

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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PROTOSTORM LLC

Plaintiffs,

-against-

ORDER

08-CV-931 (PKC) (JO)

ANTONELLI, TERRY, STOUT & KRAUS, LLP,
FREDERICK D. BAILEY, and CARL I.
BRUNDIDGE

Defendants.

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PAMELA K. CHEN, United States District Judge:

Plaintiff Protostorm LLC (“Protostorm”) moves the Court to impose certain temporary conditions on Defendant Antonelli, Terry, Stout & Kraus, LLP’s (“ATS&K”) pending briefing and decision on ATS&K’s and Defendant Carl Brundidge’s motion for a stay of execution on the judgment entered in this case.

For the reasons set forth on the record during the Court’s October 27, 2014 hearing on this issue, along with the reasons set forth in ATS&K’s and Protostorm’s letter briefs (Dkts. 575-76), the Court hereby imposes the following temporary conditions.

1. ATS&K shall make no transfers of monies or other assets *except* payments for operating expenses incurred in the ordinary course of business, such as to employees (including non-equity partners and of-counsel attorney), third party vendors, and the landlord, *as well as* a draw for each equity partner in the amount of \$12,000.00 per month.
2. All revenues in excess of the funds needed for such payments shall be placed in a special interest-bearing account, which shall be applied against the judgment in the event that Protostorm prevails on the post-judgment motions;
3. ATS&K shall provide to Protostorm written *monthly* reports of its receipts and disbursements, and Protostorm’s counsel shall have the right to audit ATS&K’s books and records, at reasonable times and upon reasonable notice, to ensure that the foregoing conditions are being honored.

With respect to Protostorm's request that it be permitted to file the judgment entered by this Court in the United States District Courts for Eastern District of Virginia and the District of Maryland, the Court finds that, although such relief ultimately may be appropriate, given the pending motions that may affect the finality of the judgment, the request is premature at this time. The Court will address amendments to the foregoing temporary conditions, if necessary, upon receipt of financial disclosure from ATS&K and resolution of ATS&K's and Brundidge's motion to stay execution of the judgment.

SO ORDERED:

/s/ Pamela K. Chen
PAMELA K. CHEN
United States District Judge

Dated: October 29, 2014
Brooklyn, New York