

ORDERED.

Dated: March 24, 2026



Grace E. Robson
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

In re)	
)	Case No. 6:26-bk-00516-GER
Xavier Nelson Jamardo,)	Chapter 7
)	
Debtor.)	
_____)	

ORDER DENYING MOTION FOR SANCTIONS

THIS CASE came before the Court on March 10, 2026 at 10:30 a.m. (the “Hearing”) upon the Motion for Sanctions¹ (Doc. No. 8) filed by Debtor Xavier Nelson Jamardo (“Mr. Jamardo”), who requests the Court award sanctions and damages under 11 U.S.C. § 362(k)² against Creditor Midland Credit Management, Inc. (“Midland”). Midland filed its Response³ (Doc. No. 13) to the Motion for Sanctions. At the Hearing, the Court set a deadline of March 16, 2026 for Mr. Jamardo to file a reply to Midland’s Response and for Midland to file any supplemental documents in support of its Response.⁴ Mr. Jamardo timely filed his Reply⁵ (Doc. No. 20). The issue to be

¹ Debtor’s Motion for Sanctions Against Midland Credit Management, Inc for Willful Violation of the Automatic Stay (the “Motion for Sanctions”).

² Hereinafter, unless specified otherwise, all section references are to the Bankruptcy Code, 11 U.S.C. §§ 101-1532.

³ Creditor’s Response to Debtors’ Motion for Sanctions Against Midland Credit Management, Inc for Willful Violation of the Automatic Stay (the “Response”).

⁴ See Order Setting Deadline Regarding Debtor’s Motion for Sanctions (Doc. No. 18).

⁵ Debtor’s Reply and Supporting Evidence to Creditor’s Response to Motion for Sanctions (the “Reply”).

decided is whether Midland moved quickly enough to halt the post-petition garnishment of Mr. Jamardo's wages to avoid willfully violating the automatic stay.

Pursuant to § 362, the filing of a bankruptcy petition stays a broad variety of creditor actions against the debtor, the debtor's property, and property of the estate.⁶ Mr. Jamardo argues Midland willfully violated the automatic stay and requests that the Court impose sanctions and award damages under § 362(k). Section 362(k)(1) states that "an 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."⁷ "Claims under § 362(k) consist of three basic elements: the violation of the stay, the defendants' willfulness, and the plaintiffs' injury."⁸ A violation of the automatic stay is willful "if the violator (1) knew of the automatic stay and (2) intentionally committed the violative act, regardless [of] whether the violator specifically intended to violate the stay."⁹ As to garnishments, a "creditor must release the lien within a reasonable period of time after notice of the bankruptcy and failure to do so is a violation of the automatic stay."¹⁰ What constitutes a reasonable period of time is determined on a case-by-case basis.¹¹

Mr. Jamardo alleges Midland willfully violated the automatic stay because it had actual knowledge about this case and failed to take corrective action to cease the garnishment of Mr. Jamardo's wages after receiving multiple notices and demands to do so. Midland admits it became

⁶ 11 U.S.C. § 362(a).

⁷ 11 U.S.C. § 362(k)(1).

⁸ *Thomas v. Seterus Inc. (In re Thomas)*, 554 B.R. 512, 519 (Bankr. M.D. Ala. 2016) (citing *Campbell v. Carruthers (In re Campbell)*, 553 B.R. 448, 452-53, 455-56 (Bankr. M.D. Ala. 2016)).

⁹ *Jove Eng'g, Inc. v. IRS*, 92 F.3d 1539, 1555 (11th Cir. 1996) (first citing *Price v. United States (In re Price)*, 42 F.3d 1068, 1071 (7th Cir. 1994); then citing *Citizens Bank of Md. v. Strumpf (In re Strumpf)*, 37 F.3d 155, 159 (4th Cir. 1994); then citing *Johnston Env't Corp. v. Knight (In re Goodman)*, 991 F.2d 613, 618 (9th Cir. 1993); and then citing *Budget Serv. Co. v. Better Homes of Va., Inc.*, 804 F.2d 289, 292-93 (4th Cir. 1986)).

¹⁰ *United States v. Fernandez (In re Fernandez)*, 132 B.R. 775, 778 (M.D. Fla. 1991) (first citing *Carlsen v. IRS (In re Carlsen)*, 63 B.R. 706, 710 (Bankr. C.D. Cal. 1986); and then citing *Baum v. United Va. Bank (In re Baum)*, 15 B.R. 538, 541 (Bankr. E.D. Va. 1981)).

¹¹ *Id.* (citing *In re Carlsen*, 63 B.R. at 710).

aware of Mr. Jamardo's bankruptcy case on January 29, 2026, but argues any actions were not willful because (a) the writ of continuing garnishment was obtained prior to the filing of this case, and (b) upon learning about Mr. Jamardo's bankruptcy case, it immediately took affirmative steps to obtain release of the writ of garnishment.

