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In re:

BETSEY WARREN LEBBOS,

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27 28 UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

Case No. 06-22225-D-7 Docket Control No. BWL-6

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DATE:

TIME: DEPT: April 5, 2007

10:00 a.m.

This memorandum decision is not approved for publication and may not be cited except when relevant under the doctrine of law of

the case or the rules of claim preclusion or issue preclusion.

Debtor.

MEMORANDUM DECISION

Betsey Warren Lebbos ("the Debtor"), who initiated the above-captioned chapter 7 bankruptcy case (the "Case"), seeks to disqualify the undersigned as the bankruptcy judge in this case. For the reasons set forth below, the court will deny the Debtor's request.

I. INTRODUCTION

On June 26, 2006, the Debtor filed her voluntary chapter 7 petition. At that time, the Debtor was represented by attorney Darryll Alvey ("Mr. Alvey").1

A. The Prior Motion

About four months after the Case was commenced, the Debtor transmitted to the court a letter dated October 30, 2006, addressed to the Honorable Michael McManus and the judges of this court (hereinafter "the Letter"). The Letter was filed in the

Mr. Alvey has since been authorized to withdraw as the Debtor's counsel.

Case on November 1, 2006, and on November 9, 2006, the court entered an order construing the Letter as a motion to terminate the appointment of the chapter 7 trustee to whom the case was and is assigned, Linda Schuette ("the Trustee"), to terminate the appointment of Michael Dacquisto ("Trustee's Counsel") as the Trustee's attorney, and for disciplinary relief against the Trustee and Trustee's Counsel.²

The Debtor, the Trustee, and the United States Trustee's office filed documents in support of their respective positions concerning the Prior Motion. The court heard oral argument on the Prior Motion on January 3, 2007, and on January 22, 2007, issued its Memorandum Decision (hereinafter "the Decision") and order denying the Prior Motion.

B. The Present Motion

On February 28, 2007, the Debtor filed an Affidavit and Points and Authorities in Support of Disqualification of Honorable Robert Bardwil ("the Affidavit"); on March 14, 2007, a Supplemental Affidavit and Points and Authorities in Support of Disqualification of Honorable Robert Bardwil; and on March 16, 2007, page 3 of the supplemental affidavit, which had been inadvertently omitted from the March 14 filing. The Debtor did not file a motion to disqualify the undersigned or otherwise seek to set the matter for hearing.

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^{2.} Hereinafter, the Debtor's request for this described relief will be referred to as "the Prior Motion."

^{3.} Hereinafter, the March 14 and March 16 filings will be referred to collectively as "the Supplemental Affidavit."

The matter came to the attention of the court on or about March 21, 2007, when the Debtor filed a letter with the Clerk of the Court referencing the Affidavit. On March 22, 2007, the court entered an order construing the Affidavit as a motion to disqualify the undersigned. The order gave the Trustee, the United States Trustee, and other parties in interest until March 30, 2007, in which to file and serve opposition or responses to the Debtor's request for disqualification.

On March 21, 2007, the Debtor filed an Ex Parte Request to Void Decisions Due to Pending Disqualification and Supplement to It (hereinafter "Request to Void Decisions"). On March 30, 2007, the Debtor filed a Second Supplemental Affidavit in Support of Disqualification of Honorable Robert Bardwil. On March 29, 2007, the Trustee filed a response to the Affidavit. On April 4, 2007, the Debtor filed a Third Supplemental Affidavit in Support of Disqualification of Honorable Robert Bardwil and Reply to Opposition.

On April 5, 2007, the court heard oral argument. The following parties appeared and presented argument: John Read (by telephone), making a special appearance for the Debtor, and Michael Dacquisto (by telephone), for the Trustee. The Debtor also entered her appearance by telephone.

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^{4.} This request is referred to in this decision insofar as it supplements the Affidavit. The court has not yet ruled on the request itself, which is set for hearing on April 25, 2007.

^{5.} Hereinafter, the Affidavit, the Supplemental Affidavit, the Second Supplemental Affidavit, and the Third Supplemental Affidavit will be referred to collectively as "the Motion."

