No. 25-2589

UNITED STATES COURT OF APPEALS
FOR THE SEVENTH CIRCUIT

RAYMOND E. BUTLER II

Plaintiff-Appellant

v.

ELI JACKFINN EDDI a/k/a ELY EDDI, ILANA FINN EDDI, DORINE MAGENCE, MANUEL MAGENCE, JEFFREY K. GUTMAN, NACHSHON DRAIMAN, WILLIAM KANTER, JOEL S. ROTHMAN, MOSHE SOLOVEICHIK, ALAN GREEN, JERRY CHERNEY, SHMUEL FUERST, HAROLD KATZ, SAMUEL MASLATON, DANIEL BERGMAN, IRVING BIRNBAUM, ARON STANTON, CHAIM RAJCHENBACH, RIVKA RAJCHENBACH, AVRUM RAJCHENBACH, MENACHEM SHABAT, AHUVA SHABAT, RONALD SHABAT, ERIC ROTHNER, COLMAN GINSPARG, JAMES MAINZER, MARSHALL K. BROWN, JEFFREY FINN, MEIR "AARON" COHEN, GARRY CHANKIN, NANCY ROSEN, MARK ANTEBI, BARRY ANTEBI, DAVID R. RAANAN, and ELLIOT E. ANTEBEI

Defendants-Appellees

Appeal From the United States District Court for the Northern District of Illinois, Eastern Division, Case No. 1:25-cv-04443
The Honorable Georgia N. Alexakis

REPLY BRIEF OF PLAINTIFF-APPELLANT RAYMOND E. BUTLER II

ORAL ARGUMENT REQUESTED

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ARGUMENT

I. This Court Has Jurisdiction Over All Appealed Rulings

Appellees argue that this Court lacks jurisdiction to review the District Court's rulings on the stay and protective order because they are purportedly non-appealable discovery rulings, not injunctions, and are not sufficiently intertwined with the denial of injunctive relief to support pendent jurisdiction. (App. Br. at 25-27.) This argument misconstrues the nature of the orders and ignores controlling precedent establishing appellate jurisdiction.

First, the stay and protective order are appealable under 28 U.S.C. § 1292(a)(1) as injunctions. The protective order is a sweeping prohibition on Appellant's direct communication with witnesses and parties, effectively enjoining him from exercising core First Amendment rights outside of counsel. This is not a routine discovery order but an injunction restricting speech and association, akin to those reviewed as injunctions in cases like *Al Mutual Insurance Co. v. Bull Data Systems, Inc.*, 32 F.3d 1175, 1177-78 (7th Cir. 1994) (reviewing order prohibiting ex parte contact). Similarly, the stay functions as an injunction by halting all proceedings indefinitely, denying Appellant access to federal relief while state proceedings drag on without resolution. *Crotty v. City of Chicago Heights*, 857 F.2d 1170, 1174 (7th Cir. 1988) (recognizing stays under *Colorado River* as appealable where they effectively deny relief). Appellees' attempt to recharacterize these as mere "routine case management"

rulings ignores their injunctive effect, which deprives Appellant of meaningful access to the court and due process under the fourteenth amendment of Constitution.

Second, even if not independently appealable, pendent jurisdiction applies. Pendent jurisdiction exists where the non-appealable order is "practically indispensable" to resolving the appealable order. *Abelesz v. Erste Grp. Bank AG*, 695 F.3d 655, 660 (7th Cir. 2012). Here, the stay and protective order are inextricably linked to the denial of injunctive relief: the stay prevents discovery necessary to substantiate the underlying claims, and the protective order bars direct witness contact essential to gathering evidence of asset dissipation.

Moreover, Magistrate Judge Vermaat, in the underlying case explained in his ruling that the issuance of a protective order in this case was akin to a personal protective order not a protective order under Rule 26(c) stating “Rule 26(c) deals with protection from abusive and harassing discovery; it is not meant to limit a party’s communications with other parties” (ECF 101) and “in sum, what Defendants seek here is akin to a personal protective order rather than a discovery protective order available under Rule 26(c).” The Court further reiterated “Rule 26(c)(1) plainly does not apply in this situation” (ECF 101). Reviewing the injunction denial without addressing these rulings would require this Court to ignore the procedural barriers that tainted the evidentiary record. Unlike in *Abelesz v. Magyar Nemzeti Bank*, 692 F.3d 661, 669 (7th Cir. 2012),

where sovereign immunity issues were separable from merits dismissals, here the orders are not merely addressed in the same opinion but form the foundation for the District Court's refusal to grant relief. Pendent jurisdiction is warranted to ensure a complete review.

Appellees' reliance on cases like *Allendale* for the proposition that protective orders are never appealable is misplaced, as that case involved a narrower order without First Amendment implications. (App. Br. at 28.) This Court's jurisdiction extends to all appealed rulings.

II. Appellees Fail to Rebut the District Court's Errors in Denying the Motion to Vacate the Stay

Appellees defend the District Court's refusal to vacate the stay by asserting that the State Court Case and this federal action are parallel under *Colorado River* doctrine, emphasizing a supposed shared "threshold issue" of whether Appellant is a beneficiary of the Jack Finn Irrevocable Trust. (App. Br. at 29-30.) This defense ignores the District Court's superficial analysis at best, and the cases' fundamental differences, warranting reversal.

The cases are not parallel. Parallelism requires "substantially the same parties litigat[ing] substantially the same issues." *Freed v. J.P. Morgan Chase Bank, N.A.*, 756 F.3d 1013, 1018 (7th Cir. 2014). The State Court Case is a single trust accounting claim involving only three parties. In contrast, this federal action alleges a broad RICO conspiracy under 18 U.S.C. § 1961 et seq.,

involving over 30 defendants, multiple trusts and interstate fraud spanning decades and 19 claims. The District Court glossed over these distinctions, relying on the Western District of Michigan's erroneous analysis without independent review. (App. Br. at 30.) Yet, the federal RICO claims introduce distinct elements, like predicate acts of mail and wire fraud, not present in the state case, precluding parallelism. *Tyrer v. City of S. Beloit*, 516 F.3d 659, 665-66 (7th Cir. 2008) (cases not parallel where federal claims add unique issues).

Appellees' further claim that the beneficiary issue is "threshold" in both cases is inaccurate. In the State Court Case, it is central and the Court effectively ruled that Plaintiff-Appellant is a beneficiary of the Jack Finn Irrevocable trust; here, there is a larger conspiracy allegation. The District Court failed to analyze the abstention factors rigorously, particularly the presumption against abstention in federal-question cases. *Freed*, 756 F.3d at 1021-22. The state case's "progress," a trial date that Appellees admit is no longer pending (App. Br. at 30), does not justify indefinite delay in federal court, especially where the federal claims encompass non-parallel issues.

III. Appellees Fail to Rebut the District Court's Errors in Denying the Motion to Vacate the Protective Order

Appellees contend that the protective order is a non-appealable discovery ruling without First Amendment implications and that Appellant waived any constitutional argument. (App. Br. at 27-29.) These contentions fail, as the

order infringes on core speech rights and the District Court abused its discretion in upholding it without heightened scrutiny. As detailed in Appellant's emergency motion to stay enforcement of ECF 101 (ECF 102) and objection thereto (ECF 105), which were timely filed and appealed, the order imposes overly broad restrictions that effectively silence Appellant, inhibit lawful communication and informal investigation, and deprive him of his First Amendment rights without narrow tailoring or specific findings, resulting in irreparable harm, including limitations on his ability to gather relevant information necessary for this litigation. (ECF 102 at 4; ECF 105 at 3, 6-7, 10 (arguing the order is an unconstitutional prior restraint on speech, lacking procedural safeguards and violating due process; emphasizing that "each passing day may constitute a separate and cognizable infringement of the First Amendment"); see also ECF 101 at 5 (acknowledging Appellant's assertion of First Amendment rights to informal discovery); ECF 104 at 3 (noting Appellant's "apparent First Amendment issue" and requiring testimony thereon); ECF 113 at 8 (recognizing that orders in the area of First Amendment rights must be narrowly tailored to the pinpointed objective).

The protective order is an injunction restricting Appellant's speech, appealable under § 1292(a)(1). It bars direct contact with witnesses and parties, including family members about matters relating to this litigation if deemed related by Appellees, implicating First Amendment rights to petition and

associate. (ECF 105 at 3-4, 6, 10-11 (seeking dissolution as an unconstitutional restriction on First Amendment rights); ECF 102 at 4-5, 8-9 (noting vagueness that could prohibit discussions with trustees over funds Appellant beneficially owns or with federal investigators). Contrary to Appellees' assertion, this is not a routine order but one requiring strict scrutiny where it burdens protected speech, as it lacks the necessary specific findings and narrow tailoring mandated by precedent. *Mullen v. Butler*, 91 F.4th 1243, 1251 (7th Cir. 2024) (protective orders must be narrowly tailored). Appellant preserved this issue by challenging the order's overbreadth and vagueness in ECF 105, arguing it infringes constitutional rights without sufficient due process or justification, and by asserting First Amendment rights to informal discovery in response to the underlying motion. (ECF 105 at 3, 6-10; ECF 101 at 5; ECF 167 at PageID.152-54.) No waiver occurred, and Appellees' reliance on *Always Towing & Recovery, Inc. v. City of Milwaukee*, 2 F.4th 695, 707 (7th Cir. 2021), is inapposite, as that case involved undeveloped antitrust claims, not constitutional challenges to speech restrictions as expressly raised and developed here. (ECF 102 at 4-5 (irreparable harm from silencing lawful communication); ECF 105 at 6-7, 10 (wide body of caselaw supporting First Amendment rights; substantial constitutional rights infringed); see also ECF 113 at 8 (modifying the order while acknowledging First Amendment constraints, but failing to apply strict scrutiny).

