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28UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

No. C 92-2974 MHP

Plaintiff,

v.

**ORDER TO SHOW CAUSE WHY
JUDGMENT SHOULD NOT BE
ENTERED**

HAROLD F. COTTMAN, III

Defendant.

The United States (“the government”) initially brought this action against defendant Harold F. Cottman, III (“Cottman”) on July 31, 1992. The complaint alleged that the government provided Cottman with scholarship funding for medical school in exchange for his promise that he would serve in the public health service for up to two years after graduation. Cottman allegedly did not fulfill his obligations under the agreement, and the government sued for an amount totaling \$257,251.08, including interest and treble damages.

The parties settled the lawsuit on July 12, 1993, by entering into a settlement agreement and stipulated entry of judgment. The agreement stated that Cottman would pay \$75,000 to the United States at an interest rate of 3.25%. This amount would be paid in monthly installments of \$1,356. The agreement also stated that, should Cottman default on the payments, the government would be entitled to a judgment for the entire \$75,000 and could immediately proceed to collection. The court approved the settlement agreement on July 23, 1993.

1 The government concedes that Cottman suffers from a mental health condition. He was
2 unable to make the monthly payments and immediately defaulted. On March 31, 1996, the
3 government agreed to reduce the required payments from \$1,356 per month to \$750 per month.
4 After the reduction, Cottman made a number of payments to the government. However, the
5 payments were sporadic and inconsistent; eventually Cottman allegedly stopped paying altogether.
6 Cottman’s last payment was made on October 23, 1998. He has allegedly paid the government a
7 total of \$14,750.

8 On October 21, 2008, almost ten (10) full years after Cottman’s last payment, the
9 government requested that Cottman pay the remaining amount he owed under the terms of the
10 settlement agreement. Cottman made no such payment. The government has now petitioned this
11 court to enter a judgment of \$75,000 against Cottman. The government has provided no explanation
12 for its apparent decade-long delay in enforcing its rights.

13 Cottman has failed to oppose or otherwise respond to the government’s petition.

14 Therefore, it is hereby **ORDERED** that Harold F. Cottman, III appear in person before this
15 court on the 1st day of March, 2010, (“the return date”) at 3:00 p.m., in Courtroom No. 15, 18th
16 Floor, United States Courthouse, 450 Golden Gate Avenue, San Francisco, California, and then and
17 there show cause, if there be any, why the court should not grant the government’s request and enter
18 the stipulated judgment for \$75,000 as provided in the original settlement agreement.

19 It is further **ORDERED** that a certified copy of this Order to Show Cause be served upon
20 Harold F. Cottman, III in accordance with Rule 5 of the Federal Rules of Civil Procedure at least
21 forty-two (42) days before the return date of this Order above specified; and it is further **ORDERED**
22 that within twenty-eight (28) days before the return date of this Order, Cottman may file and serve a
23 written response to this Order to Show Cause, supported by appropriate affidavit(s) or declaration(s)
24 in conformance with 28 U.S.C. section 1746, as well as any motions he desires to make; that the
25 government may file and serve a written reply to such response, if any, within fourteen (14) days
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before the return date of this Order; and that all motions and issues raised by the pleadings shall be considered on the return date of this Order.

IT IS SO ORDERED.

Dated: January 6, 2010



MARILYN HALL PATEL
United States District Court Judge
Northern District of California