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13 **UNITED STATES DISTRICT COURT**
14 **SOUTHERN DISTRICT OF CALIFORNIA**

15 SECURITIES AND EXCHANGE
16 COMMISSION,

17 Plaintiff,

18 v.

19 LOUIS V. SCHOOLER and FIRST
20 FINANCIAL PLANNING
21 CORPORATION d/b/a WESTERN
22 FINANCIAL PLANNING
23 CORPORATION,

24 Defendants.

Case No. 3:12-cv-02164-GPC-JMA

**RECEIVER'S NOTICE OF MOTION
AND MOTION FOR CIVIL
CONTEMPT AND SANCTIONS FOR
VIOLATION OF PRELIMINARY
INJUNCTION ORDER;
MEMORANDUM OF POINTS AND
AUTHORITIES**

Date: January 16, 2015
Time: 1:30 p.m.
Ctrm.: 2D
Judge: Hon. Gonzalo P. Curiel

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1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **NOTICE IS HEREBY GIVEN** that on January 16, 2015, at 1:30 p.m. in
3 Courtroom 2D of the United States District Court, Southern District of California,
4 located at 221 West Broadway, San Diego, California 92101, Thomas C. Hebrank
5 ("Receiver"), the court-appointed receiver for First Financial Planning Corporation
6 d/b/a Western Financial Planning Corporation ("Western"), its subsidiaries and the
7 general partnerships organized by Western, will, and hereby does, move this Court
8 for an Order of Civil Contempt and Sanctions for Violation of Preliminary
9 Injunction Order against Defendant Louis V. Schooler.

10 This motion is based upon this Notice, the accompanying Memorandum of
11 Points and Authorities, the Declarations of Ted Fates and Thomas C. Hebrank, all
12 pleadings and papers on file in this action, and upon such other matters as may be
13 presented to the Court at the time of the hearing.

14 **Procedural Requirements:** If you oppose the Motion, you are required to
15 file your written opposition with the Office of the Clerk, United States District
16 Court, Southern District of California, 333 West Broadway, Suite 420, San Diego,
17 California 92101, and serve the same on the undersigned no later than fourteen
18 (14) calendar days prior to the hearing date. An opposing party's failure to file an
19 opposition to any motion may be construed as consent to the granting of the motion
20 pursuant to Civil Local Rule 7.1(f)(3)(c).

21
22 Dated: October 31, 2014

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

23
24 By: /s/ Ted Fates

25 TED FATES
26 Attorneys for Receiver
27 THOMAS C. HEBRANK
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Over the last two months, Defendant Louis Schooler has refused to grant the
4 Receiver access to Western's computer server, which is located at the office space
5 Schooler provides to Alice Jacobson and Beverly Schuler ("Partnership
6 Administrators"). As set forth more fully below, Schooler has refused to turn over or
7 allow the Receiver access to the server despite numerous requests by the Receiver.
8 Schooler's actions directly violate the Court's Preliminary Injunction Order ("PI
9 Order"), which clearly and specifically directs Schooler to give access and control of
10 all Western property to the Receiver. Accordingly, the Receiver requests an order
11 compelling Schooler to comply with the PI Order. The Receiver also requests an
12 order requiring Schooler to pay monetary sanctions to the receivership estate in the
13 amount of \$13,315.05, the sum of the Receiver's fees and attorney fees incurred as a
14 result of Schooler's failure to comply.

15 **II. RELEVANT FACTS**

16 **A. Background**

17 On September 6, 2012, this Court appointed the Receiver on a temporary
18 basis. *See* Dkt. No. 10. On March 13, 2013, this Court entered an order appointing
19 the Receiver on a permanent basis and granting the Securities and Exchange
20 Commission's motion for a preliminary injunction. *See* Dkt. No. 174. The PI Order,
21 *inter alia*, requires Schooler to turn over to the Receiver any assets, collateral, books,
22 records, papers or other property of or managed by any of the entities in receivership,
23 including electronic data. Specifically, the PI Order provides:

24 IT IS FURTHER ORDERED that Thomas C. Hebrank is
25 appointed as permanent receiver of Western, its
26 subsidiaries, and the entities listed on Schedule 1, with full
27 powers of an equity receiver, including, but not limited to,
28 full power over all funds, assets, collateral, premises
(whether owned, leased, occupied, or otherwise controlled),
chooses in action, books, records, papers and other property
belonging to, being managed by or in the possession of or
control of Western, its subsidiaries, or the entities listed on

