

LEONARD G. HOROWITZ, In pro per
13-3775 Pahoia-Kalapana Road
Pahoia, HI 96778
Email: editor@medicalveritas.org
808-965-2112

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII**

In Re: Leonard G. Horowitz

Debtor.

)
) Bankruptcy Case No: 16-00239
) (Chapter 13)

)
) **MOTION TO SHOW CAUSE FOR**
) **VIOLATIONS OF AUTOMATIC STAY,**
) **DEFYING DISQUALIFICATION**
) **ORDER, AND BAD FAITH**
) **PLEADINGS IN JUDGMENT**
) **CREDITOR PAUL J. SULLA, JR.’S**
) **OBJECTION TO CONFIRMATION OF**
) **AMENDED PLAN OF DEBTOR (DKT**
) **#87); 11 USC SECTION 362(h);**
) **FRCP 9(b); LBR 9013-1]; Declaration**
) **of Leonard G. Horowitz; Appendix I:**
) **Rules and Laws; Appendix II: Case**
) **Comparison Table; Appendix III:**
) **Exhibits 1 thru 31.**

Re: Docket Entry No. 87 and Claim 2-1

EVIDENTIARY HEARING REQUEST:
No Disposition At this Time.

JUDGE:
HONORABLE ROBERT J. FARIS

**MOTION TO SHOW CAUSE FOR VIOLATIONS OF THE AUTOMATIC STAY,
DEFYING DISQUALIFICATION ORDER, AND BAD FAITH PLEADINGS IN
“JUDGMENT CREDITOR PAUL J. SULLA, JR.’S OBJECTION TO CONFIRMATION
OF AMENDED PLAN OF DEBTOR” (DKT #87)**

COMES NOW Bankruptcy Debtor and Adversary Proceeding co-Plaintiff LEONARD G. HOROWITZ (hereafter, “Debtor” or “Horowitz”), filing the captioned Motion in propria persona, in accordance with FRCP 9(b) and Rule 11(c), per LBR 9013-1. This Motion addresses violations of the automatic stay, disqualification Order, and bad faith filing by Paul J. Sulla, Jr. (hereafter, “Sulla”) of “Judgment Creditor Paul J. Sulla, Jr.’s Objection to Confirmation and Amended Plan of Debtor,” (**Exhibit 1**) compounding a string of malpractices. The Debtor requests compensation for attorneys fees and sanctions in lieu of the severe distress and irreparable harm caused by Sulla’s acts strikingly similar to those adjudicated in *Bank of Hawaii v. Kunimoto*, 984 P. 2d 1198 - Haw: Supreme Court 1999, in which defendant acted to confuse and defraud the Court by diverting from solidly evidenced factual contentions.

I. FACTUAL BACKGROUND

1. On May 21, 2009, in related State case Civ. No. 05-1-0196 (hereafter, “0196”), Sulla suddenly appeared for the dying defeated “foreclosing mortgagee” Cecil Loran Lee (hereafter, “Lee”) *without notice of appearance* or authorization from the Court. Sulla filed Notice of Appeal No. 29841 (**Exhibit 2**) on that date to vacate a \$200,000 jury award to the Debtor (still under related State Appeal, ICA No. CAAP-16-0000162). Eleven months later, Sulla *defied the foreclosure denied Final Judgment* in that proceeding (**Exhibit 3**) by committing a *non-judicial* collateral attack against the Debtor to acquire his money and/or subject “Property.”
2. Contemporaneously, on May 26, 2009, to preclude judgment creditor Horowitz et. al.’s right to own the Property following Horowitz’s payment of the entire amount due on the Mortgage (**Exhibit 4**; Warranty Deed **Exhibit 5**) and Note

(**Exhibit 6**), and, likewise, evade releasing the Mortgage on the subject Property, *Sulla “altered” a set of Articles of Incorporation, affixed Lee’s photocopied signature(s) therein on pages 6 and 8 of the General Certification pages therein, and faxed these false filings on May 26 and May 28, 2009 to form the “Substitute Plaintiff” in that case (and here), Jason Hester—and his sole corporation titled: THE OFFICE OF OVERSEER, A CORPORATE SOLE AND ITS SUCCESSOR, OVER AND FOR THE POPULAR ASSEMBLY OF REVITALIZE, A GOSPEL OF BELIEVERS (hereafter, “GOB”).*¹ (**Exhibit 7**)

3. Two weeks earlier, on May 15, 2009, to set the scheme in motion, Lee/Sulla Assigned Horowitz’s (and his sole corporation—The Royal Bloodline of David—hereafter, “RBOD’s”) Mortgage and Promissory Note to GOB. (**Exhibits 8 and 9**) *But GOB had not-yet been legally formed on May 15, 2009! It was incorporated two weeks later, on May 26 and May 28, 2009 (as aforementioned, by false filings with the State of Hawaii Department of Commerce and Consumer Affairs).*² (**Exhibit 5**) Consequently, these fraudulent transfers, and all related transactions thereafter, were legally-invalid and void.

4. Despite those facts, on 4-20-10, Sulla conducted his *void* non-judicial foreclosure on the Assigned securities, claiming GOB’s right under the aforementioned Assignments, and some unknown amount of default (that could not be known by reason of still

¹ These facts have never been denied by Sulla, merely evaded along with trial on the merits of these claims. Sulla has denied without controverting proof Horowitz payment receipts having fully paid the Note by February 27, 2009, as shown in **Exhibit 10**. Sulla’s scheme to abuse GOB to defraud the State, the courts, is verified by sworn analysis of forensic document and handwriting expert, Beth Chrisman, attached hereto as **Exhibit 7**. This substitution of plaintiff Lee with GOB occurred without a notice of hearing, nor a hearing, in violation of HRCF Rule 25(a)(1), but was simply and erroneously accepted by the trial court on 8/31/2009 (See **Exhibit 11**), Hoohiki Record Dkt # 0345, and filed by Sulla, not the Court per **Exhibits 11 and 12**.

² “As a general rule, when a corporation has been legally formed, it has an existence as a separate and distinct entity.” *Evanston Ins. Co. v. Luko*, 7 Haw. App. 520, 783 P.2d 293 (1989).

pending appeals on fees and costs in assumpsit and monetary awards owed the Debtor).

5. Defying due process, res judicata, and collateral estoppel doctrines pursuant to 0196, on August 11, 2014, Sulla filed Civ. No 14-1-0304 to quiet title in Sulla’s “Substitute Plaintiff’s” favor; and Horowitz et. al., removed that case to Federal District Court on September 12, 2014, under the jurisdiction of the Honorable Judges J. Michael Seabright and Richard L. Puglisi. (**Exhibit 13**)

6. On January 5, 2015, following Horowitz et. al’s submission of “Motion to Disqualify Co-counsel Paul J. Sulla, Jr. and Phillip L. Carey from Representing Sham Plaintiff Jason Hester,” filed on November 24, 2014 in Case 1:14-cv-00413-JMS-RLP (Doc. 46), *Sulla was disqualified from representing Appellee Hester in the collateral 0304 quiet title and ejectment action.* (**Exhibit 13**)

7. Quoting Judge Puglisi’s disqualification Order (page 12, **Exhibit 13**, last paragraph):

“Defendant Horowitz and Defendant Kane may be prejudiced if Mr. Sulla is permitted to remain as counsel for Plaintiff [Hester] because Mr. Sulla’s status as counsel and as witness may unduly complicate discovery and his dual role may create an *improper inference that his testimony is more credible than that of Defendants’ witnesses.*” (Emphasis added.)

8. Quoting additional relevant parts of Judge Puglisi’s Order, pursuant to Sulla being a necessary witness at trial—a trial that has been prejudicially and unjustly precluded by Sulla’s and co-counsel Whittaker’s deceitful filings, depriving the Debtor of his due process rights, resulting in the ongoing State court Appeal of that 0304 Final Judgment:

“Based on the pleadings in this case and the arguments made by the parties, the Court finds that Mr. Sulla will likely be a necessary witness at trial in this case. In proving Plaintiff’s quiet title claim against Defendants [including Debtor], Plaintiff will have to demonstrate that he is the rightful owner of the subject property. . . Mr. Sulla executed the Mortgagee’s Affidavit of Foreclosure Under Power of Sale, which includes Mr. Sulla attesting to the fact that at the time of the

foreclosure sale the default remained uncured. Mr. Sulla's testimony is likely to conflict with the testimony of Defendants' witnesses. . . .

[T]he Court also finds that Mr. Sulla is a necessary witness regarding several of Defendant Horowitz' and Defendant Kane's counterclaims. Plaintiff did not address the substance of the counterclaims in his Opposition. . . . [The] counterclaims raise several disputed material issues related to the assignment of . . . mortgage from Mr. Lee to the Overseer of Revitalize and the transfer of the subject Property to [Hester]. . . . Mr. Sulla would be a necessary witness to testify regarding the substance of these claims. . . .

9. Indeed, Sulla needs to answer for his conflicting interests as Hester's financier, evidenced by Sulla's "Mortgage" "loan" to Hester secured by the Property.

(**Exhibit 14**) Sulla simultaneously filed that contract with the State of Hawaii Bureau of Conveyances on June 14, 2011, at the same time giving Hester his quitclaim deed to the Debtor's Property. (**Exhibit 15**)

10. On March 4, 2016, the 0196 Court issued its Fifth Amended Final Judgment, (**Exhibit 3**) *granting the Debtor a monetary award requiring enforcement* by the Trustee at this time, and denying *Hester's wrongful foreclosure in favor of Horowitz*, effectively enforcing laws and res judicata doctrine in 0196/0304.

