

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF PENNSYLVANIA

In re: : Chapter 11
VitaminSpice, :
Debtor. : Bankruptcy No. 11-16200-MDC

ORDER

AND NOW, pursuant to this Court’s Order dated July 1, 2016¹ (the “Show Cause Order”), this Court held a hearing on July 26, 2016 (the “Show Cause Hearing”), to address whether this Court should impose civil contempt sanctions against Edward Bukstel (“Mr. Bukstel”), acting *pro se*, due to his filing of pleading styled “An Independent Action for Fraud on the Court” dated June 17, 2016² (the “Reconsideration Motion”).

AND, prior to the Show Cause Hearing, Mr. Bukstel filed a Response dated July 22, 2016³ (the “Response”), addressing the issues raised by this Court in the Show Cause Order.

AND, subsequent to the Show Cause Hearing, Mr. Bukstel filed a Supplemental Memorandum dated July 26, 2016⁴ (the “Supplemental Memorandum”).

AND, after Mr. Bukstel’s appearance at the Show Cause Hearing and this Court’s consideration of the arguments made by Mr. Bukstel at the Show Cause Hearing and in his Response and Supplemental Memorandum, it is hereby **ORDERED** and **DETERMINED** that:

1. To hold a party in contempt, we must find that: (1) a valid court order existed; (2) the nonmoving party had knowledge of the order; and (3) the nonmoving party disobeyed the order. *F.T.C. v. Lane Labs–USA, Inc.*, 624 F.3d 575, 582 (3d Cir. 2010).

¹ Bankr. Docket No. 146.

² Bankr. Docket No. 145.

³ Bankr. Docket No. 148.

⁴ Bankr. Docket No. 150.

2. This Court entered an Order dated April 11, 2013⁵ (the “Sanctions Order”), that ordered Edward Bukstel to “cease filing any documents with this Court on behalf of the Debtor.” Sanctions Order, ¶1.

3. This Court entered the Sanctions Order because Mr. Bukstel had filed several *pro se* pleadings with this Court on behalf of VitaminSpice (the “Debtor”).

4. Although he is an owner of VitaminSpice, Mr. Bukstel was not, in his individual capacity, a party to the VitaminSpice bankruptcy case.

5. In his prior appearances before this Court, Mr. Bukstel did not contest this Court’s determination that he was appearing on behalf of the Debtor and that he is not licensed to practice law before this Court.

6. Because Mr. Bukstel appeared to be engaged in the unauthorized practice of law, *see, e.g.*, 42 Pa. C.S.A. §2524(a), this Court determined it was obligated to enjoin Mr. Bukstel from continuing to engage in illegal conduct. *See, e.g., In re Rauso*, Civ. No. 05-0025, 2005 WL 2293684 (E.D. Pa. Sept. 19, 2005) (enjoining party from engaging in the unauthorized practice of law); *In re Chojewski*, Civ. No. 99-4850, 2000 WL 679000 (E.D. Pa. May 22, 2000) (“upon determining that a non-attorney has engaged in the unauthorized practice of law, a court may enjoin the unlawful practice.”).

7. At the Show Cause Hearing, Mr. Bukstel admitted that, at the time he filed the Reconsideration Motion, he had knowledge of the existence of the Sanctions Order.

8. Pursuant to the Reconsideration Motion, Mr. Bukstel sought reconsideration of some unspecified order of this Court issued in connection with the administration of the VitaminSpice bankruptcy case.

9. Mr. Bukstel neither sought reconsideration of the Sanctions Order nor did he ever seek any other relief from the Sanctions Order.

⁵ Bankr. Docket No. 127.

10. Although the record appears to be more than sufficient to sustain the imposition of civil contempt sanctions, this Court will not impose formal sanctions against Mr. Bukstel due to Mr. Bukstel's status as a *pro se* litigant.

11. Instead, this Court will, pursuant to this Order, reprimand Mr. Bukstel for his disregard of this Court's orders.

12. Mr. Bukstel is hereby reminded that this Court is of limited jurisdiction and, despite its former supervision of the Debtor's bankruptcy case, is without the authority to referee Mr. Bukstel's personal grievances with his former business associates. *See, e.g., Copelin v. Spirco, Inc.*, 182 F.3d 174, 179 (3d Cir. 1999) ("as the Bankruptcy Court for the Western District of Pennsylvania correctly observed, its jurisdiction extends over four types of matters: (1) title 11 cases, (2) proceedings that arise under title 11, (3) proceedings that arise in a case under title 11, and (4) proceedings related to a case under title 11.").

13. Due to the dismissal of the Debtor's bankruptcy, the resolution of Mr. Bukstel's allegations of misconduct committed by his former business associates is necessarily unrelated to the administration of a bankruptcy estate. *See, e.g., In re Smalis*, 550 B.R. 92, 96-97 (Bankr. W.D. Pa. 2016) (dismissing nondebtor's claims against other nondebtor parties because the bankruptcy court lacked subject matter jurisdiction and the availability of an appropriate forum for their prosecution); *Hess v. Lancaster County*, 514 A.2d 681, 320-21 (Pa. Cmmwlth. 1986) (finding that plaintiff stated a cause of action for malicious prosecution against party who caused the initiation of proceedings based upon false information).

14. The Court's Sanction Order remains in effect.

Dated: August 31, 2016



MAGDELINE D. COLEMAN
UNITED STATES BANKRUPTCY JUDGE

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