The District Court further erred by ignoring evidence of peaceful communications and relying on unsubstantiated "threat" characterizations. (Br. at 18-19.) Appellees highlight Appellant's prior statements but omit context: these were frustrations with delay and obfuscation, not threats. The order's enforcement against communications with non-party CIBC, despite Appellees' claim CIBC is not a "witness" (App. Br. at 29), further shows overreach, as CIBC holds relevant trust assets. The District Court failed to apply the "clear and present danger" standard for speech restrictions in litigation. *Dietz v. Bouldin*, 579 U.S. 40, 45 (2016) (courts must balance interests). Reversal is warranted.

IV. Appellees Fail to Rebut the District Court's Errors in Denying the Motion for Injunctive Relief, and the Balance of Equities and Public Interest Favor Relief

Appellees assert no error in the denial of injunctive relief, claiming the District Court had jurisdiction for the August 27 hearing, conducted a "rigorous" evidentiary review, and properly applied the factors. (App. Br. at 20-25.) This ignores the jurisdictional defect, evidentiary biases, and misapplication of law. Further, the balance of equities and public interest decisively favor injunctive relief, and Appellees' waiver arguments are meritless.

First, the District Court lacked jurisdiction for the hearing. Appellant's prior appeal divested jurisdiction until mandate issuance. *Griggs v. Provident*

Consumer Discount Co., 459 U.S. 56, 58 (1982). Appellees' claim that the appeal was "facially improper" does not restore jurisdiction; only this Court determines appealability. *Kusay v. United States*, 62 F.3d 192, 194 (7th Cir. 1995). The hearing violated this rule, tainting the record.

Second, the "evidentiary hearing" was neither rigorous nor fair. The District Court dismissed Appellant's spreadsheets (Exs. 1-2) as lacking foundation while crediting Appellees' declarations without scrutiny. (Br. at 21-22.) These spreadsheets show asset transfers from the GPN Family Trust and DOROS Generational Trust to intentionally similarly named Defendant Trusts, corroborated by CMS data. The Court's credibility findings against Appellant, based on his testimony regarding his age at trust creation, ignored unrebutted testimony and exhibits. *Int'l Ass'n of Fire Fighters, Local 365 v. City of E. Chicago*, 56 F.4th 437, 449-50 (7th Cir. 2022) (clear error where court ignores probative evidence). Appellees' "third-party witnesses" (Harris and Garden) are conflicted, as affiliates of the Defendant Trusts.

Third, the District Court misapplied the injunction factors. Likelihood of success is evident from the spreadsheets and trust allegations, showing irreparable harm via asset dissipation. *Continental Vineyard v. Dzierzawski*, 2018 WL 11195945, at 1-2 (N.D. Ill. Apr. 5, 2018), is distinguishable, as Appellant demonstrated probable ownership. The balance of harms favors freezing assets to prevent further loss, and public interest supports protecting

trust beneficiaries. *Girl Scouts of Manitou Council, Inc. v. Girl Scouts of the U.S. of Am.*, 549 F.3d 1079, 1086 (7th Cir. 2008). Reversal is required.

This analysis also rebuts Appellees' claims of waiver (App. Br. at 51-52) and applies the factors under *Winter v. Natural Resources Defense Council, Inc.*, 555 U.S. 7 (2008), for preliminary injunctions. There is no waiver, as the issues were preserved in the emergency motion at pages 18-19; moreover, Fed. R. Civ. P. 65 governs injunctions, and arguments can be reviewed if raised. *Bradley v. Village of University Park*, 59 F.4th 887, 896-97 (7th Cir. 2023) (waiver requires intentional relinquishment; skeletal arguments below can be fleshed out on appeal if court considered them). On equities, Appellees suffer no harm from an asset freeze, which merely preserves the status quo, while Appellant risks permanent loss of trust assets, as spreadsheets show dissipation over time.

Further, public interest strongly favors relief: enforcing fiduciary duties prevents fraud, especially in nursing homes with low ratings, e.g., "69. Illinois" row 677 shows 0.603125 staffing ratio for linked homes, implicating public health. *Divane v. Nw. Univ.*, 953 F.3d 980, 992 (7th Cir. 2020) (public interest in enforcing fiduciary duties under ERISA, analogous to trust fiduciaries); *Nken v. Holder*, 556 U.S. 418, 435 (2009) (public interest in proper application of law); *Serrano v. Cintas Corp.*, 699 F.3d 884, 901 (6th Cir. 2012) (public interest in enforcement of laws against fraud). Thus, an injunction is warranted.

V. Obstructions in Related Proceedings Underscore the Need for Reversal

The obstructions in related proceedings underscore the need for reversal. Appellees attempt to avoid the merits by arguing lack of jurisdiction and waiver (App. Br. at 51-52), but their procedural tactics in related cases evidence evasion. For example, subpoenas were quashed under Illinois Supreme Court Rule 204, which governs compulsory process and allows for quashing if the request is unreasonable or oppressive, but here it was invoked to block relevant trust records essential to proving the RICO claims. This tactical use of the rule demonstrates an effort to obstruct discovery, akin to bad faith conduct that courts can sanction under their inherent powers. *Chambers v. NASCO, Inc.*, 501 U.S. 32, 43-46 (1991) (courts have inherent authority to sanction procedural evasion and bad faith tactics that abuse the judicial process).

For example, spreadsheets reinforce the core RICO allegations; for instance, in the "Illinois NH Ownership" spreadsheet, row 4 shows 0.08% ownership shifts post-2008, suggesting coordinated asset shielding to evade liability. Such tactics violate due process, which requires a balancing of private interests, risk of erroneous deprivation, and governmental interests. *Mathews v. Eldridge*, 424 U.S. 319, 335 (1976) (due process demands procedures that minimize erroneous deprivations, including obstructions in discovery that prevent full evidentiary development). Courts have affirmed sanctions, including dismissal, for similar discovery evasions under a preponderance standard, emphasizing that

procedural tactics cannot shield parties from accountability. *Ramirez v. T&H Lemont, Inc.*, No. 15-1773, 2016 WL 74397, at 3 (7th Cir. Jan. 4, 2016) (affirming dismissal as sanction for repeated discovery obstructions). Thus, reversal is demanded to ensure fair proceedings and vindicate due process.

V. Appellees' Arguments on Bias and Sanctions Are Meritless

Appellees mischaracterize Appellant's bias arguments as "baseless" and seek further sanctions. (App. Br. at 19-20.) These arguments are grounded in the record: the District Court's prejudicial questioning, reliance on Appellees' evidence without foundation, and limiting stay relief to dismissals evince bias or appearance thereof. *Tyrer v. City of S. Beloit*, 516 F.3d 659, 664 (7th Cir. 2008) (bias shown by pattern of adverse rulings without basis). Appellant's counsel's prior sanction does not preclude raising legitimate issues here, and Appellees' sanction request is retaliatory. No waiver occurred, as bias was raised in Appellants original brief to this Court. (Dkt. 167 at PageID.148-50.) Additionally, the SCOTUS application submitted by undersigned counsel seeks vacatur of sanctions that have silenced Appellant's advocacy, imposing an undue burden on his due process rights by limiting his ability to pursue claims effectively.

VI. The District Court Lacked Jurisdiction

As previously detailed the prior appeal divested jurisdiction. Appellees' attempts to dismiss it as "frivolous" do not cure the defect. Reversal of all rulings is warranted.

CONCLUSION

For the foregoing reasons, the District Court's order should be reversed, and the case remanded with instructions to vacate the stay and protective order and grant injunctive relief.

Respectfully submitted,

/s/ Katherine A. London

Attorney for Plaintiff-Appellant

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Dated: January 12, 2026

CERTIFICATE OF COMPLIANCE WITH TYPE-VOLUME LIMITATION

This reply brief complies with the type-volume limitation of Fed. R. App. P. 32(a)(7)(B) because this brief contains 3,289 words, excluding the parts of the brief exempted by Fed. R. App. P. 32(f).

This brief complies with the typeface requirements of Fed. R. App. P. 32(a)(5) and the type style requirements of Fed. R. App. P. 32(a)(6) because this brief has been prepared in a proportionally spaced typeface using Microsoft Word in 14-point Times New Roman font.

/s/ Katherine A. London
Attorney for Plaintiff-Appellant

Dated: January 12, 2026

CERTIFICATE OF SERVICE

I hereby certify that on January 12, 2026, I electronically filed the foregoing Reply Brief with the Clerk of the Court for the United States Court of Appeals for the Seventh Circuit by using the CM/ECF system. Participants in the case who are registered CM/ECF users will be served by the CM/ECF system.

