

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF LOUISIANA

IN RE:

DOROTHY CHASE STEWART

DEBTOR

NUMBER

07-11113
SECTION A

CHAPTER 13

JUDGMENT

For the reasons set forth in the Memorandum Opinion,

IT IS ORDERED, that Judgment is rendered in the favor of Debtor Dorothy Chase Stewart (“Debtor”) and against Wells Fargo Home Mortgage, Inc., as agent to Lehman Brothers’ (“Wells Fargo”). The Court will assess damages in the amount of \$10,000.00, for the abusive imposition of unwarranted fees and charges (late fees and inspection costs); the illegal imposition of fees disguised as costs (BPO charges); the negligent imposition of fees and costs not due (legal charges and deposits reimbursed); the improper calculation of escrow payments; the misapplication of payments contrary to the terms of the Note and Mortgage; the failure to notify Debtor of fees and charges on her account; and the improper payment of unnoticed fees and charges during pending bankruptcies.

IT IS FURTHER ORDERED, that Wells Fargo pay sanctions in the amount of \$2,500.00, for its actions in connection with presenting a consent adequate protection order to the Court, which did not reflect the agreement between the parties as represented to the Court.

IT IS FURTHER ORDERED, that Wells Fargo is sanctioned an additional \$2,500.00, for filing significantly erroneous proofs of claim in 2004 and 2007 and misrepresenting the costs associated with Premiere Asset Services to the Court

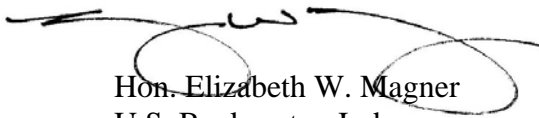
IT IS FURTHER ORDERED, that Wells Fargo is sanctioned \$12,350.00 for legal fees incurred in Debtor's prosecution of this matter. Wells Fargo shall issue a check, payable to Harrington & Myers, in the amount of \$12,350.00, within fifteen (15) days of the entry of this Judgment.

IT IS FURTHER ORDERED, that the remaining \$15,000.00 in sanctions be offset against the amounts owed by Debtor to Wells Fargo.

IT IS FURTHER ORDERED, that Wells Fargo file an Amended Proof of Claim in accordance with the findings set forth in the Memorandum Opinion and Judgment no later than fifteen (15) days following the entry of this Judgment.

FINALLY, IT IS ORDERED, that Wells Fargo conduct an audit of all proofs of claim filed on its behalf in this District in cases pending on, or filed after, April 13, 2007, and to provide a complete loan history on every account. For every debtor with a case still pending in the District, the loan histories shall be filed into the claims register and Wells Fargo is ordered to amend, where necessary, the proofs of claim already on file to comply with the principles established in this case and *Jones*. For closed cases, Wells Fargo is ordered to deliver to Debtor, Debtor's counsel and Trustee a copy of the accounting.

New Orleans, Louisiana, April 10, 2008.


Hon. Elizabeth W. Magner
U.S. Bankruptcy Judge