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17 **UNITED STATES DISTRICT COURT**
18 **CENTRAL DISTRICT OF CALIFORNIA**

19 Consumer Financial Protection Bureau,

20 Plaintiff,

21 v.

22 Morgan Drexen, Inc.,
23 and
24 Walter Ledda, individually, and as
25 owner, officer, or manager of Morgan
Drexen, Inc.,
26 Defendants.

Case No. SACV13-01267 JLS (JEMx)

**MEMORANDUM IN SUPPORT OF
PLAINTIFF'S *EX PARTE* APPLICATION
FOR AN ORDER HOLDING VINCENT
HOWARD, HOWARD LAW, PC,
WILLIAMSON & HOWARD, LLP,
AISSAC SEILA AIONO, AND SEILA
LAW, LLC IN CONTEMPT AND
IMPOSING MONETARY SANCTIONS**

HON. JOSEPHINE L. STATON

Courtroom 10-A (Santa Ana)

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1 **I. INTRODUCTION**

2 Pursuant to Local Rule 7-19, Plaintiff, the Consumer Financial Protection
3 Bureau (“Bureau”), hereby submits this *Ex Parte* Application for an Order holding
4 Vincent Howard, Howard Law, PC, and Williamson & Howard, LLP (collectively,
5 “the Attorneys”) in contempt yet again for flagrantly violating Orders of this
6 Court.¹ The Bureau also seeks an Order holding attorney Aissac Seila Aiono and
7 his law firm, Seila Law, LLC (“Seila Law”), in contempt for violating the Court’s
8 Orders. The clear and convincing evidence demonstrates that the Attorneys have—
9 *for over six months*—continued to engage in conduct expressly forbidden by
10 Orders of this Court, of which the Attorneys had actual notice, and that Mr. Aiono
11 and Seila Law, founded just weeks after the Court confirmed that the Attorneys
12 can no longer charge up-front fees for debt relief services, have acted in active
13 concert and participation with Howard and his firms.

14 In particular, the Bureau has learned that the Attorneys: (a) continued to
15 charge fees to Affected Consumers² after the Court’s October 9, 2015 Order
16 holding Vincent Howard, Lawrence Williamson, Howard Law, PC, the Williamson
17 Law Firm, LLC, and Williamson & Howard, LLP In Contempt (“Contempt
18 Order”)³; and (b) are violating Section IV of the Court’s June 18, 2015 Permanent

19 _____
20 ¹ At this time, the Bureau is not seeking another order of contempt against
21 Lawrence Williamson or Williamson Law Firm, LLC, but, given Williamson’s
22 past conduct, the close connection he shares with his law firm partner, Vincent
23 Howard, and the fact that he employed Aiono at the Williamson Law Firm, the
24 Bureau is deeply concerned that Williamson is engaged in conduct similar to that
25 of Howard. For this reason, the Bureau requests that the Court issue an order to
26 show cause why Williamson and his firm should not also be held in further
27 contempt, or, in the alternative, grant the Bureau leave to take limited discovery on
28 the question of Williamson’s involvement in Howard’s most recent violations of
the Court’s Orders.

² “Affected Consumer” is a defined term in the Court’s June 18, 2015 *Order re: Permanent Injunction* (Doc 306), and has the same meaning here.

³ Doc. 386.

1 Injunction Order (“Injunction Order”)⁴ by sharing information related to Affected
2 Consumers with Aiono and Seila Law in an effort evade the Court’s Orders. As
3 explained below, these facts demonstrate that the Attorneys, joined by Aiono and
4 Seila Law, have violated the Court’s Injunction Order and Contempt Order.