(Both are being appealed at this time in: ICA No. CAAP-16-0000162 in Civ. No. 05-1-0196; and ICA NO. CAAP-16-0000163 in Civ. No. 14-1-0304.)

11. **On March 12, 2016**, *one week* after Sulla received notice from the 0196 Court in **Exhibit 3**, that *there was no deficiency on the Mortgage or Note, and that the final balloon payment had been made* (See: page 5, footnote 1); and *three days after the automatic stay began on March 9, 2016*, disqualified attorney Sulla served a *hand-altered* copy of a purported "Writ of Ejectment" from 0304 (**Exhibit 17, on March 12, 2016**). That warrant was taped to Horowitz's front gate adjacent Debtor's "No trespassing" sign, in violation of the automatic stay.

12. *Sulla received this notice of the automatic stay on the morning of **March 12, 2016**, as evidenced by USPS records, (Exhibit 18) and Sulla acted that night in violation of the Stay, in violation of his rules of civil service, and in violation of his disqualification Order—an ethical breach and contempt of the U.S. District Court, as evidenced by exhibits, Affidavit (Exhibits 17 thru 19) and details below.*

13. On March 18, 2016, Sulla filed “Motion for Relief from Stay” (Dkt #14) purposely omitting mention of the aforementioned facts and final judgment in the Debtor’s favor in the first filed judicial foreclosure case. Unjustly, on April 15, 2016, the Court annulled the Stay for “comity” (Dkt #32) vicariously encouraging Sulla’s “debt collection” and reckless efforts to possess the Debtor’s Property.

14. Compounding Sulla’s pattern of ethical breaches and Debtor-damaging violations of rules and law, Sulla committed an additional stay violation two weeks later, the week of March 21, 2016, when Sulla solicited State sheriffs to execute the improperly served Writ, to eject the Debtor from his home. (**Exhibit 20**)

15. The Writ (**Exhibit 17**) stated “EFFECTIVE IMMEDIATELY, FROM THE ISSUANCE DATE OF THIS WRIT, YOU ARE COMMANDED TO REMOVE the said above-named Defendants LEONARD G. HOROWITZ . . . SHERRI KANE [Horowitz’s partner] . . .”. The date of issuance of the Writ was stamped **March 1, 2016**—meaning Sulla delayed more than ten days to preclude Horowitz et. al. from filing a timely appeal, as required by HRCP Rule 62(a).

16. Sulla’s actions, thereby, put Horowitz and fellow residents in a panic mode, believing they needed to pack up immediately and leave the Property. But it was Saturday night! The injustice was ungodly, and the Sheriff could not even be contacted before Monday. In addition, recognizing the urgency of filing a timely appeal within 10-days of service, with the court stamp showing March 1, 2016,

the Debtor became severely distressed, prompting him to commission his attorney to do whatever she could do to stop the wrongful eviction, including filing a Notice of Appeal minutes before midnight on Sunday, March 13, 2016.

17. Horowitz, a doctor, recognized that Kane's panic mode put her at grave risk for a heart attack, because her medical history includes two previous heart attacks. Horowitz knew he needed to protect Kane to mitigate damages, but there was little to do but panic over the impending doom, and urgent need to remove years of accumulated personal properties from the home, and secure storage at costs the couple could ill afford with Horowitz already in bankruptcy. The circumstances caused Horowitz to give away all of his office furnishings, his tools, yard equipment, aqua-cultural and agricultural properties, and much more.

18. Compounding the severe distress and irreparable harm, over the following days and weeks, Sulla spread word through the community that Horowitz had lost the Property by defaulting on the Mortgage, causing Horowitz and Kane to be disparaged, shunned, and further defamed in the community by neighbors spreading that falsehood around town and on the Internet.

19. Between March 12, 2016 through March 25, 2016, Horowitz and Kane continued having to cope with the threat of impending ejection by Sulla or by the Sheriff who Sulla had been commissioning during the week of March 21, 2016, as verified by the lieutenant in charge as well as communications between counsel. **(Exhibit 27)**

20. Sulla's violations of the stay and ethical rules caused the Debtor to have to pay his lawyer more than \$3,900 for more than 13 hours of work done at \$300 per hour, as evidenced by her invoice of March 15, 2016. **(Exhibit 21)**

21. Between March 21, 2016 and June 10, 2016, Sulla kept up his terrorizing

ejection campaign, trespassing on the Property on June 5 and again on June 10, 2016, harassing the Debtor's caretakers and fellow residents.

22. On June 10, 2016, Sulla recklessly attacked the house with a half dozen cohorts to possess the Property by "self help." (**Exhibits 21-23**) After breaking through the front door barricaded by a piano, Sulla then entered into the Appellant's home and announced his ownership according to the attached Affidavit of Joseph Garramone. (**Exhibit 22**) Sulla's cronies terrorized residents and restrained them from calling the police. House locks were changed and "No Trespassing" signs were seized or destroyed. Sulla's agents grappled with caretakers over telephones and ripped the main telephone cord out of the wall to prevent summoning police or speaking with Horowitz. The trespassers vandalized the Property, changed all locks, altered the U.S. Postal Service box address thereon, and when the police were finally summoned by a neighbor and on their way, Sulla's son fled the scene in Sulla's car with a "friend" assigned by Sulla to secure the dispossession.

23. Hester was not there. And when Garramone asked why not, Sulla arrogantly announced no one other than he owned or controlled the Property. **Exhibit 22.**

24. Sulla's recklessness was also noted by police upon arrival, since only hours earlier on June 10, 2016, Sulla had been warned by Hilo police officer Nactor (in Complaint No. MI6033763) not to go to the Property. (**Exhibit 21**) It was a holiday—King Kamehameha's Birthday. Sulla was told by Nactor to stand down, not to trespass, and to "contact the Sheriff on Monday," after the holiday weekend, since the sheriffs customarily administer lawful ejections. But Sulla paid no heed to Nactor, or HRCP Rules 4 and 5 directing process of service.

Again, Sulla and co-counsel Whittaker made no effort to legally serve notice to the Debtor's attorney regarding the June 10th assault.

25. Horowitz et. al., were under the impression that Nactor and the holiday precluded Sulla's execution of the Writ. The Sheriff informed the Debtor weeks earlier that Sulla required the Sheriff. Horowitz also believed Sulla required more authorization from the 0304 court given the same had authorized a stay on bond, and also because Sulla was *disqualified*, and had not served the Writ lawfully on March 12th. Nonetheless, on June 10th, Sulla and a team of outlaws out-muscled and outwrestled the residents and caretakers before police arrived to eject Sulla and his gang. Sulla is now attempting to sell the Property quickly to, like Hester, another bad faith buyer or Sulla strawman.

26. Sulla defends the aforementioned actions before this Court claiming Hester is the subject Property "owner—the Property is no longer part of the Debtor's estate; and in defense of alleged Stay violations (in "Declaration of Paul J. Sulla, Jr. in Support of Memorandum in Opposition to Motion for Preliminary Injunction and Extended Stay for Violations of 11 USC 362 filed on March 18, 2016" in the related Adversarial Proceeding; **Exhibit 24**), Sulla states (on page 3, ¶¶ 7 thru 10, with emphasis added):

7. Because Debtor's bankruptcy was filed on a **Thursday, March 11, 2014**, and notice was sent via **regular mail** from Honolulu, Monday **March 14, 2016** would be the earliest possible business day where myself and Defendants could have had any notice at all via **regular U.S. Mail**.

8. My office received notice of Debtor's Bankruptcy on **March 14, 2016** and ceased all activity to collect the debt thereafter. . . .

10. **Defendant Stephen Whittaker had requested that our office serve upon the occupants of the Subject Property the Writ of Ejectment issued in Hester v. Horowitz et. al., Civ. No. 14-1-0304** dated March 1, 2016, prior to the actual

eviction. My office sent the writ to the process server on March 5, 2016, to serve upon the occupants of the Subject Property in **her regular course**.

II. RULES AND LAWS

Appendix I details the Rules and Laws relevant to this filing, including: (1) FRCP Rule 9(b). Pleadings Special Matters; (2) FRCP Rule 11(b). Signing Pleadings, Motions, and Other Papers; Representations to the Court, Sanctions; (3) FRBP, Rule 1001 and FRCP Rule 1. Scope of Rules; (4) HRCP Rule 4. PROCESS; Hawaii Rules of Professional Conduct (“HRPC”); (5) Rule 1.7, CONFLICT OF INTEREST; (6) HRCP Rule 5. SERVICE AND FILING OF PLEADINGS AND OTHER PAPERS; (7) HRPC 3.4 FAIRNESS TO OPPOSING PARTY AND COUNSEL; (8) HRPC Rule 4.1. TRUTHFULNESS IN STATEMENTS TO OTHERS; (8) HRPC, Rule 8.4. MISCONDUCT; (9) Hawaii Revised Statutes, (“HRS”) § 425E-208 Liability for false information in a filed record; and (10) HRS § 651C-4 Transfers fraudulent as to present and future creditors.

Appendix II details eighteen (18) similarities between Sulla’s activities to defraud the Court in this case and the sanctioned actions of attorneys in *Bank of Hawaii v. Kunimoto*, 984 P. 2d 1198 - Haw: Supreme Court 1999.