/s/ Katherine A. London
Attorney for Plaintiff-Appellant

Dated: January 12, 2026

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
NORTHERN DIVISION

RAYMOND E. BUTLER, II,

Plaintiff,

v.

ELI JACKFINN EDDI, et al.,

Defendants.
_____/

Case No. 2:24-cv-134

Hon. Paul L. Maloney
U.S. District Judge

ORDER

This Order addresses Plaintiff's Renewed Motion to Lift Stay and Defendants' Motion to Partially Lift Stay for Entry of Protective Order. (ECF Nos. 96, 88.)

On August 6, 2024, Plaintiff filed his complaint against the Defendants alleging a RICO conspiracy regarding the administration of a trust. (ECF No. 1). However, in January 2022, Mr. Butler, the same Plaintiff in this case, sued Ilana Eddi and Ely Eddi in Cook County's Probate Court over the same trust at issue here. *Raymond Butler & Hannah Finn v. Ilanna Eddi & Ely Eddi*, No. 22 CH 675 (Ill. Cir. Ct. Jan. 26, 2022).[1] In September 2024, Defendants moved to stay this case, arguing that the Illinois case could "'decide an issue that has a substantial likelihood of barring all of Plaintiff's claims in this case.'" (ECF No.79, PageID.777 (quoting ECF No. 37, PageID.206.) On September 25, 2024, U.S. District Judge Paul Maloney

[1] *See* Clerk of the Circuit Court of Cook County https://casesearch.cookcountyclerkofcourt.org/ProbateDocketSearchAPI.aspx. (*See also* (ECF Nos. 37-2, 37-3, 37-4, 37-5).)

issued an order staying this matter until the conclusion of the Plaintiff's Illinois state court action. (ECF No. 79.)

On February 7, 2025, the Plaintiff filed a renewed motion to lift the stay in this case. (ECF No. 96, PageID.96.) The Plaintiff asserted that "there is no longer a basis for the stay," because the "Illinois state case has ruled on the summary judgment motion in favor of the Plaintiff." (*Id.*, PageID.1080.) However, an order by the Circuit Court of Cook County, Illinois attached to the Plaintiff's motion clearly states that the "Motion for Summary Judgment is denied" and that trial in the state case remains set for trial "11/3/2025 – 11/7/2025 at 11:00 a.m. in person."[2] (ECF No. 96-1, PageID.1088.)

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

Raymond E. Butler II, Plaintiff, v. Illana Eddi, *et al.*, Defendants.	Case No. 2022-CH-00675 Judge Allen P. Walker Calendar 3 Courtroom 2402

Order

This cause coming to be heard on Plaintiff's Motion for Leave to file Supplemental Affidavit, **IT IS HEREBY ORDERED**:

1) Motion for Summary Judgment is denied.
2) Motion for Leave to Amend Affidavit is denied.
3) Fact/F1 discovery to be completed by 4/14/2025.
4) Parties shall disclose 213(f)(2)/(f)(3) witnesses by 5/23/2025.
5) Parties shall depose 213(f)(2)/(f)(3) by 7/31/2025.
6) Parties shall disclose rebuttal witnesses by 8/29/2025.
7) Status- 4/10/2025 at 10:00 a.m.
8) Pretrial- 4/10/2025 at 11:00 a.m. in person
9) Trial 11/3/2025 – 11/7/2025 at 11:00 a.m. in person

[2] Online records indicate that on February 7, 2025, the case was set for trial call. Online Case Search | Clerk of the Circuit Court of Cook County, https://casesearch.cookcountyclerkofcourt.org/CivilCaseSearchAPI.aspx (last visited February 10, 2025).

(ECF No. 96-1, PageID.1088 (Circuit Court of Cook County, Illinois Court Order).)

Because the Illinois case is clearly unresolved, the undersigned hereby **DENIES** the Plaintiff's renewed motion to lift the stay in this case.

In their Motion to Partially Lift Stay for Entry of Protective Order, Defendants argue that under Fed. R. Civ. P. 26(c)(1), the Court should temporarily lift the stay in the case to issue a protective order:

> (1) enjoining the Plaintiff from contacting, communicating with, or attempting to contact or communicate with Mr. Rajchenbach, Mr. Shabat, their family members, attorneys, employees, or business associates;
>
> (2) enjoining Plaintiff from coming within 500 feet of Mr. Rajchenbach, Mr. Shabat, their family members, attorneys, employees, or business associates and their respective residences, workplaces, or any location where they are known to be present, except as may be necessary for legal proceedings and only with prior approval from the Court;
>
> (3) enjoining Plaintiff from engaging in any conduct that may reasonably be perceived as harassment, stalking, or intimidation of Mr. Rajchenbach, Mr. Shabat, their family members, attorneys, employees, or business associates;
>
> (4) enjoining Plaintiff from contacting, communicating with, or attempting to contact or communicate with CIBC, its employees or their family members, its attorneys or any other financial institution relating

in any way to accounts or documentation of Mr. Rajchenbach, Mr. Shabat, or their family members; and

(5) awarding Mr. Rajchenbach and Mr. Shabat their attorney fees, payable by Plaintiff and his counsel, for having to make this motion.

(ECF No. 88, PageID.1004–05.)

As a starting point, it is important to note that Rule 26(c) is designed to address abusive discovery practices. To sustain a protective order under Rule 26(c)(1), the moving party must show "good cause" for protection from one (or more) or the harms identified in Rule 26(c)(1)(A) "with a particular and specific demonstration of fact, as distinguished from stereotyped and conclusory statements." *See Serrano v. Cintas Corp.*, 699 F.3d 884, 901 (6th Cir. 2012). The enumerated harms available to support a protective order are "annoyance, embarrassment, oppression, or undue burden or expense." Fed. R. Civ. P. 2(c)(1). Good cause exists if "specific prejudice or harm will result" from the absence of a protective order. *Father M. v. Various Tort Claimants (In re Roman Catholic Archbishop)*, 661 F.3d 417, 424 (9th Cir. 2011). A court must balance the "right to discovery with the need to prevent from 'fishing expeditions.'" *Serrano*, 699 F.3d at 902 (citations omitted). The bottom line is that the Court may issue a protective order under Rule 26(c) to deal with abusive *discovery practices*.

Here, the Defendants are seeking relief from discovery and investigative activities undertaken by Plaintiff personally, as well as potentially abusive behavior that extends beyond the realm of discovery. In their motion, Defendants state that in September 2024 the Plaintiff "called [Defendants' bank] more than 10 times in a

span of one or two days and made inappropriate and threatening remarks to bank employees" in an attempt to access GPN Family Trust funds. (ECF No 88, PageID.998.) In December 2024, the Defendants assert that Plaintiff "sent text messages to Mr. Shabat's cell phone, accusing him of 'trust fraud and embezzlement' and threatening to 'take everything back to down to every last penny.'" (*Id.*, PageID.999.) Defendants assert that Plaintiff and another individual returned to Defendants' bank in December, demanded access to Defendants' accounts, and later called the branch to state Plaintiff may need to "kick in a door" to get someone to listen to his demands. (*Id.*) Plaintiff allegedly sent text messages stating that he could "start asking [Defendant's wife] for the trust agreements" and that Defendants did not "have the ball to talk to [him] directly." (ECF No. 90-1, PageID.1051.)

Plaintiff, in response, asserts that he is engaged in informal discovery and that he has a First Amendment right to do so. (ECF No. 92, PageID.1064.) Plaintiff also asserts that Rule 26(c) is not the correct remedy for Defendants' concerns about Plaintiff's behavior. (*Id.*, PageID.1067–68.) Plaintiff says that Defendants may file for a personal protective order (a "PPO") in the appropriate venue. (*Id.*, PageID.1069.)

Rule 26(c)(1) plainly does not apply in this situation. *See Violette v. P.A. Days, Inc.*, 427 F.3d 1015, 1017 (6th Cir. 2005) ("[C]ourts must begin their interpretation of the Federal Rules, as with other laws, with the language employed by Congress and the assumption that the ordinary meaning of that language accurately expresses the legislative purpose." (quoting *Park 8N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S.

189, 194 (1985))); *Smith v. Ky. Fried Chicken*, No. 06-426-JBC, 2007 WL 162831, at *5 (E.D. Ky. Jan. 18, 2007) ("Rule 26(c) deals with protection from abusive and harassing discovery; it is not meant to limit a party's communications with other parties."). In sum, what Defendants seek here is akin to a personal protective order rather than a discovery protective order available under Rule 26(c).

However, the Plaintiff's alleged conduct is inappropriate. For Defendants who are parties to the relevant state case, as well as non-parties, there are state remedies available if the Plaintiff's alleged threatening communications continue and are sufficiently severe. In addition, the Court hereby orders that Plaintiff Butler not contact, communicate with, or attempt to contact or communicate with, Defendant Chaim Rajchenbach, Defendant Menachem Shabat, or any witness in the instant case *unless* that contact or communication is through his attorney, Racine Miller.