The facts are not in dispute. Mr. Jamardo commenced this case on January 27, 2026 (the "Petition Date") by filing a voluntary petition under Chapter 7 of the Bankruptcy Code. Prior to the Petition Date, Midland had obtained and was enforcing a wage garnishment¹² in a State Court Case¹³ that was initiated against Mr. Jamardo in April 2021.¹⁴ Midland received notice of the bankruptcy on January 29, 2026,¹⁵ and on February 5, 2026 (seven days after receiving notice of the bankruptcy case), it filed a Notice of Dissolution¹⁶ of the garnishment. Midland alleges it also communicated with Mr. Jamardo's employer to confirm release of the garnishment.¹⁷ Mr. Jamardo's wages were released or returned to him no later than February 12, 2026. Mr. Jamardo avers that he provided a copy of the Notice of Dissolution to his employer on February 10, 2026. Mr. Jamardo argues that he was forced to incur attorneys' fees to enforce the automatic stay because neither he nor his counsel were promptly notified that Midland had released the

¹² *Continuing Writ of Garnishment Against Salary or Wages, Midland Credit Mgmt. v. Jamardo*, No. 05-2021-SC-026540 (Fla. Brevard County Ct. Jan. 7, 2026), Doc. No. 22 (the "Continuing Writ of Garnishment"). A copy of the Continuing Writ of Garnishment is attached to the Motion for Sanctions as Exhibit A.

¹³ *Midland Credit Mgmt. v. Jamardo*, No. 05-2021-SC-026540 (Fla. Brevard County Ct. filed Apr. 27, 2021) (the "State Court Case"). A court may take judicial notice on its own or upon a party's request at any stage of a proceeding of a fact that is not subject to reasonable dispute because it can be accurately and readily determined from sources whose accuracy cannot reasonably be questioned. *See* Fed. R. Evid. 201. Accordingly, the Court takes judicial notice of the case record and docket of the State Court Case.

¹⁴ A final judgment was entered in the State Court Case on October 26, 2023. *See Default Final Judgment, Midland Credit Mgmt. v. Jamardo*, No. 05-2021-SC-026540 (Fla. Brevard County Ct. Oct. 26, 2023), Doc. No. 11 (the "Judgment"). The Continuing Writ of Garnishment was for the then-outstanding balance of the Judgment in the amount of \$4,825.55.

¹⁵ The Court notes that a suggestion of bankruptcy was not filed in the State Court Case.

¹⁶ *Plaintiff's Notice of Dissolution of Continuing Writ of Garnishment, Midland Credit Mgmt. v. Jamardo*, No. 05-2021-SC-026540 (Fla. Brevard County Ct. Feb. 5, 2026), Doc. No. 26 (the "Notice of Dissolution"). A copy of the Notice of Dissolution is attached to the Response as Exhibit A.

¹⁷ The date of the communication is not stated in the Response; however, the Court presumes it was after February 12, 2026, as Midland represents it confirmed with the garnishee that any withheld funds were returned to Mr. Jamardo on February 12, 2026.

garnishment. It appears Midland did not serve Mr. Jamardo with a copy of the Notice of Dissolution at his current mailing address and failed to serve Mr. Jamardo's counsel altogether. The Motion for Sanctions was filed in this Court on February 9, 2026, four days after the Notice of Dissolution was filed in the State Court Case.

The Court finds that under the facts and circumstances as presented, the delay in releasing the garnishment was reasonable. The period of time between Midland being notified of the bankruptcy case and its release of the garnishment was seven days.¹⁸ While the Court does not doubt that Mr. Jamardo experienced significant stress as a result of the post-petition garnishment and finds it regrettable that Mr. Jamardo incurred attorneys' fees, the focus for determining whether sanctions are warranted under § 362(k) is on a creditor's actions. While Midland should have provided better notice to Mr. Jamardo and his counsel, because Midland acted promptly to obtain release of the wages garnished post-petition and dissolve the pre-petition writ of garnishment, the Court finds Midland did not willfully violate the automatic stay. Therefore, sanctions are not warranted under § 362(k). Accordingly, it is

ORDERED that the Motion for Sanctions (Doc. No. 8) is **DENIED**.

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Attorney Adam A. Diaz is directed to serve a copy of this Order on interested parties who do not receive service by CM/ECF and file a proof of service within three days of entry of the Order.

¹⁸ At least one court has found a 14-day delay to be reasonable. See *Allen v. Capital One Bank (In re Allen)*, Ch. 7 Case No. 19-11843-ta7, Adv. No. 19-1065-t, 2020 WL 3950177 (Bankr. D.N.M. July 10, 2020).