III. ARGUMENT AND AUTHORITIES

1. Rule 1001 of the Bankruptcy Court says pleadings: “should be construed, administered, and employed by the court and the parties to secure the just, speedy, and inexpensive determination of every action and proceeding;” and this first rule mirrors Rule 1 of the U.S. District Court that *disqualified Sulla from representing Hester as a necessary witness **at trial that never happened***, because Sulla has been permitted to frivolously and recklessly argue with unclean hands to divert from material facts, delaying justice and increasing litigation costs by concealing his conflicting interests and “improprieties.” Accordingly, for justice, efficiency, and economy, **Sulla is called now to show cause for alleged: (1) Violations of the Automatic Stay; (2) Defiance of Disqualification Order; and (3) Conflicting**

Interests and Fraudulent Concealments in a Pattern of Bad Faith Pleadings.

These matters are most relevant in determining whether the automatic stay provisions of section 362 were violated, that is a question of law. [*Groner v. Miller \(In re Miller\)*, 262 B.R. 499, 502 \(9th Cir. BAP 2001\)](#).

A. Violations of Automatic Stay: Sulla must now show cause why:

(a) Sulla defended against Automatic Stay violations by citing the *wrong date the Stay was issued*. That is, Sulla falsely certified that “**Thursday, March 11, 2014,**” was the issuance date, and March 11th was not even a *Thursday*, it was a Friday; and the Automatic Stay began on **Wednesday, March 9, 2014;** (Exhibit 24)

(b) Sulla misrepresented service of Notice of Stay by “**regular mail**” when Exhibit 18 shows Sulla was served “**Priority Mail**” outgoing on **Thursday, March 10, 2016;**

(c) Sulla also misrepresented his **mail service delivery date as March 14th**. Exhibit 18 shows the Stay Notice was delivered to Sulla’s mailbox at **10:27 am, on Saturday, March 12, 2016, approximately nine (9) hours *before* Sulla served a Court-stamped March 1, 2016, Writ of Ejectment upon the Debtor, at approximately 7:00pm on March 12th,** according to Affidavit of Samantha Sparrow. (Exhibit 19)

(d) Sulla’s “**earliest possible business day**” is misrepresented. He omits his **March 12, 2016, confirmed mail delivery date, and his business of having served that Writ of Ejectment that Saturday night;**

(e) Relatedly, Sulla’s co-counsel, Defendant Whittaker, according to Sulla’s Declaration (4-15-16; pg. 3, ¶ 9, Exhibit 24) “*requested*” *disqualified attorney Sulla serve the Writ*, knowing Sulla was *not* to provide legal services to Hester in

that 0304 case. Accordingly, Sulla needs to show cause why this was not a violation of the automatic stay as well as a violation of HRPC Rules 1.7(b)(2).³

(f) Sulla's pleads his service of the Writ was purportedly agented by *a female process server*. But this claim conflicts with *Sulla having either served Notices himself, or feigned male process server Robert Dukat's signature. (Exhibit 25)* Moreover, Sulla's Stay violating "service" was not accompanied by any process server's identification, no Notice of Service, and no Certificate of Service to any party, at the residence, by mail, or to the Debtor's counsel. Neither was Sulla's "service" entered as required into the 0304 court as directed by HRCP Rule 5(e).

(g) Sulla (or Whittaker) did not serve Debtor's counsel any notice that the Writ of Ejectment had been issued on March 1, 2016, by the 0304 court, as required by HRCP Rule 5(b)(1);

(h) Sulla's "service" of the Writ and alleged Stay violation on Saturday night, March 12, 2016, that harassed, distressed, and irreparably harmed the Debtor.

³ HRPC Rules 1.7(b)(2) states: Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if: . . . (2) the representation is not prohibited by law. But the representation was prohibited by law. The co-counsel *knowingly defied the Seabright/Puglisi Court's disqualification Order*. This is akin to criminal contempt in violation of HRS §710-1077(c) that reads: "As an attorney, . . . the person knowingly fails to perform or violates a duty of the person's office, or knowingly disobeys a lawful directive or order of a court." Sulla's Service of Ejectment Notice also violated HRCP Service Rule 5(b) and (e) that states: "The filing of pleadings and other papers with the court as required by these rules *shall be made* by filing them with the clerk of the court;" and "*shall be made upon the [Debtor's] attorney unless service upon the party is ordered by the court.*" (Emphasis added.) Sulla and Whittaker *never served a copy of the Writ upon the Debtor's attorney Margaret Wille*, prompting Wille to object to the due process violations as recorded in **Exhibit 26**.

(i) Sulla's contempt and alleged Stay violation, on March 12, 2016—serving an *altered copy* of the Writ of Ejectment (**Exhibit 17**) *eleven (11) days untimely* after its issuance, either precluded the Debtor from timely appeal, or caused *costly emergency commission* of attorney Wille to file instantly to comply with the 10 day appeal requirement to stay the Order; (**Exhibit 20**)

(j) Further, Sulla solicited the State sheriff in Hilo to execute that Writ upon the Debtor during the week of March 21, 2016, while Sulla knew the stay was still in effect, recklessly administering the Debtor's ejectment.⁴ (**Exhibit 27**)

The evidence argues that Sulla's stay violations were *willful*. Section 362(k)(1) provides for an order for sanctions if a party *willfully* violates the stay.

Any reasonable person considering the vast number of Sulla's aforementioned misrepresentations would conclude that Sulla acted *willfully* to violate the stay, defy to District Court, and deceive the BK Court. A reasonable person can see a *pattern of bad faith* in Sulla's actions and false excuses for stay violations, including, summarily, Sulla's: (1) false date alleged for the stay's issuance; (2) false mail service alleged; (3) false date the notice of stay was actually served; and (4) Sulla's tacit admission that he: (a) violated the stay repeatedly by: (i) complying with co-Counsel Whittaker's purported request that Sulla serve the Writ in violation of his disqualification, and did so while the Stay was active; (ii) neglecting to notice a purported "female" process server to delay service; and (iii) soliciting Sheriff Kauwe to eject the Debtor from his home while the stay was in force; (**Exhibit 27**) (b) that Sulla defied his disqualification repeatedly all the while; and (c) frantically compounded those violations by more than a half-dozen

⁴ This fact is confirmed by Debtor's counsel in her March 24, 2016, e-mail to Sheriff Kauwe informing Kauwe that he was not to be solicited by, or contracting with, Sulla, due to Sulla's disqualification and conflicting interest. (**Exhibit 24**)

breaches of rules, laws, and disqualification Order to conceal Sulla's conflicting interests while hastily administering his scheme to possess the Property.

“[T]here's some real fast and loose maneuvering going on here with the Court. . . . And at least there's been an effort, conscious or reckless, to try and interpret the meanings of the court's orders [disqualification and relief of stay] so that it best suits a particular party [Sulla]. . . . The Court specifically finds that the conduct of . . . counsel in this case is reprehensible. . . . At best the conduct of . . . counsel was reckless; at worst it was knowing and intentional.” *Bank of Hawaii v. Kunimoto*. Id.

Quoting from *In re Dingley*, 514 BR 591 - Bankr. Appellate Panel, 9th Circuit 2014:

[A]n individual injured by any willful violation of a stay provided by this section shall recover actual damages, including costs and attorneys' fees, and, in appropriate circumstances, may recover punitive damages.

Before imposing sanctions, the bankruptcy court must find that a violation of the stay was willful. The test for determining whether a violation of the automatic stay is willful is: (1) whether the appellants knew of the stay; and (2) whether the violation of the stay was intentional. [*Goichman v. Bloom \(In re Bloom\)*, 875 F.2d 224, 227 \(9th Cir.1989\)](#). "Intentional" does not mean a specific subjective intent to violate the stay. [*Pinkstaff v. United States \(In re Pinkstaff\)*, 974 F.2d 113, 115 \(9th Cir.1992\)](#). It is irrelevant whether the party believed in good faith that it had a right to the property at issue. [*In re Bloom*, 875 F.2d at 227](#).

By annulling the automatic stay, as the Court did in favor of Sulla for “comity,” “a court can validate an otherwise invalid transaction ([*Algeran, Inc. v. Advance Ross Corp.*, 759 F.2d 1421, 1425 \(9th Cir. 1985\)](#) (*Nunc pro tunc* effect of order of annulment validated foreclosure sale.)” Quoted from *In re Cady*, 266 BR 172 - Bankr. Appellate Panel, 9th Circuit 2001. In the case at bar, annulling the Stay vicariously ceded Sulla validation of his non-judicial foreclosure sale and the Debtor's unjust and inequitable ejection from his home. In essence, Sulla must show cause why he has not defrauded the Honorable Court to the Debtor's prejudicial disadvantage and damage.

B. Defiance of Disqualification Order: Sulla must show cause for his defiance.

1. Sulla must show cause for *defying his disqualification* from representing “client” Jason Hester (**Exhibit 13**) in related State court case 0304, intertwined with the alleged Stay violations and representation of Hester in this bankruptcy proceeding. “An attorney choosing to defy a disqualification order faces not only contempt sanctions but direct disciplinary action for an ethical violation.” *In re Coordinated Pretrial Proceedings, Etc.*, 658 F. 2d 1355, 1358 – Court of Appeals, 9th Circuit 1981. “... No attorney admitted to practice before this Court shall engage in any conduct which degrades or impugns the integrity of the Court or ... interferes with the administration of justice therein.” *Id.*, citing Central District of California, Local Rule 1.3(d).

(2) Sulla must show cause for his defenses that he did not violate the automatic stay while defying his disqualification Order. Explicit defenses and answers are required by Sulla for each of Sulla’s aforementioned actions listed above in Sections A & B.