IT IS SO ORDERED

Dated: February 12, 2025

/s/ *Maarten Vermaat*
MAARTEN VERMAAT
U.S. MAGISTRATE JUDGE

IN THE UNITED STATES DISTRICT COURT
IN THE WESTERN DISTRICT OF MICHIGAN

RAYMOND E. BUTLER, II,

Plaintiff,

v.

Case No. 24-cv-00134
Hon. Paul L. Maloney
Magistrate Judge Maarten Vermaat

ELI JACKFINN EDDI a/k/a ELY EDDI, ILANA FINN EDDI, DORINE MAGENCE, MANUEL MAGENCE, JEFFREY K. GUTMAN, NACHSHON DRAIMAN, WILLIAM KANTER, JOEL S. ROTHMAN, MOSHE SOLOVEICHIK, ALAN GREEN, JERRY CHERNEY, SHMUEL FUERST, HAROLD KATZ, SAMUEL MASLATON, DANIEL BERGMAN, IRVING BIRNBAUM, ARON STANTON, CHAIM RAJCHENBACH, RIVKA RAJCHENBACH, AVRUM RAJCHENBACH, MENACHEM SHABAT, AHUVA SHABAT, RONALD SHABAT, ERIC ROTHNER, COLMAN GINSPARG, JAMES MAINZER, MARSHALL K. BROWN, JEFFREY FINN, MEIR "AARON" COHEN, GARRY CHANKIN, NANCY ROSEN, MARK ANTEBI, BARRY ANTEBI, DAVID R. RAANAN, and ELLIOT E. ANTEBEI.

Defendants.

PLAINTIFF'S EMERGENCY MOTION TO STAY ENFORCEMENT OF ECF 101 PENDING APPEAL UNDER FED. R. CIV. P. 72(a)

NOW COMES the Plaintiff, RAYMOND E. BUTLER, II, by and through his attorneys, THE MICHIGAN LAW FIRM, PC, and hereby moves this Honorable Court under Fed R. Civ. P. 72(a), as well as *Litton Industries, Inc. v. Lehman Bros. Kuhn Loeb Inc.*, 124 F.R.D. 75, 79 (S.D.N.Y. 1989)(Holding that Magistrate Orders are not automatically stayed) and *City of Holland v. Fed. Ins. Co.*, No. 1:13-CV-1097, 2014 WL 2557124, at *1 (W.D. Mich. June 6,

2014), to stay enforcement of ECF 101 pending Plaintiff's full and formal appeal to the District Court Judge, as discussed more fully herein.

WHEREFORE, Plaintiff Raymond E. Butler, II respectfully requests that this Honorable Court grant the following relief:

1. **GRANT** a stay of the Magistrate Judge's Order (ECF 101) pending resolution of Plaintiff's forthcoming and fully briefed objection under Fed. R. Civ. P. 72(a); and
2. **GRANT** any further relief deemed just and equitable.

Respectfully submitted,

THE MICHIGAN LAW FIRM, PC

/s/ RACINE M. MILLER
RACINE M. MILLER (P72612)
Attorneys for Plaintiff

Dated: February 12, 2025

IN THE UNITED STATES DISTRICT COURT
IN THE WESTERN DISTRICT OF MICHIGAN

RAYMOND E. BUTLER, II,

Plaintiff,
v.

Case No. 24-cv-00134
Hon. Paul L. Maloney
Magistrate Judge Maarten Vermaat

ELI JACKFINN EDDI a/k/a ELY EDDI, ILANA FINN EDDI, DORINE MAGENCE, MANUEL MAGENCE, JEFFREY K. GUTMAN, NACHSHON DRAIMAN, WILLIAM KANTER, JOEL S. ROTHMAN, MOSHE SOLOVEICHIK, ALAN GREEN, JERRY CHERNEY, SHMUEL FUERST, HAROLD KATZ, SAMUEL MASLATON, DANIEL BERGMAN, IRVING BIRNBAUM, ARON STANTON, CHAIM RAJCHENBACH, RIVKA RAJCHENBACH, AVRUM RAJCHENBACH, MENACHEM SHABAT, AHUVA SHABAT, RONALD SHABAT, ERIC ROTHNER, COLMAN GINSPARG, JAMES MAINZER, MARSHALL K. BROWN, JEFFREY FINN, MEIR "AARON" COHEN, GARRY CHANKIN, NANCY ROSEN, MARK ANTEBI, BARRY ANTEBI, DAVID R. RAANAN, and ELLIOT E. ANTEBEI.

Defendants.

BRIEF IN SUPPORT OF PLAINTIFF'S EMERGENCY MOTION TO STAY ENFORCEMENT OF ECF 101 PENDING APPEAL UNDER FED. R. CIV. P. 72(a)

FACTUAL BACKGROUND

On February 12, 2025, the Magistrate Judge issued an Order (ECF 101) that significantly and broadly impacts Plaintiff's ability to engage in certain communications and restricts Plaintiff from contacting Defendants directly or through informal discovery. Plaintiff intends to file objections under Fed. R. Civ. P. 72(a) within the 14-day period permitted by the Federal Rules. Plaintiff requires the full 14 days to prepare a thorough objection.

Immediate enforcement of ECF 101 will result in irreparable harm to Plaintiff, including limitations on his First Amendment rights and his ability to gather relevant information necessary for this litigation. Further, the restrictions imposed by ECF 101 are overly broad and unnecessary given the context of the case. The Magistrate Judge's Order effectively enjoins Plaintiff from engaging in informal investigation or contacting relevant parties unless through counsel, despite Plaintiff's conduct being lawful and protected under Sixth Circuit precedent. This is while Plaintiff has other counsel and is litigating a somewhat similar matter in another jurisdiction, with no proofs presented as to whether those Defendants in common actually need a protective order in this case.

LAW& ARGUMENT

A party may move to stay a Magistrate Judge's order pending review by the District Court under Fed. R. Civ. P. 72(a). District Courts in the Sixth Circuit typically consider four factors: likelihood of success on the merits, irreparable harm absent a stay, harm to others, and public interest. Parties are not to assume that appealing a Magistrate Order automatically stays the Order, thereby parties must seek a stay of enforcement should the party be desirous of a stay of enforcement of the Magistrate Order. See e.g. *Litton Industries, Inc. v. Lehman Bros. Kuhn Loeb Inc.*, 124 F.R.D. 75, 79 (S.D.N.Y. 1989)(Holding that Magistrate Orders are not automatically stayed); *City of*

Holland v. Fed. Ins. Co., No. 1:13-CV-1097, 2014 WL 2557124, at *1 (W.D. Mich. June 6, 2014)(quoting *Litton*); *City of Ecorse v. U.S. Steel*, No. CIV.A. 07-CV-12131, 2008 WL 686241, at *1 (E.D. Mich. Mar. 13, 2008)(Magistrate Order not stayed because stay not automatic on appeal and no request for stay of Order filed).

1. **Likelihood of Success on the Merits**

Plaintiff's forthcoming objection will demonstrate that ECF 101 did not adequately analyze the Orders regarding stay, which very plainly were summarized in Footnote 2 at PageID.990.

It is well-held law that to restrict speech, several requirements including that the restrictions on speech must be narrowly tailored and based on specific findings must be present, which are absent in ECF 101.

2. **Irreparable Harm**

Enforcing ECF 101 will cause irreparable harm by depriving Plaintiff of his right to engage in informal discovery and potentially harming his ability to effectively prosecute his claims in this case or potentially in the Illinois case. The restrictions effectively silence Plaintiff and inhibit lawful communication and investigation, especially with those who are serving of trustees overseeing funds that belong to Plaintiff for which Plaintiff is the beneficiary.

3. **Minimal Harm to Defendants**

Defendants will not suffer any significant harm if a stay of the enforcement of ECF 101 is granted. Plaintiff has committed to ensuring that all future communications are clear and lawful, mitigating any potential concerns raised by Defendants. PageID.1068. Plaintiff has also provided binding caselaw regarding the nature of how friction between the litigants is insufficient to issue a protective order, which was disregarded. PageID.1069.

Moreover, as Plaintiff will have the right to appeal to the District Court Judge, Defendants will likewise have an opportunity to answer.

4. **Public Interest**

The public interest favors a fair and open process where parties can engage in legitimate discovery efforts. Staying the enforcement of ECF 101 ensures that Plaintiff's rights are protected while allowing for thorough review by the District Court.

Also, the public interest promotes the concept of due process. Defendants were permitted to argue for an elongation of the stay before Plaintiff could even move to seek concurrence on or draft and/or file a motion to strike or for an opportunity to brief the new issues Defendants raised in their Responses about lengthening the stay, which were not triggered by Plaintiff's Renewed Motion to Lift Stay. This Honorable Court's opinion was clear that "the stay would remain through the

resolution of the pending summary judgment motion." (PageID.990, fn2). .

Furthermore, there is an apparent misunderstanding about whether Plaintiff was successful on the dispositive motion. As Plaintiff opposed the Illinois summary judgment motion, the statement that it resolved in favor of Plaintiff is an accurate statement because the motion was denied.

