

The Honorable Richard A. Jones

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UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

UNITED STATES OF AMERICA,

Plaintiff,

v.

YORAM RUIMI,

Defendant.

Case No. 2:22-cv-01576-RAJ

**PROPOSED ORDER DENYING
DEFENDANT’S MOTION TO
WITHDRAW THE ANSWER [DKT. #
47], DENYING DEFENDANT’S
MOTION TO WITHDRAW AS
ATTORNEY [DKT. # 48], and
GRANTING PLAINTIFF’S SECOND
MOTION FOR ORDER TO SHOW
CAUSE [DKT. # 51]**

This matter comes before the Court on Defendant Yoram Rumi’s Motion to Withdraw the Answer [Dkt. # 47], Defendant’s Motion to Withdraw as Attorney [Dkt. # 48], and Plaintiff United States’ Second Motion for Order to Show Cause [Dkt. # 51]. The United States filed responses to both of Mr. Ruimi’s Motions [Dkt. # 53, Dkt. # 54, respectively], to which Mr. Ruimi replied [Dkt. # 55]. Mr. Ruimi responded to the United States’ Motion [Dkt. # 58], to which the United States replied [Dkt. # 59]. On September 4, 2024, the parties appeared for a

1 hearing on the three motions. At that time, the Court made several findings and rulings on the
2 record. This order memorializes those findings and rulings.

3 For the reasons argued in the United States' briefs and discussed more thoroughly by the
4 Court and the parties during the September 4, 2024, hearing:

5 **(1) Defendant's Motion to Withdraw is the Answer [Dkt. # 47] is DENIED.**

6 **(2) Defendant's Motion to Withdraw as Counsel [Dkt. # 48] is DENIED, without**

7 **prejudice.** After Mr. Ruimi fully complies with the Court's June 5, 2024, Order [Dkt. #
8 43] and as discussed further below, counsel for Mr. Ruimi may renew this motion. As
9 noted at the September 4, 2024, hearing, this Court will be more inclined to grant such a
10 request if Mr. Ruimi signs up for CM/ECF if and when counsel is permitted to withdraw,
11 to ensure service of any case related documents to a *pro se* Mr. Ruimi without prejudice
12 to the United States.

13 **(3) Plaintiff's Motion for Order to Show Cause [Dkt. # 51] is GRANTED.**

14 a. Mr. Ruimi is found in contempt for his ongoing failure to comply with this
15 Court's January 9, 2024, Order [Dkt. # 26] and June 5, 2024, Order [Dkt. # 43].

16 Mr. Ruimi shall fully comply with the terms of the June 5, 2024, Order [Dkt. #
17 43] within thirty (30) days of this Order.

18 b. This Court finds that Mr. Ruimi's failure to comply with this Court's orders
19 unfairly prejudices the United States and is inexcusable. Although Mr. Ruimi has
20 received documents and was previously ordered by the Court to produce them, he
21 has not produced them and instructed his counsel not to produce them. Mr.
22 Ruimi's failure to comply with the Court's orders wastes resources and interferes
23 with the Court's administration of its docket. This is one of the extreme

1 circumstances where rendering default judgment as a sanction for failing to obey
2 discovery orders is appropriate. Mr. Ruimi's failure to comply with this Court's
3 orders was willful and his actions, or inactions, were in bad faith. Mr. Ruimi
4 understood that entry of default judgment was a likely sanction for his behavior,
5 as his counsel made clear during the hearing. The Court adopts the United States'
6 reasoning for why default is appropriate as stated in its motion [Dkt. # 51].

7 c. As a sanction pursuant to Federal Rule of Civil Procedure 37(b)(2)(A)(vi), default
8 judgment is hereby entered in favor of the United States and against Mr. Ruimi
9 for FBAR penalties for 2011 through 2016 in the amount of \$3,623,014.46, as of
10 October 25, 2022, plus statutory accruals from that date until fully paid. The
11 Court will withhold entering final judgment and closing this matter until Mr.
12 Ruimi has fully complied with paragraph (3)(a). Once Mr. Ruimi has fully
13 complied, the United States shall submit a proposed final judgment.

14 IT IS HEREBY ORDERED.

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16 Dated this 24th day of September, 2024.

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19 The Honorable Richard A. Jones
20 United States District Judge