(A) and forfeited by the Respondents pursuant to 11 U.S.C. § 110(h)(3)(B); and

b. Sanctions totaling \$10,434.30 which are imposed against the Respondents pursuant to 11 U.S.C. § 110(i)(1);

2. The Respondents, jointly and severally, be, and hereby are, directed to pay to the BA within 10 days of the date of this Order the amount of \$15,000.00, representing fines imposed under 11 U.S.C. § 110(l)(1) and tripled pursuant to 11 U.S.C. § 110(l)(2);

3. The Respondents, jointly and severally, be, and hereby are, directed to pay to the Clerk of this court within 10 days of the date of this Order the amount of \$10,000.00, representing a civil penalty for the Respondents' violations of 11 U.S.C. §§ 526, 527, and 528;

4. The Respondents be, and hereby are, enjoined permanently from acting as petition preparers or debt relief agencies, appearing as non-attorney representatives, filing petitions for relief or other documents for any debtors or third parties, or otherwise participating in any existing or future bankruptcy cases before the United States Bankruptcy Court for the Eastern District of North Carolina;

5. The BA be, and hereby is, directed to provide a copy of this Order to the United States Attorney for the Eastern District of North Carolina for investigation of whether any actions by the Respondents constitute prosecutable crimes under Title 18 of the United States Code; and

6. If the Respondents fail to make timely payments to either the Debtor, the BA, or the Clerk as directed by this Order or violate the injunction set forth in this Order, then the court may hold the Respondents in contempt and impose additional sanctions including, but not limited to, directing the United States Marshals Service to locate, arrest, and detain in custody Berdina Wright and Talia Wright and produce them before the court to explain the failure to comply with the Order.

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