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Schedule 1, and that such receiver is immediately authorized, empowered and directed:

A. **to have access to and to collect and take custody, control, possession, and charge of all funds, assets, collateral, premises (whether owned, leased, occupied, or otherwise controlled), choses in action, books, records, papers and other real or personal property, wherever located, of or managed by Western, its subsidiaries, or the entities listed on Schedule 1,** with full power to sue, foreclose, marshal, collect, receive, and take into possession all such property including access to and taking custody, control, and possession of all such Western property, and that of its subsidiaries or the entities listed on Schedule 1; the permanent receiver shall have authority to enter and secure only that portion of the premises located at 5186 Carroll Canyon Road, San Diego, CA 92121, that is leased, used by, or in the custody, control, or possession of Western, its subsidiaries, or the entities listed on Schedule 1, including by locksmith and change of key;

IT IS FURTHER ORDERED that defendant Western, its subsidiaries, and the entities listed on Schedule 1, and their officers, agents, servants, employees and attorneys, and any other persons who are in custody, possession or control of any assets, collateral, books, records, papers or other property of or managed by any of the entities in receivership, *shall forthwith give access to and control of such property to the permanent receiver.*

IT IS FURTHER ORDERED that **defendants Schooler and Western, and their subsidiaries, affiliates, officers, agents, servants, employees and attorneys, and the entities listed on Schedule 1 and Schedule 2, shall cooperate with and assist the permanent receiver and shall take no action, directly or indirectly, to hinder, obstruct, or otherwise interfere with the permanent receiver or his attorneys, accountants, employees or agents, in the conduct of the permanent receiver's duties or to interfere in any manner,** directly or indirectly, with the custody, possession, management, or control by the permanent receiver of the funds, assets, collateral, premises, and choses in action described above.

Dkt. No. 174, Parts III, IV, and VII.

1 **B. Schooler's Refusal To Comply With The Preliminary Injunction**
2 **Order**

3 Western's computer server was historically located at Western's offices at
4 5186 Carroll Canyon Road, San Diego ("Carroll Canyon Property"). Declaration of
5 Thomas C. Hebrank ("Hebrank Decl."), ¶ 3. When Schooler sold the Carroll Canyon
6 Property in September 2013, the Receiver relocated Western's offices. *Id.* The
7 Partnership Administrators declined to use the new offices provided by the Receiver
8 and instead moved to offices in Vista shared with Schooler. *Id.* At that time, the
9 Receiver agreed, on a temporary basis, that the Western server would be maintained
10 at the Vista office. *Id.*

11 Two very important duties assigned to the Receiver under the PI Order are to
12 preserve and protect the Receivership Entities' property, including electronic data,
13 and to conserve receivership estate resources. Hebrank Decl., ¶ 4. The Receiver
14 needs the server to be able to carry out these duties. Hebrank Decl., ¶ 4. The server
15 needs to be backed up to protect data in the event it is damaged or corrupted. *Id.*, ¶ 5.
16 In addition, the Receiver needs the server to be able to evaluate and get pricing on
17 moving the data to a new, more efficient investment tracking software. *Id.* The
18 existing system uses antiquated, inefficient software and is dependent on a former
19 Western employee to maintain, update, and generate reports necessary for preparing
20 tax returns. *Id.* Because the server has been located at the Vista office, the Receiver
21 is not able to protect new data added to it or have potential vendors to perform
22 necessary upgrades look at it. *Id.*

23 Accordingly, the Receiver contacted the Partnership Administrators on
24 September 3, 2014, and advised that he needed full access to the servers. *Id.*, ¶ 6.
25 The Partnership Administrators responded that Schooler would not grant such access
26 and the Receiver would have to address the issue with Schooler's counsel. *Id.*
27 Accordingly, on September 4, 2014, the Receiver's counsel sent a letter to Schooler's
28 counsel demanding immediate access to the Western server. Declaration of Ted

1 Fates ("Fates Decl."), ¶ 3, Ex. A. The Receiver noted that the PI Order requires
2 Schooler to provide access and that failure to do so would violate the PI Order. *Id.*
3 The Receiver also gave notice that he would seek sanctions if Schooler violated the
4 PI Order. *Id.*