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No objection was made to any evidence offered. The Motion having been briefed and argued by those parties wishing to be heard, the court took the Motion under submission.⁶

II. ANALYSIS

Request for Determination by Another Judge

As a preliminary matter, the Debtor asks that her request to disqualify the undersigned be determined by a judge other than the undersigned. Therefore, before the Motion can be resolved on the merits, the court must determine whether the disqualification issue can and should be decided by another judge.

Determination of the Motion is governed by 28 U.S.C. § 455 (see discussion, below). The Ninth Circuit appears to require that a motion for disqualification under that section be decided by the judge whose disqualification is sought. Bernard v. Coyne (In re Bernard), 31 F.3d 842, 843 (9th Cir. 1994); <u>United States</u> v. Sibla, 624 F.2d 864, 868 (9th Cir. 1980). Section 455 does not "contain a mechanism for referring disqualification motions to someone else." In re Bernard, 31 F.3d at 843. Nor do the Federal Rules of Bankruptcy Procedure or the local rules of this court provide such a procedure. Therefore, the request to have

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Pursuant to the remarks of Mr. Read at the hearing, the court considers the Debtor's request for disqualification to be applicable to her parent bankruptcy case and to the two adversary proceedings pending in it, Adv. Nos. 06-2314 and 07-2006.

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The court notes that 28 U.S.C. § 144 provides for disqualification proceedings to be assigned to a judge other than the challenged judge. However, that section does not apply to bankruptcy judges. <u>Seidel v. Durkin (In re Goodwin)</u>, 194 B.R. 214, 221 (B.A.P. 9th Cir. 1996). The court is unable to locate a Rule 224 Seidel v. Durkin (In re Goodwin), 194 B.R. 214, in the local rules of the U.S. District Court for the Central District of California, which is referred to by the Debtor, but notes that the Debtor cites that rule as applicable to federal district court judges, not to bankruptcy judges.

the Motion determined by a judge other than the undersigned is denied.

B. <u>Legal Standards for Disqualification</u>

This court has jurisdiction over the Motion pursuant to 28 U.S.C. sections 1334 and 157(b)(1). The Motion is a core proceeding under 28 U.S.C. section (b)(2)(A) & (0); <u>In re Betts</u>, 143 B.R. 1016, 1018 (Bankr. N.D. Ill. 1992).

"A bankruptcy judge shall be governed by 28 U.S.C. § 455, and disqualified from presiding over the proceeding or contested matter in which the disqualifying circumstance arises, or, if appropriate, shall be disqualified from presiding over the case." Fed. R. Bankr. P. 5004(a).

Section 455 of Title 28 provides in part as follows:

- (a) Any justice, judge, or magistrate of the United States shall disqualify himself in any proceeding in which his impartiality might reasonably be questioned.
- (b) He shall also disqualify himself in the following circumstances:
 - (1) Where he has a personal bias or prejudice concerning a party, or personal knowledge of disputed evidentiary facts concerning the proceeding.

* * *

(4) He knows that he . . . has a financial interest in the subject matter in controversy or in a party to the proceeding, or any other interest that could be substantially affected by the outcome of the proceeding.

The disqualification statute was comprehensively revised in 1974, to provide for disqualification not only where a judge holds a personal bias or prejudice, but also to spell out a list (not fully reproduced above) of various interests and

relationships that require the judge to disqualify himself from hearing a proceeding; such interests and relationships were only generally stated in the prior statutory language. Liteky v. <u>United States</u>, 510 U.S. 540, 546-48 (1994). Section 455(a) was added to include objective, "catch-all" grounds for disqualification, in addition to the earlier "interest or relationship" grounds and "bias or prejudice" grounds, which are now specifically stated and set forth in the various subsections making up § 455(b). <u>Liteky</u>, 510 U.S. at 548. Under § 455(a), "[the standard for recusal is clearly objective: 'whether a reasonable person with knowledge of all of the facts would conclude that the judge's impartiality might reasonably be questioned'." In re Georgetown Park Apts., Ltd., 143 B.R. 557, 559 (B.A.P. 9th Cir. 1992), quoting <u>United States v. Nelson</u>, 718 F.2d 315, 321 (9th Cir. 1983) (other citations omitted). The Code of Conduct for United States Judges (the "Code of

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The Code of Conduct for United States Judges (the "Code of Conduct") mirrors the provisions of 28 U.S.C. § 455. The Code of Conduct requires that "every judicial officer must satisfy himself that he is actually unbiased towards the parties in each case and that his impartiality is not reasonably subject to question." Bernard, 31 F.3d at 843. Under this standard, the judge must not only be subjectively confident that he is unbiased; it is also objectively necessary that "an informed, rational, objective observer would not doubt his impartiality."