5 By their brazen actions, the Attorneys have made clear that they are
6 completely undeterred by this Court’s threat of sanctions and will stop at nothing
7 to line their pockets with the last pennies of vulnerable consumers. Pursuant to the
8 terms of the Contempt Order, the Bureau respectfully requests that the Court order
9 the Attorneys to immediately pay a \$10,000 per day sanction for each day between
10 October 10, 2015 and the date on which the Court issues an Order on this *Ex Parte*
11 Application. Moreover, since the threat of a \$10,000 per day sanction proved
12 ineffective at coercing the Attorneys into complying with the Court’s Contempt
13 and Injunction Orders, the Bureau requests that the Court impose a \$100,000 per
14 day sanction on the Attorneys for each day that they continue to violate those
15 Orders after the Court issues an Order on this *Ex Parte* Application. The Bureau
16 also requests that the Court hold Aiono and Seila Law jointly and severally liable
17 for these sanctions. Finally, the Bureau requests that the Court order the Attorneys,
18 Aiono, and Seila Law to provide an updated accounting of and return all fees
19 received from Affected Consumers since the Court issued the Injunction Order.

20 Pursuant to Local Rule 7-19.1, the Bureau informed counsel for the
21 Attorneys via telephone on February 15, 2016 that it would file this *Ex Parte*
22 application.⁵ Counsel advised the Bureau that his clients would oppose the *Ex*
23 *Parte* application.⁶ The Bureau also informed Aiono and Seila Law via telephone
24 on February 15, 2016 that it would file this *Ex Parte* application.⁷ Aiono advised

25
26 ⁴ Doc. 306.

27 ⁵ Declaration of R. Gabriel D. O’Malley (“O’Malley Decl.”) ¶ 7.

28 ⁶ *Id.*

⁷ *Id.* at ¶ 9.

1 the Bureau that he and Seila Law did not have counsel but were in the process of
2 obtaining representation.⁸ Aiono stated that counsel would call the Bureau on
3 February 16, 2016 and further stated that the Bureau should discuss its application
4 with counsel.⁹ On February 16, 2016, an attorney named W. Thomas Gilman called
5 the Bureau and stated that he had been in contact with Aiono, but that neither
6 Aiono nor Seila Law had retained him.¹⁰ Neither Aiono nor Seila Law has been in
7 contact with the Bureau since Aiono referred the Bureau to Gilman.¹¹

8 **II. PROCEDURAL BACKGROUND**¹²

9 On October 9, 2015, the Court entered its “Contempt Order” holding the
10 Attorneys in contempt for violating specific and definite provisions of the Court’s
11 Injunction Order.¹³

12 The Court held that the Attorneys were “legally identified” with Morgan
13 Drexen because they took over Morgan Drexen’s operations wholesale—and thus
14 were bound by the Injunction as successors.¹⁴ The Court found that the Attorneys
15 violated Section IV of the Injunction Order, which prohibits “[d]isclosing, using,
16 or benefitting from [Affected Consumers’] information,” and “[a]ttempting to
17 collect, collecting, selling, or assigning, or otherwise transferring any right to
18 collect payment from any [Affected Consumer].”¹⁵ The clear and convincing
19 evidence presented to the Court demonstrated that the Attorneys obtained
20 unfettered access to the files of Affected Consumers and continued to charge fees
21 to these consumers pursuant to the same contracts that were in place when Morgan

22 ⁸ *Id.*

23 ⁹ *Id.*

24 ¹⁰ *Id.*

25 ¹¹ *Id.*

26 ¹² *See* October 9, 2015 Order (Doc. 386) at 1-11 for a procedural history of this
case prior to the Court’s October 9, 2015 Order.

27 ¹³ *Id.* at 25.

28 ¹⁴ *Id.*

¹⁵ *Id.* at 34 (citing Injunction Order § IV).

1 Drexen was operating.¹⁶ The Court found that these facts also supported a holding
2 that the Attorneys violated Section V of the Injunction Order, which “permanently
3 restrained and enjoined [Morgan Drexen] from collecting any further fees from
4 Affected Consumers.”¹⁷