C. A Pattern of Bad Faith, Conflicting Interests and Fraudulent Concealments

1. Sulla must also show cause for:

(a) Why the Court should permit Sulla’s claim that he holds a “secured” “lien on the property” in violation of HRPC Rule 1.7(a)(1)and(2), since Sulla’s status as Hester’s lawyer, *mortgagee, financier, debt collector, and auctioneer* puts Sulla in direct conflict with Hester’s alleged interests and “ownership” of the Property. (**Exhibit 14**)

(b) Co-counsel Whittaker’s commission and financing by Sulla, since it is unreasonable to assume these two costly attorneys have been paid for years of work by Hester—an impoverished, homeless, drifter with a drug trafficking record.

(c) Why Sulla’s repeated pleadings that the Debtor is defaming him are not baseless, frivolous, diversionary, dilatory, and violating Rule 3.1 MERITORIOUS CLAIMS AND CONTENTIONS,⁵ since Sulla had three years to prosecute his claim of “defamation” in Civ. No. 12-1-0417, failed to do so, and the Debtor prevailed (**Exhibit 28**); and why “Plaintiff [Hester/Sulla does] not address the substance of the [Debtor’s] counterclaims in his Opposition,” noted by Honorable Judge Puglisi in Sulla’s disqualification Order (p. 12 of 13, 1st ¶; **Exhibit 13**).

(d) Sulla’s statement in “Declaration of Counsel in Support of Motion for Relief From Automatic Stay” by which Sulla stated: (A) in paragraph 8: “Debtor continually claims to have an interest in the Property despite repeated Findings, Orders and Judgments in prior State actions that he has none.” Sulla must show cause for this statement in the form of: (a) Findings of Facts (FOF/COL) by any court pursuant this allegation; (b) Orders (plural) from “prior State actions” (plural) proving the statement; and (c) Judgments [plural] in prior State actions [plural]” that prove this statement; and (B) in paragraph 9, Sulla must show cause for the statement “Debtor holds no record title interest. . . .” that includes why Debtor’s Warranty Deed (**Exhibit 5**) in Horowitz’s sole corporation wherein Horowitz is the “body corporate,” Horowitz signing as “Individual” and guarantor on the Note (**Exhibit 6**), and/or RBOD’s quitclaim transfer of those rights to Horowitz and Kane, does not qualify as a “record title interest”

⁵ Comments under HRPC Rule 3.1, include: “*The action is frivolous, however, . . . if the lawyer is unable either to make a good faith argument on the merits of the action taken or to support the action taken by a good faith argument.*” [Italics not added.] The Debtor also argues that per FRCP 8(b)(2),(3) and (6), Sulla has *tacitly admitted* the Debtor’s substantive claims by repeatedly failing to “fairly respond to the substance of the allegations.” This allegation includes Sulla’s “altering” of GOB’s Articles of Incorporation, and photocopying Lee’s signature(s) on the General Certification pages therein, (**Exhibit 7**) thus illegally foreclosing and voiding Hester/Sulla’s interests and liens on Title.

according to law. *TERRETT & OTHERS v. Taylor & others*, 13 US 43, 1815 (“[W]e think ourselves standing upon the principles . . . of most respectable judicial tribunals, in resisting such a doctrine” that would preclude the rights of *persona ecclesiae* “capable, as a sole corporation, of transmitting that inheritance to his successors;”^{6,7}

(e) Sulla’s statement on page 3 of 6 (¶ 11) is not *reckless* (or *perjury*) in his Declaration in related case #16-90015, filed April 15, 2016, Dkt# 28-1, (**Exhibit 29**) stating Horowitz’s:

“Complaint admits that the remaining mortgage debt was not paid by RBOD or by Debtor but instead RBOD (via Debtor) ***unsuccessfully attempted*** to use \$200,000 jury award against a now-deceased Plaintiff (Cecil Lee) and shared by multiple Defendants (including Debtor) as an offset to make RBOD’s final payment due on the promissory note.” (Bold italic emphasis added.)

Sulla must show cause why Horowitz “***unsuccessfully attempted***” to satisfy the Mortgage Contract’s paragraph 16, that states in relevant part:

“setting off (deducting) amounts that I owe Lender from any funds that Lender may owe me. For example, if I have an account with Lender, Lender may take the money in that account to pay what I owe under the Note and Mortgage.”

(**Exhibits 4**) Accordingly, *Sulla must show cause why Sulla or Hester are entitled to:*

(i) any Mortgage payments since there were no longer any due; especially considering neither exercised the Contract or were on the Note; (ii) neglect the plain and clear language of that Mortgage Contract; (iii) claim Horowitz’s compliance with that

⁶ In the instant case, Horowitz is the “body corporate” of RBOD, alternatively, RBOD and Horowitz are technically the same, although legally distinguishable under common and statutory law. The metaphysical or spiritual existence of RBOD outlives Horowitz, and RBOD’s property interests pass to successor overseers. By the quitclaim deed (**Exhibit 31**), Horowitz/RBOD conveyed title and interest to Horowitz and Kane for until such time as justice can prevail against Sulla and the defrauded courts.

⁷ In the case at bar, Sulla neglects this body of case law; thus recklessly argues his wrongful non-judicial foreclosure (“NJF”) and conversion of real Property title was justified, despite his “Foreclosing Mortgagee” was voided by fraudulent and untimely transfers of the subject Mortgage and Note; that did not preclude Horowitz/RBOD from conveying from RBOD to Horowitz and Kane as *persona ecclesiae* on July 11, 2012, RBOD’s interests in the record title and Property.

Contract was an “unsuccessful attempt;” and why (iv) Sulla chose to foreclose again, a second time, non-judicially, claiming a \$200,000 default, instead of moving the 0196 Court that awarded that amount to Horowitz to collect any Sulla-alleged deficiency.

(f) Why the Court should not sanction Sulla for concealing from this Court Sulla’s mortgage “loan” and financing of Hester in exchange for senior interests and claims of “ownership” in the subject Property.⁸ **(Exhibits 14 and 15)**

(g) Why Sulla should not be sanctioned for concealing: (a) the Final Judgment in 0196, awarding money and Property to Horowitz/RBOD; (b) Horowitz’s final balloon payments on the Mortgage and Note of Feb. 27, 2009; (c) Sulla’s violations of HRS 667-5 non-judicial foreclosure requirement to know and provide the precise “default amount” when that was asked and that amount was not knowable, nor known by Sulla on April 20, 2010 when Sulla unlawfully foreclosed non-judicially on the Property; and (d) defamatory publications claiming Horowitz defaulted on the Mortgage, and owed Sulla’s “clients” money, when that is not true;

(h) Why alterations *voiding* Sulla’s “Foreclosing Mortgagee’s” Articles of Incorporation, including photocopied signatures of Sulla’s predecessor-in-interest (Seller Lee; **Exhibit 7**) to form GOB (untimely), misrepresenting GOB’s legitimacy, then fraudulently transferring Debtor’s Mortgage to GOB to convert the Property by wrongful foreclosure (**Exhibit 30**), do not *void* that foreclosure per *Bank of Hawaii*;

⁸ Sulla registered his mortgage to Hester in the State of Hawaii Bureau of Conveyances (BoC) Doc. No. 2011-093773, on June 14, 2011, at the same time Sulla administered GOB’s quitclaim deed transfer to Hester using paired Doc. No. 2011-093772.

“BOH moved for a temporary restraining order (TRO) to prevent Dr. Kunimoto (1) from . . . accepting payments, . . . through a sham corporation . . . and (2) from fraudulently transferring his [property]. . . . [T]he Bankruptcy Court expressly (1) found that Dr. Kunimoto had made false and misleading representations in his disclosure statements and related filings before the bankruptcy court and (2) concluded that Dr. Kunimoto had committed a fraud upon the bankruptcy court.” *Id.*

(i) Proof of Claim filing of June 17, 2016, (**Exhibit 1**) referencing as proof (page 5 of 7) Sulla’s non-consensual lien on “All property owned by Judgment Debtor Leonard G. Horowitz, . . . Address 13-3775 Paho-Kalapana Hwy., Paho, HI 96778”—a lien not authorized by any court and subject to refutation, discharge, and/or set off;

(j) Why Hester has not appeared, nor filed even one affidavit, to prove his standing, or put facts before the Court verifying the Court’s jurisdiction over Hester.⁹

(k) Sulla’s statements on page 3, paragraph 1, of the instant “Judgment Creditor Paul J. Sulla, Jr.’s Objection to Confirmation of Amended Plan of Debtor,” that “The filing shows a claim by Ms. Kane of a secured lien in the amount of \$220,919.00, with an unusually high 10 percent interest rate. . . [so] then this lien smacks of collusion and should be disallowed.” Yet, Sulla filed his “Proof of Claim” (2-1; page 2 of 7, paragraph 9) claiming the same “10.00%” interest rate, while concealing his complicity with Whittaker and Hester, and finally . . .

l) Why the Court should disregard Sulla’s aforementioned string of “improprieties” that include a pattern of perjury, bad faith pleadings, disqualification defiance, and

⁹ Rule 17 of the Federal Rules of Civil Procedure provides: "An action must be prosecuted in the name of the real party in interest."^[13] The purpose of this rule is to require that an action be brought "in the name of the party who possesses the substantive right being asserted under the applicable law...." 6A WRIGHT, MILLER & KANE, FEDERAL PRACTICE AND PROCEDURE: CIVIL 2d § 1541 (1990) ("WRIGHT"). "As a general rule, a person who is . . . an agent solely for the purpose of bringing suit is viewed as a nominal rather than a real party in interest and will be required to litigate in the name of his principal rather than in his own name." 6A WRIGHT § 1553. "A party may be the real party in interest, but lack standing." *Davis v. Yageo Corp.*, 481 F.3d 661 (9th Cir.2007). In this case, how can Sulla be a party when he is not on the Note and conceals his mortgage interest?

stay violations for Property conversion that include concealing Sulla's own superior interest to Hester in the subject Property?