Id. at 844, citing United States v. Winston, 613 F.2d 221, 222 (9th Cir. 1980). However, "to say that § 455(a) requires concern for appearances is not to say that it requires concern for mirages." United States v. El-Gabrowny, 844 F. Supp. 955, 961

(S.D.N.Y. 1994). As such, recusal must be based on factors in the record and in the law. Id. at 962.

Cases applying recusal statutes apply a presumption of impartiality. E.g. In re Larson, 43 F.3d 410, 414 (8th Cir. 1994) (judge presumed impartial; parties seeking recusal bear "substantial burden" of proving otherwise); First Interstate Bank v. Murphy, Weir & Butler, 210 F.3d 983, 987 (9th Cir. 2000) ("Judicial impartiality is presumed"); In re Spirtos, 298 B.R. 425, 431 (Bankr. C.D. Cal. 2003) ("A judge is presumed to be qualified to hear a matter and the burden is upon the moving party to prove otherwise").

In addition, "[j]udges have an obligation to litigants and their colleagues not to remove themselves needlessly . . . because a change of umpire in mid-contest may require a great deal of work to be redone . . and facilitate judge-shopping."

In re Betts, 143 B.R. 1016, 1020 (Bankr. N.D. Ill. 1992), quoting In re National Union Fire Ins. Co., 839 F.2d 1226, 1229 (7th Cir. 1988) (omitting citation); see also In re Computer Dynamics, Inc., 253 B.R. 693, 698 (E.D. Va. 2000) (judge equally obligated not to remove himself when there is no necessity and to do so when there is), aff'd 10 F. App'x 141 (4th Cir. 2001).

C. The Debtor's Arguments

The Debtor offers several arguments designed to show that the undersigned has a personal bias or prejudice against her and in favor of the Trustee, Trustee's Counsel, and the United States Trustee, and further, that "[a] person aware of the facts would also entertain a reasonable doubt as to [the undersigned's] ability to be impartial." Affidavit, at 1:17-21.

The Trustee responds that the Debtor should not benefit from her failure to follow the proper procedures to set this matter for hearing, that the Motion, coming as it does seven months into the bankruptcy case, should be denied as untimely, and that the grounds advanced by the Debtor amount to nothing more than dissatisfaction with the court's orders.⁸

1. Alleged Failure to Read Debtor's Pleadings

The Debtor's first ground for disqualification is that the undersigned has issued rulings in this Case without reading the Debtor's pleadings. In the Affidavit, she cites several examples of allegedly false statements in the Decision, and asserts that the court drew heavily from inaccurate statements in the U. S. Trustee's brief, while ignoring the Debtor's pleadings.

The Debtor begins by delineating the numerous times she mentioned her probation and probation officers in her pleadings comprising the Prior Motion, in her motion for change of venue, and in her opposition to her attorney's motion to withdraw as her counsel. She complains that the undersigned, in the Decision, falsely referred to her "parole agents," instead of to her "probation officers," and concludes therefrom that the undersigned failed to read the Debtor's pleadings, but instead mirrored the U.S. Trustee's pleadings. The Debtor asserts that the undersigned knew the Debtor was not on parole and had no

^{8.} Because the Motion comes shortly after the issuance of the Decision which forms the basis for the Motion, the court concludes that the Motion is timely. See First Interstate Bank v. Murphy, Weir & Butler, supra, 210 F.3d at 988 n.8 [recusal issues must be raised at the earliest possible time after facts supporting recusal request are discovered].