5 The Court further held that the Attorneys violated Sections II and VII of the
6 Injunction Order by sending letters to Affected Consumers “replete with
7 misrepresentations to consumers, in an effort to obstruct the Court’s attempt to
8 apprise consumers and creditors of the Court’s Orders, Morgan Drexen’s
9 bankruptcy, and the effect this action would have on Affected Consumers.”¹⁸ The
10 Attorneys’ letters, along with a website they created that “directly contradict[ed]
11 the Court’s instructions” to Affected Consumers, compelled the Court to hold that
12 the Attorneys violated Section II of the Injunction Order, which prohibits
13 misrepresentations to consumers about any aspect of any consumer financial
14 product or service, and Section VII of the Injunction Order, which requires
15 dissemination of information to Affected Consumers in accordance with specific
16 Court directives.¹⁹

17 In its Contempt Order, the Court stated that the Attorneys have “further
18 victimized Affected Consumers, obstructed the Court in its functions, and
19 interfered with the Court’s efforts to protect the public interest.”²⁰ The Court noted
20 that the “Attorneys have already shown an unwillingness to comply with the
21 Injunction [Order],” and therefore held that a \$10,000 per day sanction was
22 warranted for each day the Attorneys continue to violate the Injunction Order after
23 the issuance of the Contempt Order.²¹ The Court also ordered the Attorneys to

24 _____
25 ¹⁶ *Id.* at 34-35 (reciting evidence).

26 ¹⁷ *Id.*

27 ¹⁸ *Id.* at 38.

28 ¹⁹ *Id.* at 36-42.

²⁰ *Id.* at 43.

²¹ *Id.* at 43-44.

1 submit an accounting to the Bureau identifying the total payments they received
2 from Affected Consumers from the date of the Injunction Order, and then refund
3 those payments to the Bureau for distribution to Affected Consumers.²² The Court
4 held the “Attorneys jointly and severally liable for these sanctions because the
5 clear and convincing evidence shows that each of the Attorneys has repeatedly and
6 intentionally violated the Court’s Orders.”²³

7 On October 20, 2015, the Attorneys emailed the Bureau a spreadsheet of
8 client account numbers and other information.²⁴ The Bureau later learned from
9 counsel for the Attorneys that this spreadsheet was useless because it contained
10 both incomplete and inaccurate data.²⁵ The Bureau filed a status report informing
11 the Court of this development and requesting guidance about a number of issues
12 related to the accounting.²⁶ On February 5, 2016, the Court provided guidance on
13 how the Attorneys should calculate the total payments they received unlawfully
14 and ordered the Attorneys to provide an updated accounting based on this
15 clarification by February 19, 2016.²⁷

16 **III. THE CONDUCT OF THE ATTORNEYS, AIONO, AND SEILA LAW**

17 As discussed in greater detail below, after the Court’s Contempt Order, the
18 Attorneys continued to charge fees to Affected Consumers, and, with the assistance
19 of an attorney from Williamson Law named Aissac Seila Aiono, reconstituted their
20 debt relief operations under the name Seila Law.

21 **A. The Attorneys Continue To Charge Fees To Affected Consumers**

22 The Bureau has learned from Hugh Williams, a former “engagement
23 counsel” who provided debt relief services to Affected Consumers, and Frederick

24 ²² *Id.*

25 ²³ *Id.* at 44.

26 ²⁴ Doc. 398 at 1.

27 ²⁵ *Id.* at 2.

28 ²⁶ Doc. 398.

²⁷ Doc. 409.

1 Weber, a paralegal for Williams who worked directly with Howard Law and
2 Morgan Drexen in that capacity, that the Attorneys continued to charge fees to
3 Affected Consumers after the Court issued the Contempt Order.²⁸

4 According to Williams, in October or November 2015, Vincent Howard
5 convened a conference call with his network of engagement counsel to inform
6 them of the Court’s decisions in this case and its implications for Howard.²⁹ During
7 that call, Howard explained that, as a result of the Court’s decision, he and his firm
8 could no longer honor existing contracts with engagement counsel or collect fees
9 from consumers.³⁰ Howard recommended that the engagement counsel use a newly
10 formed law firm called Seila Law to step in for Howard (who himself had stepped
11 in for Morgan Drexen) in order to continue providing and charging for debt relief
12 services.³¹