(m) Why Sulla's conversion of the Property by fraudulent transfers are not void pursuant to 11 U.S.C. § 548, and why the Trustee should not act on behalf of the estate and legitimate creditors under §§ 550 and 551; especially given the Trustee's duty under 18 U.S.C. § 3771(a)—Crime victims' rights law—to secure the estate and help the Debtor/victim of Sulla's crimes “be reasonably protected from the accused.”¹⁰ (And what precludes the Debtor, under these circumstances, from exercising “[t]he right to full and timely restitution as provided in law.”)

In re Cady, 266 BR 172 - Bankr. Appellate Panel, 9th Circuit 2001, referencing [Schwartz, 954 F.2d at 574](#), discussed section 362 as it applies to transfers of property initiated by claimed “creditors”—Sulla and Hester in this instant case—“to illustrate the difference between a creditor's seizure of estate property, which violates section 362, and a debtor's voluntary but unauthorized transfer of estate property, which must be undone through the trustee's avoidance powers under section 549.” According to 42 U.S.C. § 1981, Debtor shall be provided equal rights to that of a dispossessed creditor, especially since the Debtor *is* a dispossessed creditor in this case by reason of the Final Judgment(s) in 0196 in Debtor's favor.

In other words, Sulla's aforementioned Stay and disqualification violations, and these special matters involving fraud and crime, compel the Trustee's avoidance powers to protect and recover the Debtor's wrongly converted or vicariously ceded Property of the estate, being that such illegal transfers are *void*, requiring transfer

¹⁰ Under § 651C-7, the proper administration of procedures by State officials include the attachment of the Property that has been illegally transferred by and “[a]n injunction against further disposition by the . . . transferee, . . . of the asset transferred or of other property” is in order. In accordance with 18 U.S.C. § 3771(d)(1) the Debtor/victim is empowered to exercise his right, and so here, under this same provision 3771(d)(1) that preclude Sulla, as “[a] person accused of the crime,” from “obtain[ing] any form of relief under this chapter.”

avoidance under sections 548 and 549 in the interest of justice, equity, efficiency, and economy, per Rule 1001.

IV. CONCLUSION AND REMEDIES REQUESTED

“The court believes and finds that the defendant [Sulla] continues to hinder, delay, or defraud the [Debtor] by engaging in conduct which is in violation of Hawaii Revised Statutes, Chapter 651C. . . . [and this activity] should not be tolerated. . . . Judgment debtors [from 0196, Sulla’s predecessors-in-interest, Lee/GOB/Hester] should not lie, deceive, or attempt to manipulate the legal system to avoid paying monies which are owed to a creditor [here, Horowitz/RBOD from 0196, and secured creditor Kane in this proceeding]. *Bank of Hawaii v. Kunimoto*, 984 P. 2d 1198, 1203 - Haw: Supreme Court 1999.

Precedents apply here as in *Kekona v. Bornemann*, 305 P. 3d 474 - Haw: Intermediate Court of Appeals 2013, for “unwinding the transfer[s] and awarding compensatory and punitive damages against [Sulla],” (as also ruled in *Bank of Hawaii*). The Debtor’s damages and \$3900 in legal fees must be compensated for Sulla breaking laws, violating the Stay, defying his disqualification Order, and misrepresenting and neglecting the outcomes of several State cases, while purposely neglecting/concealing Sulla’s own conflicting interests in the Property. The Debtor needs to be made whole from Sulla’s illegal transfers requiring the Trustee’s remedial actions and avoidance pursuant to HRS 651C, 11 U.S.C. §§ 548, 550 and 551, 18 U.S.C. § 3771(d)(1) and 42 U.S.C. § 1981(a) and (c).

Respectfully submitted,

DATED: June 27, 2016

LEONARD G. HOROWITZ, pro se

LEONARD G. HOROWITZ, Pro se
13-3775 Pahoia-Kalapana Road
Pahoia, HI 96778
Email: editor@medicalveritas.org
808-965-2112

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF HAWAII**

In Re: Leonard G. Horowitz)

Debtor.)

LEONARD G. HOROWITZ, an)
individual; and SHERRI KANE, an)
individual)

Plaintiffs,)

vs.)

PAUL J. SULLA, JR. an individual;)
PAUL J. SULLA JR., ATTORNEY AT)
LAW A LAW CORPORATION, a)
corporation; THE ECLECTIC CENTER)
OF UNIVERSAL FLOWING LIGHT-)
PAULO ROBERTOSILVA E SOUZA, a)
Hawaii corporation sole; JASON)

HESTER, an individual; THE OFFICE)
OF OVERSEER, A CORPORATE SOLE)
AND ITS SUCCESSOR, OVER AND)
FOR THE POPULAR ASSEMBLY OF)
REVITALIZE, A GOSPEL OF)
BELIEVERS; STEPHEN D.)
WHITTAKER, an individual; STEWART)
TITLE GUARANTY COMPANY; and)
DOES 1 through 50, Inclusive)
Defendants)

Bankruptcy Case No: 16-00239
(Chapter 13)

**Declaration of
Leonard G. Horowitz in Support of
Motion to Show Cause for
Violations of the Automatic Stay,
Defying Disqualification Order,
and Bad Faith Pleadings in
“Judgment Creditor Paul J. Sulla’s
Objections to Confirmation of
Amended Plan of Debtor.”**

Re: Claim 2-1 and Docket Entry No. 87

HEARING:
Hearing Date: _____, 2016
Hearing Time: _____, __.m.

JUDGE:

HONORABLE ROBERT J. FARIS

I, LEONARD GEORAGE HOROWITZ, under pain of perjury of law, do hereby state and declare as follows, in propria persona:

1. I am an individual over the age of twenty-one (21) years, an “after resident” of the State and County of Hawai‘I, domiciled in California.
2. I am a Debtor/victim of organized crime who filed for bankruptcy in this proceeding on March 9, 2016, and at the same time filed related Adversary Proceeding 16-90015.
3. I declare that the attached “**MOTION TO SHOW CAUSE FOR VIOLATIONS OF THE AUTOMATIC STAY, DEFYING DISQUALIFICATION ORDER, AND BAD FAITH PLEADINGS IN “JUDGMENT CREDITOR PAUL J. SULLA, JR.’S OBJECTION TO CONFIRMATION OF AMENDED PLAN OF DEBTOR”** contains true and correct pleadings to the best of my knowledge.
4. I declare that Exhibit “1” is a true and correct copy of “Judgment Creditor Paul J. Sulla, Jr.’s Objection to Confirmation of Amended Plan of Debtor, filed by Sulla on June 17, 2016.
5. I declare that Exhibit “2” is a true and correct copy of the Notice of Appeal, filed by Sulla in the 0196 case on May 21, 2009.
6. I declare that Exhibit “3” is a true and correct copy of the Fifth Amended Final Judgment in Civ. No. 05-1-0196, filed on March 4, 2016, in which I prevailed in defeating a malicious prosecution and subject Property theft scheme under color of law.
7. I declare that Exhibit “4” is a true and correct copy of my Mortgage exercised January 15, 2004, that I paid for completely by February 27, 2009.
8. I declare that Exhibit “5” is a true and correct copy of my Warranty Deed issued by Stewart Title Company/Island Title Company agent, Brenda Iaone, and filed on January 23, 2004, with the Bureau of Conveyances as Doc. No. 2004-014440.
9. I declare that Exhibit “6” is a true and correct copy of my Promissory Note attached to the Mortgage, wherein GOB, Hester or Sulla are not named.
10. I declare that Exhibit “7” is a true and correct copy of forensic document and handwriting expert Beth Chrisman’s bio, professional analysis, and sworn (notarized) Declaration signed on June 12, 2015, attesting to the fact that Sulla altered the Articles of Incorporation, and forged at least one, and probably two, signatures of the deceased Seller, Cecil Loran Lee. Sulla used this to extort money from me, or steal my Property under color of law.
11. I declare that Exhibit “8” is a true and correct copy of the fraudulent Assignment of Mortgage committed by Paul J. Sulla, Jr. on-or-about May 15, 2009—a *fraudulent transfer* of my Mortgage that was paid in full by February 27, 2009; and that Sulla , purportedly Lee, made this transfer in order to evade me as a judgment creditor in Civ. No. 05-1-0196, and evade releasing my Mortgage as required by law and requested by me between March and June of 2009. **This fraudulent security was notarized by**

Third Judicial Circuit State of Hawaii court notary, Collins Tomai, who is currently an official of the Territorial Savings Bank in Hilo. Lee's signature on this record does not appear to be legitimate.