parole agents, that the undersigned "had his claims published so as to cause [the Debtor] actual harm while knowing that he [was] defrauding the public with his false claims," and that "he did so out of a personal bias and prejudice" against the Debtor. 9

In fact, the court used both terms--"probation officers" and "parole officers"--in the Decision, the former much more frequently than the latter. Further, the distinction between parole officers and probation officers, in the context of the Debtor's bankruptcy case and of the Decision, is a distinction without a difference; in fact, it mattered not at all to the court's decision whether the Debtor was on parole or on probation. That both the U.S. Trustee and the court mentioned "parole officers" demonstrates not that the court was overly influenced by the U.S. Trustee's brief but only that the court read and considered the U.S. Trustee's pleadings, as well as the Debtor's, as was its duty. 10

More important, the court's methods of analyzing the parties' contentions and arguments, whatever they may have been, and in preparing its Decision, cannot, in and of themselves, demonstrate the bias and prejudice requiring disqualification.

Instead, "[t]he alleged bias and prejudice to be disqualifying must stem from an extrajudicial source and result in an opinion

^{9.} The Debtor contends that the act of "publishing" the Decision was intended to cause harm to the Debtor. However, the Decision was not published in any official reporter, but only on the court's website, as required by the E-Government Act of 2002, Pub. L. No. 107-347.

^{10. &}quot;The United States trustee may raise and may appear and be heard on any issue in any case or proceeding under this title. . . ." $11\ U.S.C.\ \S\ 307.$

on the merits on some basis other than what the judge learned from his participation in the case." Liteky v. United States, supra, 510 U.S. at 545, n.1 (citation omitted). "Judicial rulings alone almost never constitute a valid basis for a bias or partiality motion. (Citation.) In and of themselves . . . they cannot possibly show reliance upon an extrajudicial source; and can only in the rarest circumstances evidence the degree of favoritism or antagonism required . . . when no extrajudicial source is involved." Id. at 555; In re Focus Media, Inc. 378

F.3d 916, 930 (9th Cir. 2004). The court's inadvertent use of an incorrect term, "parole officers," derives solely from what the court learned from its participation in the case, and not from any extrajudicial source.

The Debtor asserts that the court copied from the U.S.

Trustee's brief "for [the court's] own financial self-interest in currying favor with the U.S. Trustee in order to try and keep its job." Affidavit, at 8:3-5. This contention is based solely on speculation. "The standard for recusal is whether a reasonable person, with knowledge and understanding of all the relevant facts, would conclude that the judge's impartiality might reasonably be questioned. [Citations] The court asks how things would appear to the well-informed, thoughtful, and objective observer, not the hypersensitive, cynical, and suspicious person." 12 Moore's Federal Practice, § 63.20[4] (Matthew Bender 3d ed.); see also O'Connor v. State of Nevada, 27 F.3d 357, 363-64 (9th Cir. 1994). Speculation based on the court's choice of wording in its Decision simply does not suffice.

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The Debtor also complains that the court copied the U.S. Trustee's allegedly false statement that the Debtor was under house arrest in Santa Clara County. Affidavit, at 7:3-5. In fact, this statement came from the Debtor herself. See Letter, at page 5; Declaration of Betsey Warren Lebbos in Support of Motion to Terminate Linda Schuette as Trustee and Michael Dacquisto as a Lawyer, filed November 27, 2006, at para. 28.11

The Debtor cites several other examples where she alleges the court copied incorrect statements from the U.S. Trustee's brief, and concludes therefrom that the court, out of bias and prejudice, failed to read the Debtor's pleadings. The court has reviewed each example, together with the portions of the record cited by the Debtor in support, and is satisfied that the court read and considered all of the Debtor's pleadings prior to issuing each of its rulings in this case, including the Decision.

2. Procedural Handling of Debtor's Letter

The Debtor next complains about the court's procedural handling of the Prior Motion:

On November 1, 2006 the Court, without my consent or permission, converted my attorney disciplinary complaint letter to be presented by a volunteer lawyer prosecuting the case before a professional attorney disciplinary committee, where I would be a witness only, into its own motion on my bankruptcy case to terminate the trustee and her lawyer and for other disciplinary relief. [Citation to record.] It did so by prejudicially construing my letter as a motion to terminate them and to impose discipline.