13 After the conference call, Williams received an e-mail from Daniel Rucker,
14 who identified himself as a “Client Management Agent” for Seila Law.³² Williams
15 recognized Rucker’s name because he had previously interacted with him—either
16 when he was an employee of Morgan Drexen, Howard, Williamson, or one of their
17 law firms.³³ In the e-mail, Rucker requested that Williams execute and return the
18

19
20 ²⁸ Declaration of Hugh Williams (“Williams Decl.”) ¶¶ 2-3, attached as Ex. A to
21 O’Malley Decl.; Declaration of Frederick J. Weber (“Weber Decl.”) ¶¶ 9-16,
22 attached as Ex. B to O’Malley Decl. “Engagement counsel” refers to the attorneys
23 who signed contracts for services with consumers, and then relied on the Attorneys
24 and Morgan Drexen to assist in providing debt relief services. *See* Williams Decl. ¶

25 ²⁹ Williams Decl. ¶ 4.

26 ³⁰ *Id.*

27 ³¹ *Id.*

28 ³² *Id.* ¶ 5 and at Ex. 1 (November 24, 2015 email from D. Rucker to H. Williams).

³³ *Id.* ¶ 5. According to Rucker’s own LinkedIn account, he has been employed by
Howard Law and Morgan Drexen. Declaration of Christopher Albanese
 (“Albanese Decl.”) ¶¶ 4-5, Exs. 1 and 2, attached as Ex. C to O’Malley Decl.

1 attached Seila Law Of Counsel Agreement, and told Williams that he could contact
2 Aiono with any concerns.³⁴

3 Williams had no interest in working with Seila Law, and instead requested
4 that Howard grant him full access to the records for the consumers for whom he
5 was engagement counsel and had previously been serviced by Morgan Drexen
6 (*i.e.*, Affected Consumers).³⁵ Morgan Drexen had provided Williams’s firm with
7 access to the records for these consumers through an online portal until mid-2015,
8 and then subsequently Howard provided the access to the online portal.³⁶ For a
9 time, Howard refused to grant Williams full access to the consumer records.³⁷ In
10 January 2016, the parties resolved the dispute and Howard granted Williams access
11 to the records through the online portal.³⁸

12 On January 11, 2016 Laura Leach, an attorney employed by Howard Law,
13 sent an email to Williams in which she listed a number of items that they had
14 discussed that morning.³⁹ Among other things, Leach stated that Howard Law had
15 “not processed ACH’s nor settlement checks since Thursday, January 7th.”⁴⁰
16 Williams understood this to mean that Howard Law stopped debiting money from
17 the accounts of consumers for whom Williams had been engagement counsel on
18 January 7, 2016.⁴¹ Put another way, by Howard Law’s own admission, Howard and
19 his firm continued to charge fees *after* the Court’s Contempt Order.
20
21

22 ³⁴ Williams Decl. ¶ 5.

23 ³⁵ Weber Decl. ¶ 7.

24 ³⁶ *Id.* ¶ 4.

25 ³⁷ *Id.* ¶ 7; Williams Decl. ¶ 7

26 ³⁸ Weber Decl. ¶ 8.

27 ³⁹ Williams Decl. ¶ 7 and Ex. 2 (email chain including Jan. 11, 2016 email from L.
Leach to H. Williams).

28 ⁴⁰ *Id.*

⁴¹ *Id.* ¶ 7.

1 After resolving the dispute with Howard, Williams sent a letter to the
2 consumers for whom he was engagement counsel.⁴² In response to the letter,
3 several consumers contacted Williams's office and told Weber, his paralegal, that
4 that they had recently been charged monthly fees.⁴³

5 In February 2016, Weber spoke with an Affected Consumer, referred to as
6 "Consumer A" in his declaration, who stated that she had been charged a fee as
7 recently as December 2015.⁴⁴ After speaking with this consumer, Weber accessed
8 the consumer's records in the online portal.⁴⁵ The "Client Account Details" page in
9 the online portal indicates the following about Consumer A:

- 10 • Consumer A was enrolled in the debt relief program on June 17,
11 2015;
- 12 • At the time of enrollment, Consumer A was charged an up-front
13 engagement fee of \$1,500;
- 14 • Consumer A is charged a "Monthly Service Fee" of \$50;
- 15 • Consumer A's monthly payment amount is \$284;
- 16 • Consumer A's last payment was on January 21, 2016;
- 17 • Consumer A's next payment of \$284 is due on February 21, 2016;
18 and
- 19 • Consumer A still owes \$1,030.84.⁴⁶

20 Weber also reviewed the records for another Affected Consumer, referred to
21 as "Consumer B" in his declaration.⁴⁷ The "Client Account Details" page in the
22 online portal indicates the following about Consumer B:

23 ⁴² Weber Decl. ¶ 9.

24 ⁴³ *Id.* ¶ 9.

25 ⁴⁴ *Id.* ¶ 12.

26 ⁴⁵ *Id.*

27 ⁴⁶ *Id.* and Ex. 1 to Weber Decl. (screenshot of Client Account Details page for
Consumer A).

28 ⁴⁷ *Id.* ¶ 13. and Ex. 2 to Weber Decl. (screenshot of Client Account Details page for
Consumer B).

- 1 • Consumer B was enrolled in the Morgan Drexen debt relief program on September 30, 2013;
- 2 • At the time of enrollment, Consumer B was charged an up-front
- 3 engagement fee of \$1,200;
- 4 • Consumer B is charged a “Monthly Service Fee” of \$50;
- 5 • Consumer B’s monthly payment amount is \$182;
- 6 • Consumer B’s last payment was on February 4, 2016;
- 7 • Consumer B’s next payment is due on March 4, 2016; and
- 8 • As of February 2016, six of Consumer B’s debts had not been settled;
- 9 moreover, Consumer B’s balances for those debts have increased
- 10 from \$15,074 at the time of enrollment to \$17,489.40.⁴⁸

11 In reviewing other information in the portal relating to Consumer B, Weber
12 also learned the following⁴⁹:

- 13 • As of February 2016, Consumer B had paid a total of \$5,096 in
- 14 connection with Morgan Drexen’s debt relief program;
- 15 • An attorney assigned as counsel for Consumer B determined that
- 16 Consumer B “should not have been accepted as a bankruptcy client”
- 17 and stated that he would “consider putting a Chapter 13 on her behalf
- 18 as malpractice”;
- 19 • In June 2015, based on this assessment, another attorney assigned to
- 20 Consumer B requested that Howard refund monies paid by Consumer
- 21 B;
- 22 • Howard provided a partial refund of approximately \$900 in or after
- 23 June 2015;
- 24 • Nevertheless, as of December 2015, the consumer was still being
- 25 charged monthly fees; and
- 26 • A portal entry dated December 28, 2015, by a woman named Cindy
- 27 Elsberry, who was formerly an employee of Morgan Drexen⁵⁰, states
- 28 the following:

⁴⁸ *Id.* ¶ 14 and Ex. 2 to Weber Decl.

⁴⁹ Weber Decl. ¶ 15-16, Ex. 3 (recent portal entries related to Consumer B).

1 “The client called into check on the status of her bankruptcy;
2 transferred to the bankruptcy Liaison department. Also
3 addressed the AR balance of \$65 due to the Decembers [sic]
4 payment not being made. The client will also need to make
5 her \$50 payment for January. The client is going to send in a
6 money order for the amount of \$115 by January 1st,
7 provided her with the money order instruction. The client
8 was made aware that until the bankruptcy petition is filed
she would need to make a payment of \$50 starting February
02/04/16. She's aware of the 2 business days notice to call
back to make arrangements for February's payment[.][sic]”

9 In addition to Consumers A and B, Weber reviewed records in the online
10 portal relating to other Affected Consumers.⁵¹ As with Consumers A and B, the
11 records in the online portal indicate that these consumers were charged fees after
12 the Court issued the Contempt Order.⁵²

13 **B. The Attorneys Have Joined With Aiono to Operate Their Debt**
14 **Relief Operations Under The Name Seila Law**

15 Following the Court's October 9, 2015 Contempt Order, the Attorneys
16 partnered with a Williamson Law attorney named Aissac Seila Aiono to shift their
17 debt relief business to a newly formed law firm called Seila Law.