12. I declare that Exhibit "9" is a true and correct copy of the Assignment of Promissory Note committed by Paul J. Sulla, Jr. on-or-about May 15, 2009, as a fraudulent transfer of my fully paid Note, that was paid in full by February 27, 2009.
13. I declare that Exhibit "10" is a true and correct copy of my Mortgage payment record, January 5, 2010, correspondence with Sulla explaining that the final balloon payment was paid, and attaching and referencing the payment receipts attached thereto.
14. I declare that Exhibit "11" is a true and correct copy of the Ho ohiki Record showing Sulla's unnoticed appearance to replace pro se litigant Lee, beginning May 21, 2009, with Sulla's filing of Civil Appeal Docketing Statement.
15. I declare that Exhibit "12" is a true and correct copy of Sulla's Motion for Substitution of Plaintiff showing it was erroneously administered as a "Non-hearing Motion" on July 16, 2009, albeit permitted by the defrauded court.
16. I declare that Exhibit "13" is a true and correct copy of Order Granting . . . Motion to Disqualify Co-Counsel Paul J. Sulla, Jr. from the 0304 case following removal to federal Court in Civ. No. 14-00413 JMS-RLP.
17. I declare that Exhibit "14" is a true and correct copy of Sulla's mortgage "loan" to Hester exercised June 9, 2011, issued by Sulla, and unlawfully secured by my Property.
18. I declare that Exhibit "15" is a true and correct copy of Sulla's issued Quitclaim Deed to Hester exercised at the same time Sulla secured his concealed senior interests in the Property, June 9, 2011.
19. I declare that Exhibit "16" is a true and correct copy of Sulla's issued Quitclaim Deed to GOB from GOB, dated May 3, 2010, exercised after Sulla committed a wrongful non-judicial foreclosure, April 20, 2010.
20. I declare that Exhibit "17" contains true and correct copies of my initial analysis of the first two of three hand-altered Writs of Ejectment that are highly suspicious since the attached 3 Writs are each ***court stamped the same date and time, yet were actually generated, hand altered, and certified by the 0304 court clerk weeks apart.***
21. I declare that Exhibit "18" contains true and correct copies of USPS Priority Mail receipts proving service of Automatic Stay Notice to Sulla at 10:27am on March 12, 2016.
22. I declare that Exhibit "19" contains a true and correct copy of Affidavit of Samantha Sparrow, pursuant to Sulla's "service" of Writ at night on March 12, 2016.
23. I declare that Exhibit "20" contains true and correct copy of an invoice for legal services I received from attorney Wille pursuant to her work performed on an emergency basis in defense against the Stay violation by Sulla.

24. I declare that Exhibit “21” contains true and correct copies of evidence of Sulla’s trespass, and listing of sale, on or about June 10, 2016.
25. I declare that Exhibit “22” contains true and correct copy of Affidavit of Joe Garramone detailing Sulla’s 6-10-16 trespass.
26. I declare that Exhibit “23” contains true and correct copy of Affidavit of Clayton Owens detailing Sulla’s 6-10-16 trespass.
27. I declare that Exhibit “24” contains true and correct copy of Sulla Declaration in Opposition to Preliminary Injunction.
28. I declare that Exhibit “25” contains true and correct copy of Declaration of Beth Chrisman, containing an analysis of Sulla’s signing of three ejectment warrants using the initials “RDUM,” later falsely claimed to be Robert Dukat’s signature.
29. I declare that Exhibit “26” contains a true and correct copy of attorney Margaret Wille’s letter to the 0304 Court opposing due process violations by Sulla in “serving” Writ untimely and improperly.
30. I declare that Exhibit “27” contains a true and correct copy of attorney Margaret Wille’s letter to Council Wille’s correspondence with Sheriff Kauwe on 3-24-16, responding to Sheriff’s contact solicited by disqualified attorney Sulla.
31. I declare that Exhibit “28” contains a true and correct copy of Order of Dismissal Without Prejudice, dismissing Sulla’s defamation lawsuit on August 28, 2014.
32. I declare that Exhibit “29” contains a true and correct copy of Sulla’s Declaration in Support of Motion to Dismiss the Adversary Proceeding Complaint.
33. I declare that Exhibit “30” contains a true and correct copy of Sulla’s “Foreclosing Mortgagee’s Affidavit of Foreclosure” filed with the Bureau of Conveyances on May 11, 2010, Doc. No. 2010-064624, showing Sulla’s notary is Carol L. Silva complicit in a series of land title transfers among Sulla-controlled aliases and sham entities.
34. I declare that Exhibit “31” contains a true and correct copy of RBOD’s Quitclaim Deed conveying RBOD’s interest to Kane and I.

FURTHER DECLARANT SAYETH NAUGHT

This Declaration is based upon my personal knowledge and I am competent to testify as to the truth of the statements contained herein.

Dated: Honolulu, Hawaii: June 25, 2016

Signed: _____

LEONARD G. HOROWITZ, pro se

Appendix I: Rules and Laws

II. RULES AND LAWS

1. FRCP Rule 9(b). Pleading Special Matters, states in relevant part:

(b) Fraud or Mistake; Conditions of Mind. In alleging fraud or mistake, a party must state with particularity the circumstances constituting fraud or mistake. Malice, intent, knowledge, and other conditions of a person's mind may be alleged generally.

2. FRCP Rule 11(b). Signing Pleadings, Motions, and Other Papers; Representations to the Court, Sanctions, states in relevant part:

(b) Representations to the Court. By presenting to the court a pleading, written motion, or other paper . . . an attorney . . . certifies that to the best of the person's knowledge, information, and belief, formed after an inquiry reasonable under the circumstances:

(1) it is not being presented for any improper purpose, such as to harass, cause unnecessary delay, or needlessly increase the cost of litigation;

(2) the claims, defenses, and other legal contentions are warranted by existing law or by a nonfrivolous argument for extending, modifying, or reversing existing law or for establishing new law;

(3) the factual contentions have evidentiary support or, if specifically so identified, will likely have evidentiary support after a reasonable opportunity for further investigation or discovery; and

(4) the denials of factual contentions are warranted on the evidence or, if specifically so identified, are reasonably based on belief or a lack of information.

(c) Sanctions.

(1) *In General.* If, after notice and a reasonable opportunity to respond, the court determines that [Rule 11\(b\)](#) has been violated, the court may impose an appropriate sanction on any attorney, law firm, or party that violated the rule or is responsible for the violation. Absent exceptional circumstances, a law firm must be held jointly responsible for a violation committed by its partner, associate, or employee.

(2) *Motion for Sanctions.* A motion for sanctions must be made separately from any other motion and must describe the specific conduct that allegedly violates [Rule 11\(b\)](#). The motion must be served under [Rule 5](#), but it must not be filed or be presented to the court if the challenged paper, claim, defense, contention, or denial is withdrawn or

appropriately corrected **within 21 days after service or within another time the court sets**. If warranted, the court may award to the prevailing party the reasonable expenses, including attorney's fees, incurred for the motion.

(3) *On the Court's Initiative*. On its own, **the court may order an attorney, law firm, or party to show cause why conduct specifically described in the order has not violated [Rule 11\(b\)](#)**.

(4) *Nature of a Sanction*. A sanction imposed under this rule must be limited to what suffices to deter repetition of the conduct or comparable conduct by others similarly situated. The sanction may include nonmonetary directives; an order to pay a penalty into court; or, if imposed on motion and warranted for effective deterrence, an order directing payment to the movant of part or **all of the reasonable attorney's fees and other expenses directly resulting from the violation**.

3. FRBP, Rule 1001 and FRCP Rule 1. Scope of Rules, states in relevant part that pleadings: “should be construed, administered, and employed by the court and the parties to secure the just, speedy, and inexpensive determination of every action and proceeding.

4. HRCP Rule 4. PROCESS, provides requirements for service of court filings by litigants, as follows, in relevant part:

(a) **Summons: Issuance**. Upon the filing of the complaint the clerk shall forthwith issue a summons. Plaintiff shall deliver the complaint and summons for service to a person authorized to serve process. Upon request of the plaintiff separate or additional summons shall issue against any defendants.

(b) **Same: Form**. The summons shall

(1) be signed by the clerk, under the seal of the court,

(2) contain the name of the court, the names of the parties, and the date when issued,

(3) be directed to the defendant,

(4) state the name and address of the plaintiff's attorney, if any, otherwise the plaintiff's address,

(5) state the time within which these rules require the defendant to appear and defend, and shall notify the defendant that in case of defendant's failure to do so judgment by default will be rendered against the defendant for the relief demanded in the complaint,

(6) contain a prohibition against personal delivery of the summons between 10:00 p.m. and 6:00 a.m. on premises not open to the public, unless a judge of the district or circuit courts permits, in writing on the summons, personal delivery during those hours, and

(7) contain a warning to the person summoned that failure to obey the summons may result in an entry of default and default judgment.

When, under Rule 4(e), service is made pursuant to a statute or rule of court, the summons, or notice, or order in lieu of summons, shall correspond as nearly as may be to that required by the statute or rule.

(c) Same: By whom served. Service of all process shall be made: (1) anywhere in the State by the sheriff or the sheriff's deputy, by some other person specially appointed by the court for that purpose, or by any person who is not a party and is not less than 18 years of age; or (2) in any county by the chief of police or the chief's duly authorized subordinate. A subpoena, however, may be served as provided in Rule 45.

(d) Same: Personal service. The summons and complaint shall be served together. The plaintiff shall furnish the person making service with such copies as are necessary. Service shall be made as follows:

(1) Upon an individual other than an infant or an incompetent person, (A) by delivering a copy of the summons and of the complaint to the individual personally or in case the individual cannot be found by leaving copies thereof at the individual's dwelling house or usual place of abode with some person of suitable age and discretion then residing therein or (B) by delivering a copy of the summons and of the complaint to an agent authorized by appointment or by law to receive service of process.

(2) Upon an infant, by delivering a copy of the summons and of the complaint personally (A) to the guardian of the infant's property or if there is no guardian of the infant's property or service cannot be made upon such guardian then as provided by order of the court and (B) if the infant be of the age of 16 years or over, also to the infant; and upon an incompetent person, by delivering a copy of the summons and of the complaint personally (A) to the guardian of the incompetent's property, or if the incompetent is living in an institution then to the director or chief executive officer of the institution, or if service cannot be made upon either of them, then as provided by order of the court, and (B) unless the court otherwise orders, also to the incompetent person.