Affidavit, at 8:14-19.

^{11.} The Debtor raises a similar argument about the court's reference at the March 14, 2007 hearing to the Debtor being incarcerated. The court's remark was in connection with the indication of its likely ruling in favor of the Debtor on her motion to set aside a default against her. The reference to incarceration, as opposed to house arrest, was nothing more than inadvertence.

The Debtor argues that the court's action in treating the Letter as a motion forced her and her attorney, "against their will, to prosecute a motion they never filed " The Debtor concludes from this that "[t]he judge was making the debtor's lawyer withdraw so she would be forced to have no lawyer."

Affidavit, at 8:21-9:2.12

By contrast, the Letter itself contained an explicit request that the Honorable Michael McManus and the judges of this court consider the Letter an official disciplinary complaint, and concluded by thanking them for their "expeditious handling of this matter." Thus, the Debtor clearly intended the Letter to result in some form of relief from the bankruptcy court. The court's action in setting the matter for hearing to consider appropriate disciplinary action was in compliance with Rule 83-184(a) of the local rules for the U.S. District Court for this district, as incorporated in bankruptcy cases in this district by Local Bankruptcy Rule 1001-1(c).

Moreover, the Debtor's present assessment of this matter conflicts with the opinion she held <u>before</u> the court ruled on the Prior Motion, when she stated, "Judge Bardwil's conversion of my attorney disciplinary complaint into a motion to terminate Linda Schultze [sic] as trustee and Michael Dacquisto as her lawyer and to initiate disciplinary proceedings against them is an act of

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^{12.} This statement conflicts with Mr. Alvey's testimony that the Debtor demanded he be relieved as her counsel both before and after the Debtor sent the Letter to the court. See Declaration of Darryll Alvey in Support of Motion to be Relieved as Counsel, filed December 4, 2006.

judicial courage and decency."¹³ Clearly, it is the court's ruling in the Decision the Debtor objects to now, not the fact that the court construed the Letter as a motion. The cases, however, are uniform that a "judge's adverse rulings in the course of a judicial proceeding almost never constitute a valid basis for disqualification based on bias or partiality." 12

James Wm. Moore, Moore's Fed. Practice § 63.21[4], at 63-39 (3d. ed. 2006) (citing cases); see also Liteky, 510 U.S. at 554-55.

3. Alleged Omissions from the Decision

The Debtor next complains that the court failed to refer in the Decision and in other rulings in the Case to each particular point raised by the Debtor. In the Debtor's view, these alleged omissions evidence a personal animosity toward the Debtor and an inability to be impartial. However, many of the matters allegedly omitted by the court either were actually addressed by the court or were immaterial to the particular decision of which the Debtor now complains.

For example, the Debtor asserts that the court failed to refer in the Decision to "thirty one admitted acts" of the Trustee and Trustee's Counsel in communicating with the Debtor without the consent of her attorney. Affidavit, at 9:3-12. In fact, the Decision responded explicitly to the Debtor's complaints that the Trustee's Counsel's communications with her probation officers were prohibited by applicable Rules of Professional Conduct, as indirect communications with the Debtor

^{13.} Debtor's Declaration in Opposition to Attorney's Motion to Withdraw Now and for Stay of Order Until After Removal of Trustee and Lawyer, filed December 14, 2006, at 1:23-26.

outside the presence of her counsel. The court rejected the contention. Decision, at 8:20-9:2.

The remaining alleged ex parte communications by the Trustee's Counsel consisted of serving court-filed documents on the Debtor, as evidenced by proofs of service filed with the court. Inasmuch as the applicable rules require the service of motions in bankruptcy cases on the debtor as well as the debtor's attorney, the contention that service on the Debtor constitutes an unauthorized communication is without merit. That the court did not mention this point in the Decision is evidence only of its immateriality and would not suggest bias or prejudice to the reasonable observer.