19 ⁵⁰ According to online information obtained by the Bureau, including
20 LinkedIn.com profile pages, the individuals who made log entries in the online
21 portal for Consumer B as recently as January and February 2016 appear to be or
22 have been employees of the Attorneys and/or former Morgan Drexen employees.
23 Weber Decl. Ex. 3; Albanese Decl. ¶¶ 6-11 and Exs. 3-8 (screenshots of
24 indeed.com resumes and LinkedIn.com profile pages). For example, the following
25 people who made log entries in 2016 worked at either Morgan Drexen or for
26 Howard or Williamson: Cristina Duffy (worked for Howard Law); Veronica
27 Meglio (Howard Law); Linda Nguyen (worked for Morgan Drexen); Cindy
28 Elsberry (Morgan Drexen); Deanna Bush (Morgan Drexen); and Kimberly Alba
(Morgan Drexen). Albanese Decl. ¶¶ 6-11 and Exs. 3-8

⁵¹ Weber Decl. ¶ 10.

⁵² *Id.*

1 According to filings with the Missouri Secretary of State, Seila Law was
2 formed on October 28, 2015—just weeks after the Court’s Contempt Order.⁵³
3 Aissac Seila Aiono, of Kansas City, Missouri, is listed as the firm’s registered
4 agent.⁵⁴ Aiono has been a licensed attorney in Missouri for less than two years.⁵⁵ In
5 June 2015, when the Court issued its Injunction Order, Aiono was working as an
6 attorney for Williamson Law.⁵⁶ In that role, Aiono was directly involved in the
7 Attorneys’ interactions with the Morgan Drexen bankruptcy trustee.⁵⁷

8 Aside from Aiono, several other employees of Morgan Drexen and/or the
9 Attorneys now work for Seila Law. For example:

- 10 • Daniel Rucker, who identified himself as an employee of Seila Law
11 in an email to engagement counsel Hugh Williams, is listed as a
12 “Client Management Agent at Howard Law, PC” since January 2011
13 on LinkedIn;⁵⁸ he is also listed in the log entries from the online
14 portal, with an entry as recently as February 8, 2016;⁵⁹
- 15 • McKenzi Wicketts is a former employee of Howard Law who now
16 works as a “Client Intake Specialist” for Seila Law in Orange
17 County, California.⁶⁰ Wicketts worked at Howard Law from October
2015 to December 2015, and describes her work there as “Customer
Service, phone sales, *switching clients to a new company*.”⁶¹

18 ⁵³ Albanese Decl., ¶ 12, and Ex. 9 (print out of Seila Law, LLC registration with
19 the Missouri Secretary of State).

20 ⁵⁴ *Id.*

21 ⁵⁵ Albanese Decl., ¶ 13, and Ex. 10 (screenshot of Missouri Bar website showing
Aiono admitted to practice on April 16, 2014).

22 ⁵⁶ Albanese Decl. ¶¶ 14-15 and Exs. 11-12 (print out of LinkedIn profile of Aissac
Aiono listing employer as The Williamson Law Firm and screenshot of entry for
23 Aissac Aiono on Williamson Law website).

24 ⁵⁷ *See* Doc. 307-3 (exhibit to e-mail chain includes e-mail from Lawrence
Williamson, copying Aiono, and directing the Morgan Drexen bankruptcy trustee
25 to mail documents and e-mail updates to Williamson Law Firm c/o Aissac Aiono).

26 ⁵⁸ Albanese Decl. ¶ 4, and Ex. 1 (print out of LinkedIn profile of Daniel Rucker).

27 ⁵⁹ Weber Decl., Ex. 3.

28 ⁶⁰ Albanese Decl. ¶ 16 and Ex. 13 (print out of resume from indeed.com website).

⁶¹ *Id.* (Emphasis added).