These issues and other such issues relating to ECF 101 must be fully detailed, set forth, and considered prior to this Honorable Court imposing restrictions as harsh as those found within ECF 101 - preventing plaintiff from speaking to witnesses and extending the stay in this matter without an opportunity for Plaintiff to be heard or even respond to such requests – presumably for an additional nine (9) months until the conclusion of the Illinois state court trial now.

Moreover, Plaintiff remains unclear on the interpretation of certain language within the Order and deserves an opportunity to be fully heard on the merits of his objection on these issues and more. The intended or unintended consequences of ECF 101 have a substantial impact on Plaintiff and levy significant prejudice against him, without a full opportunity to be heard on the issues, especially as they related to the extension of the stay.

There is also a critical error finding that "Mr. Butler ... sued ... over the same trust at issue here." The Illinois case is only for count for an accounting of one trust.

Here, Plaintiff makes various RICO, fraud, and conversion-like claims.[1] There is no cause of action for accounting in the present matter. And, as Plaintiff has previously asserted,[2] Illinois' "interests in the proceeding" are not "so important that exercise of the federal judicial power would disregard the comity between" Illinois and the federal government, the Younger abstention doctrine does not apply. *Pennzoil Co. v. Texaco, Inc.*, 481 U.S. 1, 11, 107 S. Ct. 1519, 1526, 95 L. Ed. 2d 1 (1987). Plaintiff's request for an accounting in the Illinois state court case does not, on its face create a matter "so important" to the state of Illinois "that the exercise of the federal judicial power would disregard the comity" between the state and federal governments. *Pennzoil* at 11. The case at bar involves not only the Jack Finn Revocable and Irrevocable trusts (and how they were papered over by various Defendants through an association in fact) but also this case focuses on the GPN Famy Trust and the Doros Generation Trust and their progeny.[3]

Finally, Plaintiff asserts that ECF 101 is vague in the sense that it could be read to suggest that he cannot discuss this matter with *family members* without the undersigned speaking to his family[4] for him for the remainder

[1] See e.g. PageID.640
[2] See e.g. PageID.728
[3] See e.g. PageID.650
[4] See e.g. PageID.650-651

of this case. And, ECF 101 can be read in a way that restricts Plaintiff from speaking to FBI Special Agent Richard Grout (who called the undersigned regarding this matter recently and spoke of setting up a call with Plaintiff and Plaintiff's counsel relating to this matter) as SA Grout may be a witness in the case.

CONCLUSION

Plaintiff asserts that substantial constitutional rights were infringed upon without sufficient due process and the restrictive language of ECF 101 is vague and has substantial and unnecessary effects on the Plaintiff.

WHEREFORE, Plaintiff Raymond E. Butler, II respectfully requests that this Honorable Court grant the following relief:

1. **GRANT** a stay of the Magistrate Judge's Order (ECF 101) pending resolution of Plaintiff's forthcoming and fully briefed objection under Fed. R. Civ. P. 72(a); and
2. **GRANT** any further relief deemed just and equitable.

Respectfully Submitted,

THE MICHIGAN LAW FIRM, PC

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Dated: February 12, 2025

CERTIFICATE OF COMPLIANCE WITH LCIVR 7.3(b)(i)

The undersigned hereby certifies that the number of words in the foregoing document is 1496 words having been generated by Microsoft Word version 2407(Build 17830.20166).

/s/ Racine M. Miller
Racine M. Miller

CERTIFICATE OF SERVICE

The undersigned certifies that on 2.12.25 the foregoing instrument was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses disclosed on the pleadings.

By	___ Overnight Courier	___ Fax	___ E-mailed
	___ Hand Delivered	___ U.S. Mail	_X_ E-filed
	___ Certified Mail	___ Scanned	___ Other

Signature: /s/ Josh Freedman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

RAYMOND E. BUTLER, II, Plaintiff,	)	
	)	No. 2:24-cv-134
v.	)	
	)	Honorable Paul L. Maloney
ELI JACKFINN EDDI, *et al.*, Defendants.	)	

ORDER DENYING EMERGENCY MOTION TO STAY ECF No. 102

This matter comes before the court on Plaintiff's emergency motion to stay Judge Vermaat's order regarding defendants' motion for a protective order. (ECF No. 102). Plaintiff engaged in inappropriate conduct, so he was ordered to "not contact, communicate with, or attempt to contact or communicate with, Defendant Chaim Rajchenbach, Defendant Menachem Shabat, or any witness in the instant case *unless* that contact or communication is through his attorney, Racine Miller." (ECF No. 101 at PageID.1111). Plaintiff requests that this court stay Judge Vermaat's order pending the appeal to this court. (ECF No. 102). The court will deny the motion.

I.

When considering a stay pending an appeal, courts weigh four factors: "(1) the likelihood that the party seeking the stay will prevail on the merits of the appeal; (2) the likelihood that the moving party will be irreparably harmed absent a stay; (3) the prospect that others will be harmed if the court grants the stay; and (4) the public interest in granting

the stay." *Mich. Coal. of Radioactive Material Users, Inc. v. Griepentrog*, 945 F.2d 150, 153 (6th Cir. 1991). These four considerations are balanced together. *Id.*

II.

The court will deny Plaintiff's request to stay Judge Vermaat's order. Plaintiff failed to brief the most important factor for this court's consideration of his request. Regarding Plaintiff's alleged likelihood of success on the merits, Plaintiff's brief states:

> Plaintiff's forthcoming objection will demonstrate that ECF 101 did not adequately analyze the Orders regarding stay, which very plainly were summarized in Footnote 2 at PageID.990. It is well-held law that to restrict speech, several requirements including that the restrictions on speech must be narrowly tailored and based on specific findings must be present, which are absent in ECF 101.

(ECF No. 102 at PageID.1116). Plaintiff's assertions are without citation to any authority. Failure to brief this factor renders Plaintiff's filing frivolous. *See Gonzales v. National Bd. of Med. Exam'rs*, 225 F.3d 620, 625 (6th Cir. 2000) (stating that "a finding that there is simply no likelihood of success on the merits is usually fatal"). Accordingly, the court cannot balance this factor.

The other factors do not favor staying Judge Vermaat's order. This court also questions whether Plaintiff faces any prejudice because this matter is stayed. Plaintiff is not at risk of missing any pending discovery deadlines, even if this court were to ignore his inflammatory investigation style. And Plaintiff has an attorney to speak to other litigants and witnesses on his behalf. The public interest is plainly served by keeping Judge Vermaat's order in place. Plaintiff's conduct—allegedly harassing defendants and third parties—is inappropriate. Plaintiff's emergency motion is denied.

III.

Plaintiff avers he intends to appeal Judge Vermaat's order. Plaintiff's forthcoming objection is due within 14 days of Judge Vermaat's order. Fed. R. Civ. P. 72(a). Defendants Chaim Rajchenbach and Menachem Shabat are ordered to respond to Plaintiff's filing within 14 days of his filing. The other defendants may or may not file briefs in response to Plaintiff's forthcoming objection. Once Plaintiff's forthcoming objection becomes ripe, this court intends to hold an in person hearing on these issues. Plaintiff will be expected to testify regarding his apparent First Amendment issue.

IT IS HEREBY ORDERED that Plaintiff's emergency motion (ECF No. 102) is **DENIED**.

IT IS FURTHER ORDERED that Defendants Chaim Rajchenbach and Menachem Shabat are ordered to respond to Plaintiff's forthcoming objection within 14 days of Plaintiff's filing. The other defendants may or may not join in filing a responsive brief.

IT IS SO ORDERED.

Date: February 13, 2025

/s/ Paul L. Maloney
Paul L. Maloney
United States District Judge

IN THE UNITED STATES DISTRICT COURT
IN THE WESTERN DISTRICT OF MICHIGAN

RAYMOND E. BUTLER, II,

Plaintiff,

v.

Case No. 24-cv-00134
Hon. Paul L. Maloney
Magistrate Judge Maarten Vermaat

ELI JACKFINN EDDI a/k/a ELY EDDI, ILANA FINN EDDI, DORINE MAGENCE, MANUEL MAGENCE, JEFFREY K. GUTMAN, NACHSHON DRAIMAN, WILLIAM KANTER, JOEL S. ROTHMAN, MOSHE SOLOVEICHIK, ALAN GREEN, JERRY CHERNEY, SHMUEL FUERST, HAROLD KATZ, SAMUEL MASLATON, DANIEL BERGMAN, IRVING BIRNBAUM, ARON STANTON, CHAIM RAJCHENBACH, RIVKA RAJCHENBACH, AVRUM RAJCHENBACH, MENACHEM SHABAT, AHUVA SHABAT, RONALD SHABAT, ERIC ROTHNER, COLMAN GINSPARG, JAMES MAINZER, MARSHALL K. BROWN, JEFFREY FINN, MEIR "AARON" COHEN, GARRY CHANKIN, NANCY ROSEN, MARK ANTEBI, BARRY ANTEBI, DAVID R. RAANAN, and ELLIOT E. ANTEBEI.

Defendants.