(3) Upon a domestic or foreign corporation or upon a partnership or other unincorporated association which is subject to suit under a common name, by delivering a copy of the summons and of the complaint to an officer, a managing or general agent, or to any other agent authorized by appointment or by law to receive service of process and, if the agent is one authorized by statute to receive service and the statute so requires, by also mailing a copy to the defendant.

(4) Upon the State by delivering a copy of the summons and of the complaint to the attorney general of the State or to the assistant attorney general or to any deputy attorney general who has been appointed by the attorney general.

(5) Upon an officer or agency of the State by serving the State and by delivering a copy of the summons and of the complaint to such officer or agency. If the agency is a

corporation, the copies shall be delivered as provided in paragraph (3) of this subdivision of this rule.

(6) Upon a county, as provided by statute or the county charter, or by delivering a copy of the summons and of the complaint to the corporation counsel or county attorney or any of his or her deputies.

(7) Upon an officer or agency of a county, by serving the county and by delivering a copy of the summons and of the complaint to such officer or agency. If the agency is a corporation the copies shall be delivered as provided in paragraph (3) of this subdivision of this rule.

(8) Upon a defendant of any class referred to in paragraph (1) or (3) of this subdivision of this rule, it is also sufficient if the summons and complaint are served in the manner prescribed by any statute.

(e) Same: Other service. Whenever a statute or an order of court provides for service upon a party not an inhabitant of or found within the State, of a summons, or of a notice, or of an order in lieu of summons, service shall be made under the circumstances and in the manner prescribed by the statute or order. Whenever a statute or an order of court requires or permits service by publication of a summons, or of a notice, or of an order in lieu of summons, any publication pursuant thereto shall be made under the circumstances and in the manner prescribed by the statute or order. The publication of summons pursuant to Hawai'i Revised Statutes §§ 634-23, 634-26, and 634-36, shall not include the case caption and shall be in a form that substantially complies with Form 1-A of the Appendix of Forms.

(f) Territorial limits of effective service. All process may be served anywhere within the State and, when a statute or order so provides, beyond the limits of the State.

(g) Return. The person serving the process shall make proof of service thereof to the court promptly and in any event within the time during which the person served must respond to process. When service is made by any person specially appointed by the court, that person shall make affidavit of such service.

(h) Amendment. At any time in its discretion and upon such terms as it deems just, the court may allow any process or proof of service thereof to be amended unless it clearly appears that material prejudice would result to the substantial rights of the party against whom the process issued.

(Amended May 15, 1972, effective July 1, 1972; further amended September 14, 1993, effective September 14, 1993; further amended May 12, 1995, effective June 1, 1995; further amended December 7, 1999, effective January 1, 2000; further amended April 25, 2003, effective July 1, 2003; further amended August 26, 2011, effective January 1, 2012.)

5. HRCP Rule 5. SERVICE AND FILING OF PLEADINGS AND OTHER PAPERS. [States in relevant parts with emphasis added.]

(a) Service: When required. *Every order required by its terms to be served*, every pleading subsequent to the original complaint unless the court otherwise orders because of numerous defendants, . . . and every written notice, . . . demand, brief or memorandum of law, offer of judgment, . . . **and similar paper shall be served upon each of the parties**, . . . pleadings asserting new or additional claims for relief against them shall be served upon them in the manner provided for service of summons in Rule 4.

(b) Same: How made. *Whenever under these rules service is required or permitted to be made upon a party represented by an attorney the service shall be made upon the attorney unless service upon the party is ordered by the court.*

(1) Service upon the attorney or upon a party shall be made (a) by delivering a copy to the attorney or party; or (b) by mailing it to the attorney or party at the attorney's or party's last known address; or (c) if no address is known, by leaving it with the clerk of the court; or (d) if service is to be upon the attorney, by facsimile transmission to the attorney's business facsimile receiver.

(2) Delivery of a copy within this rule means: handing it to the attorney or to the party; or leaving it at the attorney's or party's office with a clerk or other person in charge thereof; or, if there is no one in charge, leaving it in a conspicuous place therein; or, if the office is closed or the person to be served has no office, leaving it at the person's dwelling house or usual place of abode with some person of suitable age and discretion then residing therein. Facsimile transmission means transmission and receipt of the entire document without error with a cover sheet which states the attorney(s) to whom it is directed, the case name and court case number, and the title and number of pages of the document.

(3) Service by mail is complete upon mailing. Service by facsimile transmission is complete upon receipt of the entire document by the intended recipient and between the hours of 8:00 a.m. and 5:00 p.m. on a court day. Service by facsimile transmission that occurs after 5:00 p.m. shall be deemed to have occurred on the next court day.

(4) Service by facsimile transmission shall be confirmed by a certificate of service which declares that service was accomplished by facsimile transmission to a specific phone number, on a specific date, at a specific time.

(c) Same: Numerous defendants. In any action in which there are unusually large numbers of defendants, the court, upon motion or of its own initiative, may order that service of the pleadings of the defendants and replies thereto need not be made as between the defendants and that any cross-claim, counterclaim, or matter constituting an avoidance or affirmative defense contained therein shall be deemed to be denied or avoided by all other parties and that the filing of any such pleading and service thereof upon the plaintiff constitutes due notice of it to the parties. A copy of every such order shall be served upon the parties in such manner and form as the court directs.

(d) Filing. Except as provided in subdivision (f) of this rule, all papers after the complaint required to be served upon a party, together with a certificate of service, shall be filed with the court either before service or within a reasonable time after service. All documents filed with the court shall be previously or contemporaneously served on all parties to the action, except as permitted in subdivision (a) above.

(e) Filing with the court defined. *The filing of pleadings and other papers with the court as required by these rules shall be made by filing them with the clerk of the court*, except that the judge may permit the papers to be filed with him or her, in which event the judge shall note thereon the filing date and forthwith transmit them to the office of the clerk. Any other rule to the contrary notwithstanding, the clerk shall not refuse to accept for filing any paper presented for that purpose solely because it is not presented in proper form as required by these rules. Proposed findings, conclusions, orders, or judgments submitted for signature

shall be dated and stamped "lodged" or "received" by the clerk and transmitted to the court for consideration. .

(Amended May 15, 1972, effective July 1, 1972; further amended March 16, 1984, partly effective March 16, 1984; fully effective May 1, 1984; further amended June 23, 1997 and July 2, 1997, effective August 1, 1997; further amended December 7, 1999, effective January 1, 2000.)

6. Rule 1.7. CONFLICT OF INTEREST: GENERAL RULE, in relevant part:

(a) Except as provided in paragraph (b), a lawyer shall not represent a client if the representation involves a concurrent conflict of interest. A concurrent conflict of interest exists if:

(1) the representation of one client will be directly adverse to another client; or

(2) there is a significant risk that the representation of one or more clients will be materially limited by the lawyer's responsibilities to another client, a former client, or a third person, or by a personal interest of the lawyer.

(b) Notwithstanding the existence of a concurrent conflict of interest under paragraph (a), a lawyer may represent a client if: . . .

(2) the representation is not prohibited by law;

7. Rule 3.4. FAIRNESS TO OPPOSING PARTY AND COUNSEL.

A lawyer shall not:

(a) unlawfully obstruct another party's access to evidence or unlawfully alter, destroy or *conceal* a document or other material having potential evidentiary value. A lawyer shall not counsel or assist another person to do any such act;

(b) falsify evidence or *counsel or assist a witness to testify falsely*;

(c) offer an inducement that is prohibited by law or pay, offer to pay, or acquiesce in the payment of compensation to a witness [Whittaker in this case—paid and induced by Sulla a disqualified necessary witness at trial] contingent upon the content of the witness' testimony or the outcome of the case. . . .

(d) advise or cause a person to secrete himself or herself or to leave the jurisdiction of a tribunal for the purpose of making the person unavailable as a witness therein [as both co-counsel did with Hester].

(e) knowingly disobey an obligation under the rules of a tribunal except for an open refusal based on an assertion that no valid obligation exists; [as Sulla has done defying the federal disqualification Order.] (Emphasis added.)

8. Hawaii Rules of Professional Conduct, Rule 4.1. TRUTHFULNESS IN STATEMENTS TO OTHERS, states:

In the course of representing a client a lawyer shall not knowingly:

- (a) make a false statement of material fact or law to a third person; or
- (b) fail to disclose a material fact to a third person when disclosure is necessary to avoid assisting a criminal or fraudulent act by a client.

9. Hawaii Rules of Professional Conduct, Rule 8.4. MISCONDUCT, states:

It is professional misconduct for a lawyer to:

- (a) attempt to violate the Rules of Professional Conduct, knowingly assist or induce another to do so, or do so through the acts of another;
- (b) commit a criminal act that reflects adversely on the lawyer's honesty, trustworthiness, or fitness as a lawyer in other respects;
- (c) engage in conduct involving dishonesty, fraud, deceit or misrepresentation; . . .

10. Hawaii Revised Statutes, HRS § 425E-208 Liability for false information in a filed record, states in relevant part:

- (a) . . . If a record delivered to the director for filing under this chapter contains false information, any person that suffers loss by reliance on the false information may recover damages for the loss from:
 - (1) Any person who executes the record, or causes another to execute it on the person's behalf, and knew the information to be false or should have known the information was false at the time the record was executed . . .

11. Hawaii Revised Statutes, HRS § 651C-4 Transfers fraudulent as to present and future creditors, states in relevant parts:

(a) A transfer made or obligation incurred by a debtor is fraudulent as to a creditor, whether the creditor's claim arose before or after the transfer was made or the obligation was incurred, if the debtor made the transfer or incurred the obligation:

- (1) With actual intent to hinder, delay, or defraud any creditor of the debtor; . . .