5 Schooler's counsel, Eric Hougen, responded to the Receiver's letter by calling
6 the Receiver's counsel, Ted Fates. *Id.*, ¶ 4. Mr. Hougen demanded a full retraction
7 of the letter, stating there was no basis to allege Schooler had violated the PI Order
8 and that Schooler was not denying the Receiver access to the server. *Id.*
9 Accordingly, Schooler either changed his mind or the Partnership Administrators
10 misrepresented his position. Regardless, Mr. Fates told Mr. Hougen the Receiver
11 would provide a date and time for Geno Rodriguez from the Receiver's office and the
12 Receiver's IT specialist to visit the Vista office to access the server. *Id.*

13 On September 8, 2014, Mr. Fates sent an e-mail to Schooler's counsel
14 requesting that Mr. Rodriguez and the IT specialist have access to the server on
15 September 11, 2014. *Id.*, ¶ 5, Ex. B. On September 10, 2014, Schooler's counsel,
16 David Herman, responded that "[b]ecause it is unclear what exactly will be
17 performed by Mr. Hebrank and/or Mr. Rodriguez and the IT technician,
18 Messrs. Dyson and Hougen will need to be present to oversee the process and ensure
19 that only non-confidential electronically stored information belonging to Western
20 (and not to Mr. Schooler, the LinMar entities, or other entities not within the scope of
21 the receivership) is accessed." *Id.*, ¶ 6, Ex. C. Mr. Herman stated that the server
22 access would need to be conducted on September 15, 2014, due to Mr. Hougen and
23 Mr. Dyson's schedules. *Id.*

24 Mr. Fates responded the same day, stating that September 15, 2014, would not
25 work because the Receiver's IT specialist was leaving for vacation that day. Instead,
26 the Receiver proposed that the server be picked up on Friday, September 12, 2014,
27 and returned on Monday, September 15, 2014. *Id.*, ¶ 7, Ex. C.

28

1 On September 11, 2014, Schooler's counsel called the Receiver's counsel and
2 stated that there are files unrelated to Western on the server that need to be removed
3 before the server could be turned over. *Id.*, ¶ 8. Schooler's counsel stated they would
4 promptly review the files on the server with the aid of an IT technician and remove
5 the non-Western files. *Id.* The Receiver agreed on the condition that a log of the
6 files removed be provided, to which Schooler's counsel agreed. *Id.* It was agreed the
7 file review and removal would be completed promptly and certainly before the
8 Receiver's IT specialist returned from vacation on September 29, 2014. *Id.*

9 On September 17, 2014, Mr. Herman e-mailed Mr. Fates and advised that
10 Mr. Dyson had been inspecting the "computers and servers at Western Financial's
11 offices and will continue his inspection tomorrow with the aid of an IT technician."
12 Mr. Herman stated that Mr. Dyson would contact Mr. Fates the next day with a status
13 update. *Id.*, ¶ 9, Ex. D.

14 On September 22, 2014, Mr. Fates followed up, requesting an update on the
15 status of the file review and removal. *Id.*, ¶ 10, Ex. D. Schooler's counsel did not
16 respond. *Id.*, ¶ 10. On September 29, 2014, Mr. Fates followed up again, stating the
17 Receiver's IT specialist was back from vacation and ready to pick up the server, that
18 Schooler had had ample time since September 4, 2014 to remove the non-Western
19 files, and therefore the Receiver's IT person would pick up the server at the Vista
20 office the following day. *Id.*, ¶ 11, Ex. D. Mr. Dyson responded, stating the server
21 would not be available for pick up, that he was not feeling well, and that he would
22 get back to Mr. Fates tomorrow if he was in. *Id.*, ¶ 12, Ex. D.

