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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

CONSUMER DEFENSE, LLC, *et al.*,

Defendants.

Case No. 2:18-cv-00030-JCM-PAL

STIPULATION AND ORDER
CONTINUING HEARING ON
PRELIMINARY INJUNCTION
AND CONTINUING
TEMPORARY RESTRAINING
ORDER

The FTC, the Receiver, and Defendants Jonathan Hanley and Sandra Hanley, by and through their undersigned counsel, and *pro se* Defendant Benjamin Horton hereby stipulate and agree as follows:

1. The parties seek a continuance of the January 24, 2018 hearing on the order to show cause why a preliminary injunction should not be entered for at least two weeks, to occur on or after February 7, 2018. Accordingly, Defendants shall appear on **Wednesday, February 7, 2018 at 10:00 a.m.**, at the United States Courthouse, **Courtroom 6A**, Las Vegas, Nevada, to show cause, if any there be, why this Court should not enter a preliminary injunction, pending final ruling on the complaint, against Defendants enjoining them from further violations of the FTC Act and the Mortgage Assistance Relief Services Rule, continuing the freeze of their assets, continuing the receivership over the receivership entities, and imposing such additional relief as may be appropriate.
2. Defendants shall file with the Court and serve on FTC counsel any answering pleadings, affidavits, motions, expert reports or declarations, or legal memoranda no later than four (4) days prior to the order to show cause hearing scheduled pursuant to this Order. The

1 FTC may file responsive or supplemental pleadings, materials, affidavits, or memoranda
2 with the Court and serve the same on counsel for Defendants no later than one (1) day
3 prior to the order to show Cause hearing. Provided that such affidavits, pleadings,
4 motions, expert reports, declarations, legal memoranda or oppositions must be served by
5 personal or overnight delivery, facsimile or email, and be received by the other party or
6 parties no later than 5:00 p.m. (PST) on the appropriate dates set forth in this Section.

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8 3. An evidentiary hearing on the FTC's request for a preliminary injunction is not necessary
9 unless Defendants demonstrate that they have, and intend to introduce, evidence that
10 raises a genuine and material factual issue. The question of whether this Court should
11 enter a preliminary injunction shall be resolved on the pleadings, declarations, exhibits,
12 and memoranda filed by, and oral argument of, the parties. Live testimony shall be heard
13 only on further order of this Court. Any motion to permit such testimony shall be filed
14 with the Court and served on counsel for the other parties at least five (5) days prior to
15 the preliminary injunction hearing in this matter. Such motion shall set forth the name,
16 address, and telephone number of each proposed witness, a detailed summary or affidavit
17 revealing the substance of each proposed witness's expected testimony, and an
18 explanation of why the taking of live testimony would be helpful to this Court. Any
19 papers opposing a timely motion to present live testimony or to present live testimony in
20 response to another party's timely motion to present live testimony shall be filed with this
21 Court and served on the other parties at least three (3) days prior to the order to show
22 cause hearing.
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- 1 4. Except as provided in Section 5 below, the Temporary Restraining Order entered on
2 January 10, 2018 (ECF No. 12) shall continue in full force and effect as to Defendants
3 until after the rescheduled hearing on the order to show cause.
- 4 5. The asset freeze provisions of the Temporary Restraining Order are hereby modified as
5 follows:
6
7 a. Defendants Jonathan Hanley, Sandra Hanley, and Benjamin Horton each may retain
8 and spend income received from employment unrelated to mortgage assistance relief
9 services performed after the date of entry of this Order;
10
11 b. Defendants Jonathan Hanley, Sandra Hanley, and Benjamin Horton each may retain
12 and spend assets acquired by loan or gift after the date of entry of this Order only
13 after identifying such assets to FTC counsel; provided, however, that this section does
14 not apply to loans or gifts valued at less than \$500
15
16 6. This agreement shall be without prejudice to any party.

17 **IT IS SO STIPULATED.**

18 /s/Adam M. Wesolowski

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appointed Receiver

IT IS SO ORDERED.

/s/Benjamin Horton (by permission)

BENJAMIN HORTON

Defendant *pro se*


JAMES C. MAHAN

UNITED STATES DISTRICT JUDGE

Dated: January 22, 2018