

In re A-1 SPECIALTY GASOLINES, INC., Debtor

No. 99-33642-BKC-SHF

(Cite as: 246 B.R. 445)

Secured creditor filed motion for civil contempt, seeking sanctions against Debtor's attorney, officer/sole shareholder and billing clerk for causing or allowing debtor- corporation to use creditor's cash collateral in violation of the Bankruptcy Code and the Court's prohibition order. The Court, held that: (1) conduct of debtor's attorney did not constitute contempt of court, because the Court was unwilling to equate inept representation with contempt of court; (2) debtor's officer/sole shareholder and billing clerk violated both the Bankruptcy Code's cash collateral provision and the court's prohibition order and, thus, were in contempt of court; and (3) upon determination of the extent of creditor's actual loss, compensatory sanctions in that amount would be imposed against debtor's officer/sole shareholder and billing clerk.