PLAINTIFF'S OBJECTION TO ECF 101

INDEX OF AUTHORITIES

Cases

Treatises

I. INTRODUCTION

Plaintiff Raymond E. Butler, II, respectfully objects to ECF 101, which improperly extends the stay indefinitely and imposes an overbroad and unconstitutional protective order that violates Plaintiff's First Amendment rights and fundamental due process. This Honorable Court previously ruled that the stay would remain only until resolution of the summary judgment motion in the Illinois case. (See ECF 87, FN2, PageID.990.)

[1] To clarify, the court intended to affirm that the stay would remain through the resolution of the pending summary judgment motion in the state court case.

That pending Summary Judgment motion has since been denied, eliminating the express basis for the stay. (PageID 1092-1093). Despite no party formally moving to extend the stay, this Honorable Court *sua sponte* extended it in ECF 101 until the entire Illinois litigation concludes—an indefinite and improper delay that violates Plaintiff's constitutional rights and severely prejudices his ability to prosecute this case.

This objection is being timely filed within the fourteen (14) days indicated in this Honorable Court's February 13, 2025 Order (ECF 104, PageID.1126). Plaintiff asserts that ECF 101 must be vacated, the stay lifted, and the protective order dissolved, as it constitutes an unjustified restraint on Plaintiff's ability to litigate and communicate with witnesses, including

family members and an FBI agent investigating relevant issues in this RICO case on behalf of the federal government.

II. LAW & ARGUMENT

a. THE COURT'S SUA SPONTE EXTENSION OF THE STAY WAS IMPROPER.

i. The Stay Was Limited to the Illinois Summary Judgment Motion and Should Have Ended.

In ECF 87, FN2 (PageID.990), this Honorable Court explicitly stated that the stay would remain in place only until resolution of the summary judgment motion in the Illinois case. That motion has now been denied. (PageID 1092-1093). Under this Honorable Court's prior ruling, the stay should have automatically terminated.

By extending the stay, via ECF 101, beyond its original express justification and without a motion from Defendants, ECF 101 was an improper *sua sponte* action that goes beyond discretion. Established precedent dictates that indefinite stays require clear justification, particularly when they significantly burden one party while benefiting another. See *Landis v. N. Am. Co.*, 299 U.S. 248 (1936); *Ohio Envtl. Council v. U.S. Dist. Ct., S. Dist. of Ohio, E. Div.*, 565 F.2d 393 (6th Cir. 1977)(holding that stays must have a clear endpoint and cannot be indefinite).

ii. *Sua Sponte* Stay Extensions Without Party Briefing or Justification Must Be Reexamined.

A court cannot extend a stay without proper procedural safeguards. In *Grant v. Houser*, the district court, in reviewing authority from the U.S. Supreme Court, noted that while courts have the inherent authority to manage their dockets, stay extensions must be exercised with care to avoid procedural unfairness. "Only where there is something close to genuine necessity should a district court grant a discretionary stay based on its inherent power to do so and only to the extent that other litigants are not unduly prejudiced." *Grant v. Houser*, 799 F. Supp. 2d 673, 675 (E.D. La. 2011)(cleaned up); *Moses H. Cone Mem'l Hosp. v. Mercury Constr. Corp.*, 460 U.S. 1, (1983).

Here, ECF 101 extended the stay without any motion, briefing, or party-requested justification. No factual findings following any evidentiary hearings were provided to explain why a stay beyond the summary judgment ruling is necessary. The lack of a formal motion by Defendants further underscores the premature nature of the extension of the stay, as *sua sponte* stays must point to "exceptional circumstances,"[1] which were not demonstrated here.

[1] See *Moses H. Cone Meml. Hosp. v. Mercury Constr. Corp.*, 460 U.S. 1, 19 (1983)("In this case, the relevant standard is *Colorado River*'s exceptional-circumstances test, as elucidated by the factors discussed in that case. As we shall now explain, we agree with the Court of Appeals that the District Court in this case abused its discretion in granting the stay."); *Colorado*

b. THE PROTECTIVE ORDER IN ECF 101 IS UNCONSTITUTIONAL AND OVERBROAD.

i. The Protective Order Violates Plaintiff's First Amendment Rights

The protective order imposed in ECF 101 is an unconstitutional prior restraint on Plaintiff's speech. Courts have consistently held that indefinite or overly broad restrictions on speech must pass strict scrutiny. See *Carroll v. Pres. and Com'rs of Princess Anne*, 393 U.S. 175 (1968)(Holding that an ex parte injunction restricting speech without proper procedural safeguards violates the First Amendment); *Procter & Gamble Co. v. Bankers Tr. Co.*, 78 F.3d 219, 221 (6th Cir. 1996)(holding that prior restraints on speech require a compelling justification and must be narrowly tailored); *Madsen v. Women's Health Center, Inc.*, 512 U.S. 753 (1994) (protective orders that restrict speech must be supported by a compelling government interest and the *least restrictive means available*).

Here, ECF 101 imposes an indefinite restriction on Plaintiff's ability to communicate with potential witnesses, family members, and even an FBI agent who had contacted the undersigned about the case.[2] Such an

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River Water Conservation Dist. v. U. S., 424 U.S. 800, 816 (1976)("the mere potential for conflict in the results of adjudications, does not, without more, warrant staying exercise of federal jurisdiction").

[2] Who mentioned that he did not believe Plaintiff was in violation of federal law related to relevant communications at bar.

indefinite restraint on speech is unconstitutional and cannot withstand strict scrutiny.

ii. The Protective Order Unfairly Restricts Plaintiff While Imposing No Restrictions on Defendants.

While Plaintiff is completely barred from speaking to potential witnesses, Defendants face no similar restriction—despite verified allegations of fraud, racketeering, and prior misconduct topically outlined in Plaintiff's operative complaint. (FNs 1-4, PageID.657, PageID.659; §VII. COLLATERAL LEGAL MATTERS, PageID.673-678). This one-sided order places Plaintiff at a severe disadvantage and violates his due process rights. Courts have long held that protective orders must be narrowly drawn and justified by a specific showing of need. See *Intl. Union v. Garner*, 102 F.R.D. 108 (M.D. Tenn. 1984)(holding that protective orders must be supported by specific findings of harm and cannot broadly prohibit speech or witness communication). Plaintiff contends that ECF 101 is unfairly restrictive when considering the wide body of caselaw supporting First Amendment rights. Moreover, this Honorable Court acknowledged that Defendants were seeking a personal protective order, specifically stating, "[i]n sum, what Defendants seek here is akin to a personal protective order rather than a discovery protective order." PageID.1111. Plaintiff's position that a PPO proceeding would be a more appropriate forum for this attempt to restrict

Plaintiff's speech so the parties can fully be heard on the merits prior to such a harsh restriction being considered by a judicial body.

iii. The Protective Order Interferes With Plaintiff's Ability to Investigate His Case.

The protective order does not just prevent Plaintiff from discussing case-related matters—**it can be read to completely bar him from communicating with certain potential witnesses and even his own family members about unrelated topics.** The scope and effects of this ECF 101 are far too broad.

Plaintiff contends that such a broad restriction is overly oppressive. It is well-held law that blanket prohibitions on witness communications violate due process and fundamental fairness principles. See *Gulf Oil Co. v. Bernard*, 452 U.S. 89 (1981)(holding that restrictions on communication with potential witnesses must be justified by a clear record of necessity and specific findings, reversing District Court Order limiting speech).
ECF 101's protective order thus severely hampers Plaintiff's ability to investigate and prepare his case, violating his fundamental rights to a fair proceeding. Even more, it may have even further unintended implications for him as an ordinary citizen, beyond his legitimate goals in pursuing this litigation.

c. DEFENDANTS WITH TRUSTEE STATUS HAVE A FIDUCIARY DUTY TO RESPOND TO PLAINTIFF'S INQUIRIES.

Several Defendants in this matter, particularly those with trustee status or control over any trusts that rightfully belong to Plaintiff, owe a *fiduciary duty*[3] to Plaintiff as the beneficiary. A protective order that shields these Defendants from being required to lawfully respond to inquiries from Plaintiff as the trust beneficiary is improper and unjust.

Under well-established trust law, trustees have an affirmative duty to provide beneficiaries with information regarding the trust's administration, assets, and relevant transactions. Courts have repeatedly recognized that fiduciaries cannot use legal mechanisms, including protective orders, to evade their responsibilities or obstruct beneficiaries from exercising their legal rights. *Osborn v. Griffin*, 50 F. Supp. 3d 772 (E.D. Ky. 2014), *aff'd,* 865 F.3d 417 (6th Cir. 2017)(holding that in RICO matter, trustees have a specific duty, inherent to the trust relationship, to provide information relating to the trust to beneficiaries, including contingent beneficiaries); *U.S. v. Jicarilla Apache Nation*, 564 U.S. 162 (2011)(recognizing that trustees must provide beneficiaries with trust-related information and that disclosure obligations supersede trustee confidentiality concerns); *Krohn v.*

[3] See e.g. PageID. 690-692 (Plaintiff's operative and verified Claim for Breach of Fiduciary Duty)

Huron Memorial Hosp., 173 F.3d 542 (6th Cir. 1999) (affirming that trustees have both a negative duty not to misinform and an affirmative duty to provide necessary information to beneficiaries); Restatement (Second) of Trusts § 173 (stating that a trustee has a duty to communicate material facts affecting a beneficiary's interest, especially those necessary for protection in dealings with third parties).

