

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No: 6:14-cv-1539-Orl-22EJK

WALNER G. GACHETTE,

Defendant.

ORDER

This cause is before the Court on Magistrate Judge Kidd's Order to Show Cause to Defendant, Walner G. Gachette (Doc. 109), issued April 8, 2020, to explain why he should not be held in contempt of Court for failure to fully satisfy the disgorgement award included in the Court's 2016 Order and Judgment of Permanent Injunction and Disgorgement; and Plaintiff United States of America's subsequent Motion for Contempt Sanctions Against Defendant Walner G. Gachette (the "Motion") (Doc. 120) filed on May 27, 2020. Defendant Gachette, proceeding *pro se*, filed a Response to the Motion and the Order to Show Cause. (Docs. 110-112; Docs. 121-124).

On November 16, 2016, the Court entered the Order and Judgment of Permanent Injunction and Disgorgement Against Walner Gachette which awarded the United States \$5,000,000 to be disgorged from Gachette for unjust profits. (Doc. 63 at 5–6). At the time of the Magistrate's Report and Recommendation on October 21, 2020, Gachette had paid the United States a total of \$953,657.21; however, he had made no payments since May 2, 2019. (Docs. 82-1, ¶ 2; 113-1 at 1).

The Magistrate Judge had previously determined that the deadline to pay the Settlement amount of \$1,500,000 had passed, and thus, Gachette was responsible for paying the entire \$5,000,000 (plus interest), which was set forth in the Disgorgement Order. (Doc. 109 at 4.). The

United States Magistrate Judge has submitted a report recommending that the Court GRANT in part the Motion for contempt sanctions, find Gachette in civil contempt, and issue sanctions. (Doc. 125).

After an independent *de novo* review of the record in this matter, and noting that no objections were timely filed,¹ the Court agrees entirely with the findings of fact and conclusions of law in the Report and Recommendation.

Therefore, it is **ORDERED** as follows:

1. The Report and Recommendation filed October 21, 2020 (Doc. No. 125) is **ADOPTED** and **CONFIRMED** and made a part of this Order.
2. The Motion for Contempt Sanctions Against Defendant Walner G. Gachette (Doc. 120) is hereby **GRANTED in part**. The Court finds Walner G. Gachette is in civil contempt of Court for failure to make satisfactory payments under the Order and Judgment of Permanent Injunction and Disgorgement Against Walner Gachette. (Doc. 63 at 5–6.).
3. The Court **ORDERS** the following sanctions be imposed for civil contempt:
 - a. Defendant Walner G. Gachette is **ORDERED** not to transfer title to any residential rental properties currently titled to himself, A2Z Rentals, LBS Home Loan, or the Trust, unless in an arm's length transaction for adequate consideration, and not to encumber any of these properties with mortgages or other liens;
 - b. Defendant Walner G. Gachette is **ORDERED**, in the event that any real estate of his, A2Z Rentals, LBS Home Loan, or the Trust is sold, to immediately provide an accounting of the sale proceeds to counsel for the

¹ The Report and Recommendation was electronically mailed to Gachette at gachettelle@gmail.com on October 21, 2020. (Doc. 125, Notice of Electronic Filing).

United States, and to deposit the net sale proceeds into the registry of the Court; and

- c. Defendant Walner G. Gachette is **ORDERED** to produce to counsel for the United States a monthly accounting of all rent receipts, no later than the last day of every month, and continuing until further notice.

DONE and **ORDERED** in Orlando, Florida on November 9, 2020.



ANNE C. CONWAY
United States District Judge

Copies furnished to:

Counsel of Record
Defendant Walner G. Gachette