23 Mr. Fates had two telephone calls with Schooler's counsel on September 30,
24 2014. *Id.*, ¶ 13. During those calls, Schooler's counsel stated that they had made a
25 copy of Western's server, were reviewing the copy, and would then have the non-
26 Western files removed. *Id.* Schooler's counsel acknowledged the file review and
27 removal had taken far too long and agreed the server would be provided on
28 October 8, 2014, regardless of whether the non-Western files had been removed by

1 that time. *Id.* Schooler's counsel stated that a copy of the Western server had been
2 made and would be reviewed in order to identify non-Western files.¹ *Id.* In order to
3 avoid seeking Court intervention and incurring costs associated with a contempt
4 motion, the Receiver agreed to October 8, 2014, as the absolute deadline to produce
5 the server. *Id.*

6 On October 7, 2014, Mr. Fates sent an e-mail to Mr. Dyson to confirm that the
7 server would be made fully available to the Receiver the following morning. *Id.*,
8 ¶ 14, Ex. E. Mr. Dyson responded saying only he would "not be able to make that
9 time" and would address it further with Mr. Fates the next day. *Id.* Mr. Fates
10 responded that the Receiver had been waiting more than a month and if Schooler
11 could not provide a set time on October 8 or October 9, the Receiver would be forced
12 to seek relief from the Court. *Id.* On October 8, 2014, Mr. Dyson responded, stating
13 that a copy of the server had been made, but the non-Western files had not been
14 removed. *Id.*, ¶ 15, Ex. F. Mr. Fates responded the same day, again advising that if
15 full access to the server was not provided on October 9, 2014, the Receiver would
16 seek an order compelling Schooler to comply with the PI Order. *Id.* Mr. Fates noted
17 their promise to provide the Western server no later than October 8, 2014, had been
18 broken, which Mr. Dyson did not deny. *Id.*

19 Before the hearing held on October 10, 2014, Mr. Dyson told Mr. Fates a copy
20 of the Western server would probably be ready by October 15, 2014. *Id.*, ¶ 16. At
21 the conclusion of the hearing, the Receiver's counsel attempted to raise this issue, but
22 Schooler's counsel objected and the Court declined to take up the matter. *Id.* The
23 Receiver's counsel explained that the Receiver was hoping to avoid incurring the
24 expense of a motion. *Id.*

25 As of the date of this motion, almost two months from when access to the
26 Western server was requested, Schooler has not granted such access. *Id.*, ¶ 17. Thus

27
28 ¹ Schooler never requested permission to make a copy of the Western server and
such permission was never granted.

1 far, the Receiver has spent 9.8 hours and incurred fees of \$2,020.50, as a result of
2 Schooler's failure to comply with the PI Order, including work performed by
3 Mr. Rodriguez. Hebrank Decl., ¶ 7. The Receiver's counsel has spent 26.20 hours
4 and incurred fees of \$11,294.55, as a result of Schooler's failure to comply with the
5 PI Order, including preparation of this motion. Fates Decl., ¶ 18, Ex. G. A
6 breakdown of fees incurred is provided in the Declarations of Tom Hebrank and Ted
7 Fates. The Receiver will provide an update on fees incurred in his reply brief.

8 III. ANALYSIS

9 A. Authority And Legal Standard For Contempt

10 It is well-settled that courts have inherent power to enforce compliance with
11 their lawful orders through civil contempt. *Int'l Union v. Bagwell*, 512 U.S. 821, 831
12 (1994); *TMX Funding, Inc. v. Impero Techs., Inc.*, 2010 U.S. Dist. LEXIS 57761,
13 *8-9 (N.D. Cal. May 21, 2010). Additionally, Federal Rule of Civil Procedure 70(e)
14 provides that, "[t]he court may also hold the disobedient party in contempt." *Bd. of*
15 *Trustees of the Bay Area Roofers Health & Welfare Trust Fund v. Westech Roofing*,
16 2011 U.S. Dist. LEXIS 129200, *10-11 (N.D. Cal. Nov. 8, 2011). Civil contempt
17 occurs when a party fails to comply with a "specific and definite court order by
18 failure to take all reasonable steps within the party's power to comply." *Emma C. v.*
19 *Wastin*, 2001 U.S. Dist. LEXIS 16099, *54 (N.D. Cal. Oct. 4, 2001) (citation
20 omitted); *see also General Signal Corp. v. Donallco, Inc.*, 787 F.2d 1376, 1379
21 (9th Cir. 1986). "And as to the Receiver specifically, 'no rule is better settled than
22 that, when a court has appointed a receiver, his possession is the possession of the
23 court, for the benefit of the parties to the suit and all concerned, and cannot be
24 disturbed without the leave of the court, and that if any person, without leave,
25 intentionally interferes with such possession, he necessarily commits a contempt of
26 court, and is liable to punishment therefor." *United States CFTC v. Khanna*,
27 2011 U.S. Dist. LEXIS 19830, *5 (S.D. Cal. Feb. 28, 2011).