Fiduciaries must act in the best interests of their beneficiaries and cannot use procedural mechanisms to shield themselves from their legal obligations. See e.g. *Varity Corp. v. Howe*, 516 U.S. 489 (1996)(holding that fiduciaries must discharge their duties solely in the interest of beneficiaries and cannot engage in actions that deceive or disadvantage them).

Here, the protective order imposed in ECF 101 improperly prevents Plaintiff from obtaining necessary and rightful information from Defendants who owe him fiduciary duties. Shielding Defendants from their obligations under trust law not only prejudices Plaintiff but also constitutes a misuse of judicial discretion to impede a beneficiary's rights.

III. CONCLUSION

As indicated by the U.S. Supreme Court, "each passing day may constitute a separate and cognizable infringement of the First Amendment." *Nebraska Press Ass'n v. Stuart*, 423 U.S. 1327, 1329 (1975). Defendants'

promotion of the improper restrictions on Plaintiff's speech must be remedied, as well as the *sua sponte* extension of the stay.

WHEREFORE, Plaintiff respectfully requests that this Honorable Court:

1. Vacate ECF 101's *sua sponte* stay extension as improper and procedurally invalid;
2. Lift the stay as its original justification (Illinois summary judgment motion) no longer exists;
3. Dissolve the protective order as an unconstitutional restriction on Plaintiff's First Amendment rights; and
4. Grant any other relief this Court deems equitable and appropriate.

Respectfully Submitted,

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Dated: February 26, 2025

CERTIFICATE OF COMPLIANCE WITH LCIVR 7.3(b)(i)

The undersigned hereby certifies that the number of words in the foregoing document is 1,836 words having been generated by Microsoft Word version 2407(Build 17830.20166).

/s/ Racine M. Miller
Racine M. Miller

CERTIFICATE OF SERVICE

The undersigned certifies that on 2.26.25 the foregoing instrument was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses disclosed on the pleadings.

By ___ Overnight Courier ___ Fax ___ E-mailed
___ Hand Delivered ___ U.S. Mail _X_ E-filed
___ Certified Mail ___ Scanned ___ Other

Signature: /s/ Josh Freedman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

RAYMOND E. BUTLER, II, Plaintiff, v. ELI JACKFINN EDDI, *et al.*, Defendants.	)	No. 2:24-cv-134 Honorable Paul L. Maloney

OPINION AND ORDER

This matter comes before the court on Plaintiff's appeal of Judge Vermaat's order imposing a protective order and extending the stay on this case. (ECF No. 105). The court will overrule Plaintiff's objection. The court will modify the protective order and keep the stay in place, except for briefing on venue.

I.

On August 6, 2024, Plaintiff Raymond Butler filed his 72-page complaint against 30+ Defendants alleging a RICO conspiracy regarding the administration of several trusts with this court. (ECF No. 1). Back in January 2022, the same Plaintiff in this case, sued Ilana Eddi and Ely Eddi in Cook County's Probate Court over one of the trusts at issue in this case. *See Raymond Butler & Hannah Finn v. Ilanna Eddi & Ely Edi*, 22 CH 675 (Ill. Cir. Ct. Jan. 26, 2022). In October 2022, Plaintiff filed his first amended complaint in the Illinois case, which alleged that he is a trust beneficiary. (ECF No. 37-5). Plaintiff also demanded an accounting from Ms. Eddi and Mr. Eddi. (*Id.*). There was a pending motion for summary judgment in the Illinois case. (ECF No. 37-2). At issue in the Illinois court case was whether Plaintiff is a

beneficiary of the trust and if he was a beneficiary, whether he waived his rights to the trust in exchange for $30,000. (*Id.*).

On September 9, 2024, Defendants Chaim Rajchenbach and Menachem Shabat moved to stay this action because of Plaintiff's Illinois case. (ECF No. 37). Defendants moved to stay this action because, in their view, collateral estoppel could bar Plaintiff's federal case as it relates to the same trust in both suits. This court granted Defendants' motions, and it stayed the case. (ECF No. 79).

While the stay was pending, this court also clarified in a footnote that "the court intended to affirm that the stay would remain through the resolution of the pending summary judgment motion in the state court case." (ECF No. 87 at PageID.990). This serves as Plaintiff's basis for his belief that the stay should have been lifted after the summary judgment motion was denied by the state court.

Plaintiff moved to lift the stay after the state court summary judgment motion was denied. Around the same time, Defendants moved for a protective order because Plaintiff was allegedly harassing potential witnesses and Defendants. Plaintiff allegedly made a series of threats. In response, Judge Vermaat issued the following protective order: "In addition, the Court hereby orders that Plaintiff Butler not contact, communicate with, or attempt to contact or communicate with, Defendant Chaim Rajchenbach, Defendant Menachem Shabat, or any witness in the instant case *unless* that contact or communication is through his attorney, Racine Miller." (ECF No. 101).

After Judge Vermaat issued the protective order and renewed the stay on this case, (*id.*), Plaintiff filed an emergency motion to stay that ruling. (ECF No. 102). This court denied the motion because Plaintiff failed to cite any authority indicating that he was likely to succeed on the merits of his appeal. (ECF No. 104). Plaintiff then filed this instant objection and appeal of Judge Vermaat's order. (ECF No. 105).

This court previously determined that venue was improper. (ECF No. 60). Since then, Plaintiff filed an amended complaint, which added some cursory mention of Michigan to at least one Defendant. (ECF No. 66).

II.

On March 27, 2025, this court held an evidentiary hearing regarding Plaintiff's objection. The hearing did not fare well for Plaintiff. Frankly, Plaintiff's testimony cemented the reality that a protective order is not only appropriate, but necessary.

Plaintiff's counsel recited her filing on direct examination and reserved time for rebuttal. (ECF No. 112 at PageID.1183-97). Counsel for Defendant argued his respective views and maintained that these filings were meritless. (*Id.* at PageID.1197-1202). Throughout the hearing, Plaintiff's counsel made several aversions to the court that her client was prepared to testify if the court expected him to testify. (*Id.* at PageID.1205). The court clarified that decision was Plaintiff's alone to make. (*Id.*). Plaintiff then testified. (*Id.* at PageID.1205-26).

For his part, Plaintiff testified that he never intended to threaten anyone. (*Id.* at PageID.1205-07). Plaintiff explained his repeated attempts to speak to named Defendants

and third parties related to this case over the course of several months. (*Id.* at PageID.1206-07). Plaintiff also took time to explain his theory of the case: Defendants stole his family wealth and have funneled it into an "empire of death" consisting of nursing homes throughout the Midwest. (*Id.* at PageID.1208-10).

As detailed on cross examination, the court learned of Plaintiff's contact with Defendants, international bank employees, Plaintiff's congressional representative, President Donald J. Trump, and the Federal Bureau of Investigation. (*Id.* at PageID.1222-23). Some contacts were benign, but others were inappropriate:

> Defense Counsel: "Okay. And at the end of that letter that you sent to CIBC's directors, officers, and Canada like you say, did you include a line that says, 'So must come more grief before peace can be obtained. I do not relish the outcome of such disruption or the collateral damage that may occur, but I will not be deterred from claiming what is rightfully mine'"?
>
> Plaintiff: Yes, I said that.

(*Id.* at PageID.1222).

> Defense Counsel: Okay. One more question. You mentioned in response to your attorney's questioning this line, I didn't really understand, you said, delay, deny, depose. What are you referring to there?
>
> Plaintiff: Your filing.
>
> Defense Counsel: I'm sorry?
>
> Plaintiff: Your filing. You decided to compare me to a, as you quoted, folk hero who assassinated a CEO of a healthcare company. Seems to me you're following the same pattern that that CEO and those companies did. I just decided it was good turn phrase to use in rebuttal.
>
> Defense Counsel: Are you aware that was the phrase that was found on one of the bullets in the assassin's --
>
> Plaintiff: It was actually three bullets.
>
> Defense Counsel: Three bullets. Okay. And are you threatening me?
>
> Plaintiff: No.

> THE COURT: You want to associate yourself with that?
>
> Plaintiff: No, they did. They associated me with that. They accused me of being like that. I didn't do that.

(*Id.* at PageID.1225).

Plaintiff explained that his rhetoric reflects his frustration, in part, because Ms. Miller is now the fifth attorney to represent him on matters related to the trusts at issue in this case. (*Id.* at PageID.1215).

This court, along with Judge Vermaat, has already found Plaintiff's rhetoric to be over the top, and at times, threatening. Plaintiff's testimony leaves no room for this court to come to a different conclusion.

III.

Following a magistrate judge's order on a nondispositive matter, a party must file an objection within 14 days. Fed. R. Civ. P. 72(a). "The district judge in the case must consider timely objections and modify or set aside any part of the order that is clearly erroneous or is contrary to law." *Id.*

IV.

Judge Vermaat did not err in extending the stay or in barring Plaintiff's harassing communications. The court will order briefing regarding venue.

