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14 **UNITED STATES DISTRICT COURT**
15 **DISTRICT OF NEVADA**

16 **FEDERAL TRADE COMMISSION,**

17 Plaintiff,

18 v.
19

20 **CONSUMER DEFENSE, LLC, *et al.*,**

21 Defendants.
22

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

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

23 The FTC, the Receiver, and Defendants Jonathan Hanley and Sandra Hanley, by and through
24 their undersigned counsel, and *pro se* Defendant Benjamin Horton hereby stipulate and agree as
25 follows:
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1. The parties seek a continuance of the February 7, 2018 hearing on the order to show cause why a preliminary injunction should not be entered for at least one week, to occur on or after February 14, 2018, to allow newly appointed counsel for Defendants Jonathan Hanley and Sandra Hanley adequate time to prepare. Accordingly, Defendants shall appear on **February 15, 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 FTC may file responsive or supplemental pleadings, materials, affidavits, or memoranda with the Court and serve the same on counsel for Defendants no later than one (1) day prior to the order to show Cause hearing. Provided that such affidavits, pleadings, motions, expert reports, declarations, legal memoranda or oppositions must be served by personal or overnight delivery, facsimile or email, and be received by the other party or parties no later than 5:00 p.m. (PST) on the appropriate dates set forth in this Section.
3. An evidentiary hearing on the FTC's request for a preliminary injunction is not necessary unless Defendants demonstrate that they have, and intend to introduce, evidence that raises a genuine and material factual issue. The question of whether this Court should

1 enter a preliminary injunction shall be resolved on the pleadings, declarations, exhibits,
2 and memoranda filed by, and oral argument of, the parties. Live testimony shall be heard
3 only on further order of this Court. Any motion to permit such testimony shall be filed
4 with the Court and served on counsel for the other parties at least five (5) days prior to
5 the preliminary injunction hearing in this matter. Such motion shall set forth the name,
6 address, and telephone number of each proposed witness, a detailed summary or affidavit
7 revealing the substance of each proposed witness's expected testimony, and an
8 explanation of why the taking of live testimony would be helpful to this Court. Any
9 papers opposing a timely motion to present live testimony or to present live testimony in
10 response to another party's timely motion to present live testimony shall be filed with this
11 Court and served on the other parties at least three (3) days prior to the order to show
12 cause hearing.
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14 4. Except as provided in Section 5 below, the Temporary Restraining Order entered on
15 January 10, 2018 (ECF No. 12) shall continue in full force and effect as to Defendants
16 until after the rescheduled hearing on the order to show cause.
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18 5. The asset freeze provisions of the Temporary Restraining Order are hereby modified as
19 follows:
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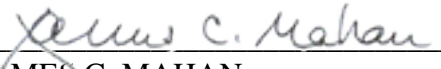
21 a. Defendants Jonathan Hanley, Sandra Hanley, and Benjamin Horton each may retain
22 and spend income received from employment unrelated to mortgage assistance relief
23 services performed after the date of entry of this Order;

24 b. Defendants Jonathan Hanley, Sandra Hanley, and Benjamin Horton each may retain
25 and spend assets acquired by loan or gift after the date of entry of this Order only
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1 after identifying such assets to FTC counsel; provided, however, that this section does
2 not apply to loans or gifts valued at less than \$500.

3 6. This agreement shall be without prejudice to any party.
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5 **IT IS SO ORDERED.**

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7 JAMES C. MAHAN
8 UNITED STATES DISTRICT JUDGE

9 Dated: February 1, 2018
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2 **IT IS SO STIPULATED.**
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4 /s/Adam M. Wesolowski

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