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1 Sanctions are warranted when the movant establishes by "clear and convincing
2 evidence" the non-moving party "knowingly violated a specific and definite order
3 requiring it to perform or refrain from a particular act or acts." *TMX Funding, Inc.*,
4 2010 U.S. Dist. LEXIS 57761, at *9; *Walnut Creek Manor, LLC v. Mayhew*
5 *Center, LLC*, 2014 U.S. Dist. LEXIS 18079, *5 (N.D. Cal. Feb. 12, 2014). It is not
6 necessary that the contempt be willful, "there is no good faith exception to the
7 requirement of obedience to a court order." *Walnut Creek Manor, LLC*, 2014 U.S.
8 Dist. LEXIS 18079, at *5-6.

9 "If a court finds a party in contempt, it is within its discretion to impose
10 sanctions. Sanctions may be imposed to 'coerce obedience to a court order, or to
11 compensate the party pursuing the contempt action for injuries resulting from the
12 contemptuous behavior.'" *Bd. of Trustees of the Bay Area Roofers Health & Welfare*
13 *Trust Fund*, 2011 U.S. Dist. LEXIS 129200, at *12; *TMX Funding, Inc.*, 2010 U.S.
14 Dist. LEXIS 57761, at *8-9 ("A court may issue civil sanctions for the purpose of
15 coercing a party to comply with a court order, to compensate the party seeking
16 sanctions for losses incurred, or both."); *United States CFTC*, 2011 U.S. Dist. LEXIS
17 19830, at *58-9 (imposing sanctions against the violating party for costs and fees
18 incurred in enforcing the court's order, including the fees associated with bringing the
19 motion for civil contempt).

20 **B. The Terms Of The PI Order Are Definite and Specific**

21 Here, the terms of the PI Order are patently clear. The PI Order specifically
22 provides "Western, its subsidiaries, and the entities listed on Schedule 1, and their
23 officers, agents, servants, employees and attorneys, and any other persons who are in
24 custody, possession or control of any assets, collateral, books, records, papers or
25 other property of or managed by any of the entities in receivership, shall forthwith
26 **give access to and control of such property to the permanent receiver.**" *See* Dkt.
27 No. 174 at p. 7. The Order further provided that "Schooler and Western, and their
28 subsidiaries, affiliates, officers, agents, servants, employees and attorneys, and the

1 entities listed on Schedule 1 and Schedule 2, **shall cooperate with and assist the**
2 **permanent receiver and shall take no action, directly or indirectly, to hinder,**
3 **obstruct, or otherwise interfere with the permanent receiver . . . in the conduct**
4 **of the permanent receiver's duties[.]**" *Id.* at pp. 7-8. There is absolutely no
5 ambiguity with the Court's directive to Schooler.

6 **C. Schooler Knowingly Violated The Court's Order**

7 Schooler has knowingly violated the PI Order by failing to turn over Western's
8 computer server to the Receiver. The Receiver specifically advised Schooler on
9 September 4, 2014 that his refusal to grant the Receiver access to the Western server
10 violated the PI Order. The Receiver further warned Schooler on multiple occasions
11 that his ongoing failure to grant the Receiver access to the server violated the PI
12 Order and the Receiver would seek an order compelling him to comply. Yet, for
13 almost two months, Schooler has refused to grant the Receiver access to the server.

14 The PI Order charges the Receiver with various important duties, including:
15 (1) to preserve and protect the Receivership Entities property, including electronic
16 data and (2) to conserve receivership estate resources. Hebrank Decl., ¶ 4; *see also*
17 Dkt. No. 174. In order to accomplish these duties, the Receiver needs the server in
18 order to back up and protect the data on it in the event that it is damaged or
19 corrupted. Hebrank Decl., ¶ 4. Further, the Receiver needs the server in order to
20 evaluate and obtain pricing on moving the data to a new and more efficient
21 investment tracking software. *Id.*, ¶ 5. The existing system uses antiquated,
22 inefficient software and is dependent on a former Western employee to maintain,
23 update, and generate reports necessary for preparing tax returns. *Id.*