(b) In determining actual intent under subsection (a)(1), consideration may be given, among other factors, to whether:

- (1) The transfer or obligation was to an insider;

- (2) The debtor had retained possession or control of the property transferred after the transfer;
- (3) The transfer or obligation was disclosed or concealed;
- (4) Before the transfer was made or obligation was incurred, the debtor was sued or threatened with suit;
- (5) The transfer was of substantially all the debtor's assets;
- (6) The debtor had absconded;
- (7) The debtor had removed or concealed assets;
- (8) The value of the consideration received by the debtor was reasonably equivalent to the value of the asset transferred or the amount of the obligation incurred;
- (9) The debtor was insolvent or became insolvent shortly after the transfer was made or the obligation was incurred;
- (10) The transfer had occurred shortly before or shortly after a substantial debt was incurred; and
- (11) The debtor had transferred the essential assets of the business to a lienor who had transferred the assets to an insider of the debtor. [L 1985, c 216,

12. Under Hawai'i law, **the elements for intentional misrepresentation or fraud** are as follows: “(1) false representations were made by defendant [Sulla], (2) with knowledge of their falsity (or without knowledge of their truth or falsity), (3) in contemplation of plaintiff’s reliance upon these false representations, and (4) plaintiff did rely upon them.” [*Shoppe v. Gucci America, Inc.*, 94 Hawai'i 368, 386, 14 P.3d 1049 \(2000\)](#). In the instant case on appeal, the Appellants and the courts have relied on Sulla’s false claims of GOB’s and Hester’s legitimacy as the converted Property “owner(s),” and the Appellants have been heavily damaged by that reliance over years, with substantial irreparable harm resulting.

13. Finally, “**bad faith**” has been "defined as `actual or constructive fraud or a neglect or refusal to fulfill some duty ... not prompted by an honest mistake as

to one's rights or duties, but by some interested or sinister motive." *In re Estate of Marks*, [91 Wash.App. 325, 957 P.2d 235, 241 \(1998\)](#) (addressing attorney's fees in a probate action) (some internal quotation marks omitted) (ellipses in original); *see generally In re CARL Corp.*, [85 Hawai`i 431, 451-52, 946 P.2d 1, 21-22 \(1997\)](#) (holding that reckless conduct, under Hawai`i Administrative Rule § 3-126-36(c) (1995), constituted bad faith).

APPENDIX II:

18 Similarities Between

**Horowitz, et. al., v. Sulla, et. al.,
and**

Bank of Hawaii v. Kunimoto, et. al.

18 Similarities Between Horowitz, et. al., v. Sulla, et. al., and Bank of Hawaii v. Kunimoto, et. al.

(1) Foreclosure Case.

(2) Fraudulent Transfer of Falsely Alleged Mortgage Debt.

(3) Fraudulent Transfer into Sham Corp. “Gospel of Believers” (“GOB”)

(4) Fraudulent Transfers *untimely* into GOB before incorporation.

(5) Sulla falsely claimed no payments received.

(6) Sulla’s strawman Hester created second diversion of interest.

(7) Sulla is alleged to have committed fraud upon bankruptcy court.

(8) Federal Court expressed serious doubts about Sulla’s representing Hester and conflicting testimony as a necessary witness at trial;

(9) Sate 0304 Court granted Horowitz stay on merits (bond unjust and impossible to pay) to stop Sulla’s bad faith sale of property to third party with unclean hands.

(10) Sulla’s harm or damage to Horowitz et. al., is severe, immediate, and irreparable.

(1) Foreclosure Case.

(2) Fraudulent Transfer of Medical Debt.

(3) Fraudulent Transfer into Sham Corp. A.R.K. Eye Care, Inc.

(4) Fraudulent Transfers *untimely* into ARK Eye Care Inc before incorporation

(5) Kunimoto falsely claimed no payments received.

(6) Kunimoto’s wife created second diversion of funds and interest adjudged “suspicious.”

(7) Found to have committed fraud upon bankruptcy court.

(8) In Kunimoto “the court has serious doubts about defendant Kunimoto’s credibility as a witness.”

(9) in Kunimoto “It appears to the court that plaintiffs will probably prevail on the merits of their claims; that defendant Kunimoto has and would in the future probably engage in conduct or transfers which would violate or be in violation of Hawaii Revised Statutes Chapter 651C.[6] The court is very concerned that defendant Kunimoto would dispose of income or assets without any payment to the plaintiff.

(10) Kunimoto was adjudged to “threaten harm or damage resulting to the plaintiff is severe, immediate, and irreparable.”

18 Similarities Continued from Page 1 . . .

HOROWITZ et. al., v. SULLA, et. al.

Horowitz has pled for years that Sulla continues “to hinder, delay, or defraud the plaintiff by engaging in conduct which is in violation of Hawaii Revised Statutes, Chapter 651C. Defendant’s conduct, an example of which is described in federal bankruptcy Judge King’s findings of fact and conclusions of law and order, should not be tolerated.”

(11) Regarding Sulla’s defiance of his disqualification and omissions and misrepresentations regarding the money and Property owed Horowitz by the 0196 Final Judgment, Sulla’s actions are much like Kunimoto’s--“a course of conduct designed to hinder and delay the plaintiff’s collection efforts”and Mortgage Release; to “frustrate the plaintiff’s efforts to account for and collect on its outstanding... judgment.”

(12) Sulla continues to recklessly divert from answering material matters and substance of the claims, including full payment of Mortgage and 0196 ruling no deficiency in case.

(13) Sulla conceals his interest in the Property acquired through fraudulent transfers, resulting in Sulla’s superior interest to Hester.

(14) Sulla altered Articles of Incorporation for GOB to claim Hester was the equitable owner of secured Property interests.

(15) Sulla changed the amount of Hester’s bid on the Property;

(16) Sulla received as counsel for Hester the Property obtained by fraudulent transfers of securities for unjust enrichment

BANK OF HAWAII v. KUNIMOTO

“The court believes and finds that the defendant continues to hinder, delay, or defraud the plaintiff by engaging in conduct which is in violation of Hawaii Revised Statutes, Chapter 651C. Defendant’s conduct, an example of which is described in federal bankruptcy Judge King’s findings of fact and conclusions of law and order, should not be tolerated.”

(11) Kunimoto was similarly found: “that defendant Allan Kunimoto has made misrepresentations of material fact and engaged in a course of conduct designed to hinder and delay the plaintiff’s collection efforts and that without the appointment of a receiver, the court believes that he would continue in his willful course of conduct and frustrate the plaintiff’s efforts to account for and collect on its outstanding... judgment.”

(12) Kunimoto repeatedly diverted from material matters and continued “to thwart BOH’s collection on the deficiency judgments.”

(13) Kunimoto court ruled “It was apparent that Dr. Kunimoto was attempting to conceal his ownership in certain stocks.”

(14) Kunimoto “altered [stock resistance forms] to indicate that his father was the “equitable” owner.

(15) Kunimoto changed the amount of stocks and percentage his wife claimed to own.

(16) Kunimoto’s counsel, Cappello and Hudgens, obtained substantial amount of the fraudulently transferred stock.

18 Similarities Continued from Page 2 . . .

HOROWITZ et. al., v. SULLA, et. al.

(17) Sulla did not comply with the Seabright Court's disqualification Order, nor the 0196 Final Judgment, thus converted the Property and seeks possession.

(18) Sulla secretly financed co-counsel Whittaker to represent "Hester" to litigate the case against Horowitz in bad faith; and Horowitz requests sanctions for the co-counsel's willful blindness to the "facts and pleadings in the case." Whittaker knew, or must have known, having been technically bribed, he was concealing Sulla's commission of crimes, and acted in violation of HRPC Rule 3.4, inter alia, by so doing, all while recklessly defying the Seabright Court's disqualification Order.

Paraphrasing from *Bank of Hawaii* quote:

Sulla, as counsel of record, should have known that he "was accused of and found to have intentionally concealed" Sulla's mortgage "loan" to Hester, and conflicting interest in the Property, "and fraudulently transferred [those] assets to avoid payment [and release of Mortgage] to [Horowitz]. Indeed, it is apparent that [Whittaker] would have discovered the specific concern regarding the [fraudulent transfer] if [he] had investigated beyond the "face" of the [pleadings by Sulla]. Further, it is incomprehensible that experienced . . . vice counsel would accept . . . payment for attorneys' fees from a judgment debtor [Hester or his disqualified attorney Sulla] amidst a [pending appeal, bankruptcy Stay] and receivership action without even contacting local counsel [Margaret Wille, Horowitz's attorney] to discuss the ownership of the [Property]" and Writ of Ejectment.

BANK OF HAWAII v. KUNIMOTO

(17) In Kunimoto "The issue is whether or not somebody has in good faith complied with the court's orders or not complied with them, or certainly not complied with the spirit of the court's orders..

(18) Co-counsel Cappello suspiciously financed co-counsel Hudgens to represent Kunimoto to litigate the case against Bank of Hawaii in bad faith; and co-counsel were sanctioned for willful blindness to "the facts and pleadings in the case" that showed Kunimoto was breaking, inter alia, HRS 651C fraudulent transfer law.

Quoting from *Bank of Hawaii*:

"Appellants, as counsel of record, should have known that Dr. Kunimoto was accused of and found to have intentionally concealed assets and fraudulently transferred his assets to avoid payment to BOH. Indeed, it is apparent that appellants would have discovered the specific concern regarding the CPB stock if they had investigated beyond the "face" of the stock certificates. Further, it is incomprehensible that experienced pro hac vice counsel would accept stocks as payment for attorneys' fees from a judgment debtor amidst a receivership action without even contacting local counsel to discuss the ownership of the stocks."