

DISTRICT COURT OF THE VIRGIN ISLANDS
DIVISION OF ST. THOMAS AND ST. JOHN

In re:

JEFFREY J. PROSSER,

Debtor.

**Bankruptcy No. 2006-30009
Chapter 7**

**STAN SPRINGEL, CHAPTER 11 TRUSTEE
OF THE BANKRUPTCY ESTATE OF
INNOVATIVE COMMUNICATION
CORPORATION AND JAMES P.
CARROLL, CHAPTER 7 TRUSTEE OF
THE BANKRUPTCY ESTATE OF
JEFFREY J. PROSSER,**

Plaintiffs/Appellees,

v.

JEFFREY J. PROSSER,

Defendant/Appellant.

**Civil Action No. 3:2013-0087
consolidated with
Civil Action No. 3:2013-0010
Civil Action No. 3:2013-0056
Civil Action No. 3:2013-0057**

Attorneys:

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For Appellant

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St. Croix, U.S.V.I.

For Appellees

ORDER

UPON CONSIDERATION of the Brief filed by Appellants Jeffrey J. Prosser and Dawn Prosser in Civil Action Nos. 3:13-cv-0010, 3:13-cv-0056, 3:13-cv-0057, which were consolidated with 3:13-cv-0087 (Dkt. No. 48); the Brief of Appellee, Chapter 7 Trustee in response (3:13-cv-0087, Dkt. No. 49); and Appellants' Reply Brief (3:13-cv-0087, Dkt. No. 51); and for the reasons stated in the accompanying Memorandum Opinion, filed contemporaneously herewith, it is hereby

ORDERED that the Bankruptcy Court's September 18, 2012 Order which held Appellants in contempt and jointly and severally liable for damages suffered by the Chapter 7 Trustee is **AFFIRMED**; and it is further

ORDERED that the Bankruptcy Court's January 18, 2013 Order which directed the Prossers to pay the Trustee \$528,086.07 in administrative expenses is **AFFIRMED**; and it is further

ORDERED that the Bankruptcy Court's May 24, 2013 Order directing the Prossers to pay the Chapter 7 Trustee \$419,135.59 in damages to the Chapter 7 Estate is **AFFIRMED**; and it is further

ORDERED that the Bankruptcy Court's May 31, 2013 Order directing the Prossers to execute deeds of title to transfer certain real property they owned (the "Anna's Hope Property") to the Chapter 7 Estate is **REVERSED IN PART** to the extent that such execution and transfer were ordered to satisfy the amount due on the Contempt Fees Order; and it is further

ORDERED that the Bankruptcy Court's August 23, 2013 Order directing the Chapter 7 Trustee's execution of Quitclaim Deeds to the Anna's Hope Property and the sale of that property by the Trustee is **REVERSED IN PART** to the extent that the execution and sale were ordered to satisfy the amount due on the Contempt Fees Order; and it is further

ORDERED that the parties shall submit briefs on the issue of whether, in light of existing

law—including the Supreme Court’s ruling in *Law v. Siegel*, 134 S. Ct. 1188 (2014)—the exempt Anna’s Hope Property may be conveyed to the Chapter 7 Estate and sold to pay the Supplemental Sanctions Order under the authority provided by § 105(a) as a consequence of the Prossers being found in contempt of court; and it is further

ORDERED that the Prossers shall submit such briefing on or before **March 16, 2017**; and it is further

ORDERED that the Trustee shall file a response on or before **March 30, 2017**; and it is further

ORDERED that the Prossers may submit a reply on or before **April 6, 2017**; and it is further

ORDERED that the stay imposed by this Court (Dkt. No. 29) is **CONTINUED** until further Order of the Court.

SO ORDERED.

Date: February 23, 2017

_____/s/_____
WILMA A. LEWIS
Chief Judge