24 For almost two months, the Receiver has been requesting that Schooler turn
25 over Western's computer server as required under the PI Order. *See generally*, Fates
26 Decl. Instead of complying with the PI Order, Schooler has continuously refused to
27 turn over the server, claiming that it contains files related to his personal matters and
28

1 non-receivership entities.² *Id.* In the interest of avoiding a costly dispute, the
 2 Receiver agreed to allow Schooler a few days to remove the non-Western files and
 3 provide a log of the files removed, which Schooler agreed to do. Fates Decl., ¶ 8.
 4 However, since that time, Schooler has repeatedly demanded more time and refused
 5 to turn over the server. *See generally*, Fates Decl. Schooler then promised the server
 6 would be turned over no later than October 8, 2014, whether or not the non-Western
 7 files had been removed or not. *Id.*, ¶ 13. Schooler then broke that promise and again
 8 demanded more time to review and remove files. *Id.*, ¶ 14-15.

9 Accordingly, the Receiver gave Schooler's counsel notice that if the server was
 10 not immediately provided to the Receiver, the Receiver would request relief from the
 11 Court. *Id.*, ¶ 14, Ex. E. As of the date of this Motion, Schooler still refuses to turn
 12 over the server. *Id.* ¶ 17. Schooler's actions violate the PI Order and have directly
 13 hindered and obstructed the Receiver's ability to carry out important duties, including
 14 preserving and protecting electronic data and conserving receivership estate
 15 resources. *See* Dkt. No. 174 at pp. 7-8. Schooler has knowingly disobeyed the PI
 16 Order and should be held in contempt.

17 **D. The Court Should Issue Civil Sanctions Against Schooler**

18 "The amount of a compensatory contempt fine is in the discretion of the court.
 19 *United States v. Asay*, 614 F.2d 655, 660 (9th Cir. 1980) (citations omitted).
 20 "Ordinarily the amount of a compensatory fine is actual damage caused to petitioner
 21 by respondent's contumacious act." *Id.* Additionally, coercive sanctions are
 22 appropriate where "necessary to obtain defendants' compliance." *Mission Capital*
 23 *Works, Inc. v. SC Restraints, Inc.*, 2008 U.S. Dist. LEXIS 100495, *16 (W.D. Wash.
 24 Dec. 3, 2008).

25 _____
 26 ² Schooler's excuses do not relieve him of his obligations under the PI Order.
 27 "Absent a stay, 'all orders and judgments of courts must be complied with
 28 promptly.'" *In re Crystal Palace Gambling Hall, Inc.*, 817 F.2d 1361, 1365
 (9th Cir. 1987). Indeed, as the Ninth Circuit held in *In re Crystal Palace*
Gambling Hall, Inc. "[a] party cannot disobey a court order and later argue that
 there were 'exceptional circumstance' for doing so." *Id.* at 1366.

1 Here, Schooler should be required to compensate the receivership estate for
 2 the fees the Receiver and his counsel have incurred as a result of Schooler's failure to
 3 comply with the PI Order, including the attorney fees incurred in bringing this
 4 Motion. Thus far, the Receiver has spent 9.8 hours and incurred fees of \$2,020.50 as
 5 a result of Schooler's failure to comply with the PI Order, including work performed
 6 by Mr. Rodriguez. Hebrank Decl. ¶ 7. The Receiver's counsel has spent 26.20 hours
 7 and incurred fees of \$11,294.55, as a result of Schooler's failure to comply with the
 8 PI Order, including preparation of this Motion. See Hebrank Decl. ¶ 7, Fates Decl.
 9 ¶ 18, Ex. G. The Receiver will provide an update on fees incurred in his reply brief.
 10 Additionally, the Court should issue additional coercive sanctions to obtain
 11 Schooler's compliance as it deems to be appropriate.

12 **IV. CONCLUSION**

13 Based on the foregoing, the Receiver respectfully requests the Court hold
 14 Schooler in contempt of the PI Order, compel Schooler to immediately turn over
 15 Western's computer server to the Receiver, and issue sanctions in the amount of
 16 \$13,315.05 against Schooler, representing the fees incurred by the Receiver and his
 17 counsel as a result of Schooler's failure to comply with the PI Order.

18
19 Dated: October 31, 2014

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP

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21 By: /s/ Ted Fates

TED FATES
Attorneys for Receiver
THOMAS C. HEBRANK

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