The Debtor complains that the court ignored her allegations of perjury committed by the Trustee and her argument that on two occasions she was not given actual notice of the continued meeting of creditors. On the contrary, the court made express findings on both these issues. See Decision, at 9:16-10:9 and 7:16-25. The court's failure to itemize each of the alleged instances of perjury does not mean the court failed to read the Debtor's pleadings. On the contrary, the undersigned is satisfied the he read and carefully considered all the Debtor's pleadings in this Case prior to issuing each ruling, including the Decision. In particular, with regard to the allegations of perjury, the court concluded in each of the itemized instances

^{14.} See Reply by Debtor re: 115 Misconduct Acts by Linda Schuette and Michael Dacquisto re: Their Termination, Disciplinary Action, and Referral of The Perjury Acts to The United States Attorney, filed December 27, 2006, at page 7.

^{15.} See Fed. R. Bankr. P. 9014(b), 7004(b)(9) and (g).

that the statements of the Trustee and Trustee's Counsel did not constitute perjury or misconduct in the prosecution of the Case. The court's failure to list and discuss each alleged instance would not suggest to the reasonable observer any basis to question the court's impartiality.

The Debtor refers at length to the Debtor's Medical Report Indicating Impossibility of Performance, filed February 15, 2007, and asserts that the court ignored this document and others filed by the Debtor detailing her inability to attend a continued meeting of creditors in Redding, California. Request to Void Decisions, at 1:25-2:7. There is no evidence other than the Debtor's dissatisfaction with the court's rulings in the Case to support the conclusion that these documents were not read and considered by the court.¹⁶

Finally, the Debtor raises the possibility that the court caused her misunderstanding as to certain hearings on March 14, 2007, at which she did not appear. Request to Void Decisions, at 2:8-16. The court notes that the Debtor might have sought to confirm with Court Call the status of those hearings, as she did with certain hearings on February 28, 2007. The court would add in passing that the Debtor's filing of ex parte requests without

^{16.} The court notes that the Debtor has failed to respond to the Trustee's Counsel's inquiries on October 9, 2006 and February 21, 2007, as to whether the Debtor might be able to travel to the federal courthouse in San Jose so the meeting could be conducted there. See Exhibits in Support of Trustee's Opposition to Debtor's Motion to Disqualify Trustee, to Disqualify Counsel for the Trustee and to Impose Disciplinary Sanctions, filed December 18, 2006, at page 37 of 47; Exhibits to Ex Parte Request to Void Decisions Due to Pending Disqualification and Supplement to It, filed March 21, 2007, at page 47 of 56. The Debtor admits she is able to leave her residence in San Jose for two to four hours per day. Second Supplemental Declaration, at ¶ 34.

setting them for hearing and her failure otherwise to follow the court's local rule with respect to its motion calendar and procedures (Local Bankruptcy Rule 9014-1) causes confusion when reviewing the court docket.

4. Alleged Fabrication of Arguments

The Debtor asserts that the court fabricated the argument (only to refute it) that the Debtor's probation officers were her agents, and thus, that communications with them might constitute indirect communications with the Debtor outside the presence of her counsel. The Debtor did in fact argue that the Trustee's Counsel's communications with her probation officers were attempts to communicate with her indirectly rather than through her attorney. See Affidavit, at 3:13-20; 4:4-9. That the court phrased the argument in terms of agency, rather than indirect communication, had no bearing on the Decision, and does not demonstrate personal bias or prejudice against the Debtor, as she alleges.

The Debtor also complains that the court wrongly construed as consent her then counsel's failure to object when informed that the Trustee's Counsel intended to contact the Debtor's probation officers. The court finds nothing in the applicable rule, Rule 2-100(A) of the California Rules of Professional Conduct, to the effect that consent cannot be shown by failure to object. The court notes also that the rule expressly does not prohibit communications with a public officer. Rule 2-100(C)(1).

In any event, the Debtor has failed to demonstrate that a reasonable person would view the court's ruling on this issue, right or wrong, as motivated by bias or prejudice against the

Debtor, by favoritism toward the U.S. Trustee, or by any other factor requiring disqualification.

5. Grounds Raised in Supplemental Affidavits

The Debtor purports to raise new issues in her Supplemental Affidavit and Second Supplemental Affidavit, and itemizes a variety of new grounds for disqualification in her Third Supplemental Affidavit. Among these is the alleged evidence of a misogynist and sexist attitude on the part of the undersigned, and an allegation that the undersigned is prejudiced against debtors. The undersigned does not view the evidence presented as proof of any such tendency, and concludes that the reasonable observer would draw no such inference.