A. The Stay

"District courts have broad discretion and power to limit or stay discovery until preliminary questions which may dispose of the case are answered." *Bangas v. Potter*, 145 F.

App'x 139, 141 (6th Cir. 2005) (citing *Hahn v. Star Bank*, 190 F.3d 708, 719 (6th Cir. 1999)). While the court has the inherent discretionary power to stay proceedings to manage its docket, it must "tread carefully" in granting a motion to stay, because every party has a "right to a determination of its rights and liabilities without undue delay." *Ohio Envtl. Council v. USDC S.D. of Ohio*, 565 F. 2d 393, 396 (6th Cir. 1977). At the same time, "[w]here the stay motion is premised on the alleged significance of another case's imminent disposition, courts have considered the potential dispositive effect of the other case, judicial economy achieved by awaiting adjudication of the other case, the public welfare, and the relative hardships to the parties created by withholding judgment." *Caspar v. Snyder*, 77 F. Supp. 3d 616, 644 (E.D. Mich. 2015).

This court's previous analysis regarding the stay still applies today. Essentially, the trust issue in the state court case implicates this litigation. (ECF Nos. 79, 101). Plaintiff's counsel conceded as much during the hearing. (ECF No. 112 at PageID.1196).

Plaintiff asserts that a court can abuse its discretion when stays last for lengthy, indefinite periods. True. But that is not the case here. The stay on this case is grounded in principles of federalism and comity, and the stay has a definite end date: the conclusion of Plaintiff's state court proceedings.

Moreover, balancing the equities, we have a Plaintiff who filed two competing actions. And we have over thirty Defendants in this action. The court also notes that this case has only been pending since August 2024, approximately seven months. Even if the stay was lifted, this case would not leapfrog over the dozens of older cases with older motions on this

court's docket. Plaintiff's case faces no real delay in theory or practice. Judge Vermaat's decision to extend the stay was not clearly erroneous or contrary to law, and this court finds that the stay easily serves judicial economy and the public interest. *See Caspar*, 77 F. Supp. 3d at 644.

B. Protective Order

Defendants originally sought a protective order under Federal Rule of Civil Procedure 26.[1] Judge Vermaat rejected the use of Rule 26 and relied on the court's inherent authority to manage its docket and proceedings. (ECF No. 101 at PageID.1109-11). The protective order requires Plaintiff to contact Defendants and third parties through his attorney, Racine Miller. (*Id.* at PageID.1111).

Plaintiff argues that the protective order is unconstitutional and overbroad. Plaintiff argues that the protective order functions as a prior restraint. *See, e.g.*, *Carroll v. President & Comm'rs of Princess Anne*, 393 U.S. 175, 181 (1968) (stating that "the 10-day restraining order [of political rallies], issued ex parte, without formal or informal notice to the petitioners or any effort to advise them of the proceeding, cannot be sustained"). But the protective order does not function as a prior restraint. Plaintiff is free to engage with parties and witnesses through his attorney, Ms. Miller.

[1] A party or any person from whom discovery is sought may move for a protective order in the court where the action is pending—or as an alternative on matters relating to a deposition, in the court for the district where the deposition will be taken. The motion must include a certification that the movant has in good faith conferred or attempted to confer with other affected parties in an effort to resolve the dispute without court action. The court may, for good cause, issue an order to protect a party or person from annoyance, embarrassment, oppression, or undue burden or expense, including one or more of the following . . . . Fed. R. Civ. P. 26.

There is also a clear justification here for a protective order: Plaintiff was harassing litigants and potential witnesses. Plaintiff testified to his actions in front of this court, and his assertions that he was neither threatening nor harassing are not credible.

Plaintiff also argues that he faces prejudice because he is barred from pursuing his investigation but Defendants are not. Not so. First, discovery is presently closed as this court has yet to rule on any motions to dismiss. Second, Plaintiff's attorney is free to investigate on his behalf. Plaintiff acted inappropriately. The court must maintain order on its docket and, at times, when necessary, police litigants; it has the inherent authority to do so.

Still, "[a]n order issued in the area of First Amendment rights must be couched in the narrowest terms that will accomplish the pin-pointed objective permitted by constitutional mandate and the essential needs of the public order." *Id.* at 183. Similarly, protective orders should not seek to censor or control one viewpoint. *Polaris Amphitheater Concerts, Inc. v. City of Westerville*, 267 F.3d 503 (6th Cir. 2001). With these ideals in mind, the court will make two small changes to the protective order.

The court hereby orders that Plaintiff Butler must not contact, communicate with, or attempt to contact or communicate with, Defendant Chaim Rajchenbach, Defendant Menachem Shabat, or any witness in the instant case *unless* that contact or communication is through his attorney, Racine Miller. This protective order does not bar Plaintiff from contacting law enforcement. This protective order does not bar Plaintiff from contacting his family members regarding matters unrelated to this litigation.

C. Venue Briefing

This court previously ruled that venue was improper because the complaint did not mention any facts that occurred in Michigan, and none of the Defendants were domiciled in the state of Michigan. (ECF No. 60). Thereafter, Plaintiff filed an amended complaint. (ECF No. 66).

28 U.S.C. § 1404 governs transfer of venue. "For the convenience of the parties and witnesses, in the interest of justice, a district court may transfer any civil action to any other district or division where it may have been brought." 28 U.S.C. § 1404(a). A district court may transfer a case under § 1404(a) sua sponte. *Carver v. Knox Cnty.*, 887 F.2d 1287, 1291 (6th Cir. 1989). When considering transfer of venue, the court "should make that possibility known to the parties so that they may present their views about the desirability of possible transfer and the possible destination." 15 Charles Alan Wright, Arthur R. Miller & Edward H. Cooper, *Federal Practice & Procedure* § 3844; s*ee also Moore v. Rohm & Haas Co.*, 446 F.3d 643, 647 (6th Cir. 2006) (finding a district court erred when it failed to provide parties with an opportunity to brief the issue of transfer). If a case is filed in an improper venue, the district court has two options. It "shall dismiss, or if it be in the interest of justice, transfer such case to any district or division in which it could have been brought." 28 U.S.C. § 1406(a). The decision of whether to dismiss or transfer is "within the district court's sound discretion." *First of Michigan Corp. v. Bramlet*, 141 F.3d 260, 262 (6th Cir. 1998). Plaintiffs bear the burden of establishing proper venue. *Tobien v. Nationwide Gen. Ins. Co.*, No. 24-5575, 2025 U.S. App. LEXIS 7693, *5 (6th Cir. Apr. 2, 2025).

28 U.S.C. § 1391(b) provides for proper venue in three main places: where a defendant resides, where a substantial part of the events happened, or if neither of those works, wherever personal jurisdiction is available. 28 U.S.C. § 1391(b)(1)–(b)(3).

Upon review of the amended complaint, the court has again determined that the Western District of Michigan is not the proper venue for this action. The amended complaint offers only a handful of additional references to the State of Michigan. (ECF No. 66 at PageID.551,562). *See Valvoline Instant Oil Change Franchising Inc. v. RFG Oil, Inc.*, 2012 WL 3613300, *5 (E.D. Ky. Aug. 22, 2012) (noting that courts give a plaintiff's choice of forum significantly less weight when there is little connection between the matter and the forum); *Setco Enterprises Corp. v. Robbins*, 19 F.3d 1278, 1281 (6th Cir. 1994) (holding that a "substantial connection to the claim" is required for proper venue).

The parties must file briefs with the court on which potential venues would best serve the interests of the parties. The relevant factors include the convenience of the parties, the convenience of the witnesses, and the interests of justice. *Moore*, 446 F.3d at 647. Defendants may file a joint brief. Alternatively, the parties may file a joint stipulation regarding a new venue. Plaintiff's amended complaint also moots several motions.

V.

The court will leave the protective order in place with a slight modification. The stay will remain in place except for briefing regarding transfer of venue. The court also finds that several other motions are now moot.

IT IS HEREBY ORDERED that Plaintiff's objection to Judge Vermaat's order (ECF No. 105) is **DENIED**, except as modified by this opinion.

IT IS FURTHER ORDERED that all parties who have been properly served must file a brief indicating their preferred venue for this court's eventual transfer to another jurisdiction. Defendants may file joint briefing. All briefs are due no later than Friday April 18, 2025. Alternatively, the parties may file a stipulation regarding their choice of alternative venue. Compliance with this order will not constitute a waiver of any defense under Rule 12. This action is otherwise **STAYED**.

IT IS FURTHER ORDERED that Defendant's motion for an extension of time (ECF No. 33) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's motion to dismiss (ECF No. 36) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's motion for joinder (ECF No. 39) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's motion to dismiss (ECF No. 40) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's motion to dismiss (ECF No. 50) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's pro se motion for electronic filing and service (ECF No. 57) is **GRANTED**.

IT IS FURTHER ORDERED that Defendant's motion to join/adopt docket No. 37 (ECF No. 64) is **DENIED** as moot.

IT IS FURTHER ORDERED that Defendant's motion for joinder (ECF No. 109) is **GRANTED**.

IT IS SO ORDERED.

Date: April 4, 2025

/s/ Paul L. Maloney
Paul L. Maloney
United States District Judge