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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

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10 United States of America,

No. CV 05-3073-PHX-EHC

11 Plaintiff,

ORDER

12 vs.

13 Elizabeth A. Gardner, et al.,

14 Defendants.

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18 This action stems from an Order of Permanent Injunction the Court entered on
19 March 24, 2008. (Doc. 51). The Court found that Defendants engaged in conduct in
20 violation of 26 U.S.C. § 6700 by making material statements regarding the tax benefits of
21 their corporation sole program that they knew or had reason to know were false or
22 fraudulent and permanently enjoined Defendants under 26 U.S.C. § 7408. (Id.)

23 The Court ordered Defendants to file a certificate of compliance with the
24 injunction within twenty (20) days of the order. (Id.) In addition, the Court ordered it
25 "shall retain jurisdiction over this action for purposes of implementing and enforcing this
26 Final Judgment." (Id.) On March 26, 2008 Defendants filed a Notice of Appeal. (Doc.
27 52.) This case is currently before the United States Court of Appeals for the Ninth Circuit
28 (No. 08-1570.)

1 On April 10, 2008 Defendants filed an Emergency Motion for Stay of Permanent
2 Injunction, (Doc. 56), which the Court denied on April 29, 2008. (Doc. 63.)

3 On May 29, 2008 the United States filed a Motion to Hold Defendants in Civil
4 Contempt. (Doc. 64.) The motion concerned Defendants' alleged failure to comply with
5 the Court's Order of Permanent Injunction filed on March 24, 2008. (Doc. 51.) On June
6 3, 2008 Defendants filed a Declaration for Certificate of Compliance. (Doc. 66.)

7 Although untimely, Defendants have filed a Certificate of Compliance, stating that
8 they were in the process of mailing a copy of the injunction to each individual who has
9 purchased their programs, that they have faxed and sent a list of those who purchased
10 their program to the United States, and that they were in the process of displaying a copy
11 of the Court's injunction order at the top of their website. (Doc. 66.) The United States has
12 not filed any notice in the past two years addressing whether Plaintiffs' Certificate of
13 Compliance is sufficient. The United States' Motion to Hold Defendants in Civil
14 Contempt remains pending in this Court without any response by the United States.

15 On July 21, 2008 Defendant's counsel, Steven D. Keist, filed a Motion and an
16 Amended Motion for Withdrawal of Counsel. (Docs. 67, 68.) On June 26, 2008 the
17 United States Court of Appeals for the Ninth Circuit terminated Steven D. Keist from
18 Defendants appeal. (No. 08-15750, Doc. 15.)

19 There have been no other replies or motions filed in this Court since July 21, 2008.

20 Accordingly,

21 **IT IS ORDERED** granting Steven D. Keist's Motion for Withdrawal of Counsel.

22 (Doc. 68.)

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IT IS FURTHER ORDERED that Plaintiff's Motion to Hold Defendants in Civil Contempt, (Doc. 64), is denied without prejudice as moot as Defendants have filed their Certificate of Compliance.

DATED this 10th day of September, 2010.



Earl H. Carroll
United States District Judge