The court does find significant the Debtor's assertion that she did not read or sign the petition commencing this Case, for if that is accurate, the court's jurisdiction may be in question. The assertion is contradicted by the documents filed under cover of the Trustee's Counsel's declaration filed February 26, 2007. However, in the interest of an accurate determination on this important issue, by order dated April 3, 2007, the court seeks additional evidence.

The court finds that the numerous itemized instances of the court's alleged failure to address issues raised by the Debtor, alleged falsification of the record and of "bias with discriminatory conjectures and surmises" are restatements of arguments already raised by the Debtor and considered by the court.

^{17.} See Debtor's declaration entitled No Debtor's Signature on Petition Evidence Relative to Venue Motion, filed March 26, 2007.

Similarly, the court finds that the alleged "evidence of preferential treatment for his appointee attorney" has been, for the most part, previously raised and considered. The Debtor raises the new argument that because the undersigned authorized the employment of the Trustee's Counsel, the undersigned had a "personal interest in the outcome" of the Debtor's Prior Motion, and should have disqualified himself on that basis. However, a single judge typically presides in a particular bankruptcy case, and a ruling on an application to employ counsel gives the deciding judge no personal stake of any kind in the outcome of any other proceedings in the case.

The Debtor's argument that one panel trustee may not serve as attorney for another panel trustee is similarly flawed. In this district at any rate, such employment is not uncommon, and the court's failure previously to address this issue is certainly no evidence of favoritism toward the Trustee's Counsel, as the Debtor alleges.

The Debtor's arguments that the court prejudges the issues in the Case are unfounded and demonstrate the Debtor's dissatisfaction with the rulings she cites; they do not demonstrate the sort of pervasive bias or prejudice that would constitute grounds for disqualification.

Finally, the Debtor asserts that the court supports and approves of the crimes and frauds allegedly committed by the Trustee and Trustee's Counsel. In this regard, the court notes that the Debtor has no hesitation about stating her opinions as fact. "[The court] even admits the conduct is criminal and it approves of it." Affidavit, at 11:15. This statement is simply

incorrect. The Debtor's statement is evidence of nothing more than her dissatisfaction with the court's rulings in the Case. 18

The court has read and considered the alleged "new evidence of pervasive bias" presented by the Debtor in her Supplemental and Second and Third Supplemental Affidavits, and finds that in each instance, the Debtor's real complaint is with the court's rulings in the Case. Despite the sheer number of examples itemized by the Debtor, and mindful that there is an exception to the extrajudicial source rule in cases of bias or prejudice "so extreme as to display clear inability to render fair judgment" (see Liteky v. United States, supra, 510 U.S. at 551), the court nevertheless is satisfied that its decisions have been based on a careful review and analysis of the points raised by the Debtor, without bias or prejudice in favor of any party or attorney. The court believes its rulings have been firmly grounded in the applicable law and are appropriate in light of the facts as presented by all the parties.

In summary, the undersigned is satisfied that he is actually unbiased towards the attorneys and the parties in this matter, including the Debtor. The undersigned also cannot conclude that the grounds advanced by the Debtor are such as would cause a reasonable person to question the impartiality of the undersigned.

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III. CONCLUSION

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^{18.} In a similar vein, the Debtor repeatedly accuses the undersigned of admitting that he has never read particular pleadings of the Debtor. Third Supplemental Affidavit, at page 2.

For the reasons stated above, the court finds that the Debtor has not met her burden under 28 U.S.C. § 455(a) of overcoming the presumption of impartiality and demonstrating that the impartiality of the undersigned might reasonably be questioned. Neither has the Debtor demonstrated grounds for disqualification under 28 U.S.C. § 455(b).

The court will issue an order in the Case consistent with this memorandum, as well as orders in Adversary Proceeding Nos. 06-2314 and 07-2006.

Dated: April 13, 2007

ROBERT S. BARDWIL

United States Bankruptcy Judge