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CLERK, U.S. DISTRICT COURT
EASTERN DISTRICT OF CALIFORNIA

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**UNITED STATES DISTRICT COURT
EASTERN DISTRICT CALIFORNIA**

PIONEER MILITARY LENDING, INC., and
PIONEER MILITARY LENDING OF NEVADA,

Pioneer Military Lending, Inc. et al v. DuFauchard

Plaintiffs,

vs.

PRESTON DUFAUCHARD,
Commissioner, Department of Corporations,
State of California

Defendant.

Case no. 2:06-CV-01445-LKK-PAN
Hon: Lawrence Karlton

Doc. 17

**ORDER TO SHOW CAUSE WHY A
PRELIMINARY INJUNCTION SHOULD
NOT BE ISSUED**

This matter came before this Court on Plaintiffs Pioneer Military Lending, Inc., and Pioneer Military Lending of Nevada, Inc.'s ("Plaintiffs") Motion for Temporary Restraining Order and Order to Show Cause Why a Preliminary Injunction Should Not Be Issued (the "Motion"); this Court has reviewed the Motion and all papers filed

therewith;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT Defendant, Preston Dufauchard, Commissioner, Department of Corporations ("Defendant"), State of California, shall appear on July 13, 2006 at 10:00 .a m., or as soon thereafter as counsel may be heard, in the courtroom of the Honorable Lawrence K. Karlton, located at 501 I Street, Sacramento, CA 95814 to show cause why Defendant, his officers, agents, servants, employees, and attorneys, and those in active concert or participation with him or them, should not be restrained and enjoined pending trial on this action from enforcing or taking any action to enforce the California Finance Lenders Law, Cal. Fin. Code § 22001 *et seq.*, against Plaintiffs and from enforcing, implementing, or making Commissioner's Release No. 57-FS (May 19, 2006) effective, thereby permitting Plaintiffs to operate pursuant to the terms of Defendants' Specific Ruling OP 6547CFLL, to the extent applicable thereto. Plaintiffs intend to call live witnesses to testify at this hearing.

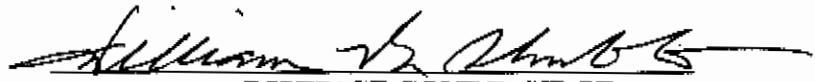
IT IS HEREBY FURTHER ORDERED THAT:

1. Defendants' papers, in any, in response or opposition to this Order to Show Cause must be filed with the Clerk of this Court and personally served on Plaintiffs' counsel, Nossaman, Guthner, Knox & Elliott, LLP, 915 L Street, Ste. 1000, Sacramento, California 95814 Attention: Paul Hemesath, Esq., before 4:30 p.m. on July 7, 2006 and proof of service shall be filed no later than 7/10/06.
2. Plaintiffs' reply papers, if any, must be filed with the Clerk of the Court and personally served on Defendant or Defendant's counsel before 4:30 p.m. on July 10, 2006 and proof of service shall be filed no later than 7/11/06.

IT IS HEREBY FURTHER ORDERED THAT Defendant is hereby given notice that failure to attend the hearing scheduled herein shall result in the issuance of the requested preliminary injunction to take effect immediately upon expiration or

dissolution of the Temporary Restraining Order and the injunctive relief contained therein shall extend for the pendency of this litigation. Defendant is hereby given further notice that he shall be deemed to have actual notice of the issuance and terms of such preliminary injunction and any act by them in violation of any the terms hereof may be considered and prosecuted as contempt of this Court.

DATE: 7/3/2006


DISTRICT COURT JUDGE

[Proposed] Order Prepared By:
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By: /s/Paul H. Hemesath
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