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8 UNITED STATES DISTRICT COURT  
9 FOR THE EASTERN DISTRICT OF CALIFORNIA  
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11 KERRY BOULTON, et al.,

12 Plaintiffs,

13 v.

14 U.S. TAX LIEN ASSOCIATION, LLC,  
15 et al.,

16 Defendants.  
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No. 2:15-cv-2384-MCE-AC

**ORDER**

18 Through this action, individual foreign investors ("Plaintiffs") sought to recover  
19 from Defendant US Tax Lien Association and its principal, Saen Higgins (collectively  
20 "USTLA") and others for alleged misrepresentation and unfair business practices relating  
21 to the Plaintiffs' investment in tax lien certificates. Due to a series of misconduct by  
22 Plaintiffs' counsel, the Magistrate Judge issued Findings and Recommendations  
23 ("F&Rs") which, in part, recommended terminating sanctions against Plaintiffs. ECF No.  
24 74. On January 22, 2019, this Court adopted the F&Rs in full and dismissed this case  
25 with prejudice. ECF No. 78. Judgment was entered on the same day. ECF No. 79. On  
26 March 21, 2019, Plaintiffs filed a Notice of Appeal. ECF No. 88. Presently before the  
27 Court is Plaintiffs' Motion to Stay Execution of Judgment Pending Appeal (ECF No. 91),  
28 which asks, in part, that this Court waive bond as a condition of granting the motion to

1 stay. Id. at 1. USTLA opposes Plaintiffs' Motion. ECF No. 93. For the reasons stated  
2 below, Plaintiffs' Motion is DENIED.<sup>1</sup>

3 Federal Rule of Civil Procedure 62(b) provides: "At any time after judgment is  
4 entered, a party may obtain a stay by providing a bond or other security. The stay takes  
5 effect when the court approves the bond or other security and remains in effect for the  
6 time specified in the bond or other security." Fed. R. Civ. P. 62(b). FRCP 62(b)'s bond  
7 requirement "speaks only to stays granted as a matter of right, it does not speak to stays  
8 granted by the court in accordance with its discretion." Fed. Prescription Serv. v. Am.  
9 Pharm. Ass'n, 636 F.2d 755, 759 (D.C. Cir. 1980). "District courts have inherent  
10 discretionary authority in setting supersedeas bonds," Rachel v. Banana Republic, Inc.,  
11 831 F.2d 1503, 1505 n.1 (9th Cir. 1987), and "the court has discretion to allow other  
12 forms of judgment guarantee," Int'l Telemeter Corp. v. Hamlin Int'l Corp., 754 F.2d 1492,  
13 1495 (9th Cir. 1985), or even, under "unusual circumstances," to order "unsecured stays  
14 if they do not unduly endanger the judgment creditor's interest in ultimate recovery," Am.  
15 Pharm. Ass'n, 636 F.2d at 760-61. "A party seeking a departure from the normal  
16 requirement of a full security supersedeas bond bears the burden of showing reasons for  
17 such a departure." Lewis v. Cty. of San Diego, No. 13-cv-02818-H-JMA, 2018 WL  
18 1071704, at \*2 (S.D. Cal. Feb. 27, 2018) (citations omitted); see also Hardesty v.  
19 Sacramento Metro. Air Quality Mgmt. Dist., No. 2:10-cv-02414-KJM-KJN, 2019 WL  
20 2715616, at \*3 (E.D. Cal. June 28, 2019).

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28 <sup>1</sup> Having determined that oral argument would not be of material assistance, the Court ordered this  
matter submitted on the briefs in accordance with E.D. Local Rule 230(g).

1 Here, Plaintiffs have failed to meet their burden in showing that a waiver of the  
2 Rule 62(b) bond requirement is warranted. Plaintiffs' assertion that the F&Rs contained  
3 factual errors and contradictory findings is insufficient to grant such a waiver. See ECF  
4 No. 91-1, at 3. Furthermore, Plaintiffs have failed to provide an adequate reason for why  
5 they are unable to post a bond. Accordingly, Plaintiffs' Motion to Stay Execution of  
6 Judgment Pending Appeal, ECF No. 91, is DENIED.

7 IT IS SO ORDERED.

8 Dated: October 28, 2019

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10 MORRISON C. ENGLAND, JR.  
11 UNITED STATES DISTRICT JUDGE  
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