LINK:

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

| Case No. | SA CV 16-00999-BRO (AFMx) | Date | June 21, 2017 |
|---|---|---|---|
| Title | FEDERAL TRADE COMMISSION V. DAMIAN KUTZNER ET AL. | | |

| Present: The Honorable | BEVERLY REID O'CONNELL, United States District Judge | |
|---|---|---|
| Renee A. Fisher | Not Present | N/A |
| Deputy Clerk | Court Reporter | Tape No. |
| Attorneys Present for Petitioners: | Attorneys Present for Respondents: | |
| Not Present | Not Present | |

**Proceedings:** (IN CHAMBERS)

## ORDER RE DEFENDANT MARSHALL'S FAILURE TO COMPLY WITH THE COURT'S ORDER [260]

On June 12, 2017, the Court issued an Order granting, in part, Plaintiff the Federal Trade Commission's ("Plaintiff") Application for an Order to Show Cause as to Why Defendant Charles Marshall Should Not be Held in Contempt. (*See* Dkt. No. 260 (hereinafter, "Order").) The Court ordered Defendant Marshall to, within seven calendar days of the Order (therefore, by the end of the day on June 19, 2017) return $24,500 to the Receiver and to provide Plaintiff with an updated financial statement, an affidavit indicating that Defendant Marshall had provided a copy of the stipulated preliminary injunction to his business associates, and provide Plaintiff with a written statement regarding this law firm's activities. (*See id.*) If Defendant Marshall did not timely return the $24,500 to the Receiver, the Court ordered that a $500 daily penalty would accrue until the amount was paid. (*See* Order at 19.) The Court also ordered Plaintiff to file a status report within fourteen days of the Order informing the Court whether Defendant Marshall had returned the funds. (*Id.*)

On June 20, 2017, Plaintiff filed a status report indicating that as of 9:45 a.m. Eastern Standard Time on June 20, 2017, Defendant Marshall had not returned the funds to the Receiver and had not contacted the Receiver to arrange the return of the funds. (*See* Dkt. No. 265 at 2.) In addition, Plaintiff indicated that Defendant Marshall had provided only a "partially completed" financial statement, which failed to include any of the required supporting documents and included question marks instead of listing Defendant Marshall's assets, liabilities, and income (other than $4,500 in income from

Advantis Law Group). (*Id.*; *see also* Declaration of Benjamin J. Theisman (Dkt. No. 265-1), Ex. 1.)

Accordingly, Defendant Marshall is **ORDERED TO SHOW CAUSE** as to why he has failed to comply with this Court's Order by not timely returning the $24,500 to the Receiver and not timely providing a completed financial statement. Defendant Marshall's response to this Order is due **no later than Friday, June 23, 2017 by 4:00 p.m.** As the Court ordered, Defendant Marshall is incurring a $500 daily penalty for every day that passes before he returns the required funds. Thus, as of today's date, Defendant Marshall has incurred a $1,000 penalty and the total amount due to the Receiver is $25,500.

**IT IS SO ORDERED.**

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Initials of Preparer rf