1 Other evidence shows that Aiono has joined with the Attorneys to allow
2 them to operate their business under the name Seila Law. The Seila Law website
3 contains pages (including one entitled “Debt Resolution”) that contain promotional
4 wording that is identical to wording on the Williamson & Howard LLP website.⁶²
5 According to Weber, Seila Law is now listed as the engagement counsel for at least
6 one Affected Consumer in the Morgan Drexen/Howard online portal.⁶³ Moreover,
7 advertisements for employment at Seila Law that are currently displayed online
8 automatically direct prospective employees to a Howard Law website when they
9 click on a link to learn more about the job posting.⁶⁴

10 A December 10, 2015 facsimile correspondence to Zwicker & Associates,
11 P.C., counsel for a creditor that had sued a consumer, also demonstrates that Seila
12 Law is nothing more than a name change for the Attorneys:

- 13 • The facsimile cover form indicates the correspondence is from
14 “Howard Law PC”;⁶⁵
- 15 • The letter concerns a consumer whom Zwicker & Associates sued on
16 behalf of a creditor; the consumer was previously represented by
17 Williamson & Howard, LLP;⁶⁶
- 18 • The actual letter is on Seila Law, LLC letterhead and is signed by
19 Seila Law, LLC;⁶⁷
- 20 • Aside from changing the name at the top of the letterhead to Seila
21 Law, the form, font, and design are identical to the letterhead that

22 ⁶² Compare Albanese Decl. ¶ 17 and Ex. 14 to Albanese Decl. ¶ 18 and Ex. 15.

23 ⁶³ Weber Decl. ¶ 10.

24 ⁶⁴ Albanese Decl. ¶¶ 19-20 and Exs. 16-17 (print out of Seila Law/Howard Law
25 website pages).

26 ⁶⁵ Declaration of William H. Harris, (“Harris Decl.”) ¶ 4 and Ex. 1 thereto (3-page
27 facsimile transmission dated December 10, 2015), attached as Exhibit D to
28 O’Malley Decl.

⁶⁶ *Id.* ¶ 5.

⁶⁷ *Id.* at Ex. 1.

1 Howard Law previously used in correspondence with this same
2 creditor;⁶⁸

- 3 • The Regional Counsel information on the Seila Law letterhead is
4 identical to the Regional Counsel information on the Howard Law
5 letterhead;⁶⁹
- 6 • The Seila Law letterhead and the Howard Law letterhead both list the
7 same (877) 336-3629 contact number;⁷⁰
- 8 • The (877) 336-3629 contact number is the same telephone number
9 listed on the online portal screenshots for Consumers A and B;⁷¹ and
- 10 • Even though Seila Law is registered in Missouri and Aiono is licensed
11 to practice in Missouri, the physical address and the mailing address
12 for Seila Law are in Orange County, California,⁷² where the Attorneys
13 are located.

14 Amazingly, Morgan Drexen even makes a return appearance. The letter
15 from Howard Law/Seila Law states that the consumer has retained Seila Law and
16 local counsel Thomas W. Stephens “with respect to the attempted negotiation and
17 settlement of their unsecured debts.”⁷³ The letter then explains that Seila Law
18 utilizes “Morgan Drexen Integrated Systems, Inc.” to more “efficiently” provide
19 those debt relief services:

20 Morgan Drexen Integrated Systems, Inc. provides my firm, to include
21 my local counsel with *-inter alia-* legal assistants, software, data
22 entry, and support services. Its legal assistants and staff are agents of
23 my law firm and are agents of my local counsel. Moreover, they are
24 acting at an attorney’s request, and under attorney supervision

25 ⁶⁸ *Id.* at Ex. 1 and Ex. 2 (example of letter that Zwicker & Associates had received
26 prior to 2016 from Howard Law).

27 ⁶⁹ *Id.*

28 ⁷⁰ *Id.*

⁷¹ Compare Exs. 1 and 2 to Harris Decl. to Exs. 1 and 2 to Weber Decl.

⁷² Harris Decl., Ex. 1.

⁷³ *Id.*

1 We ask that you please cooperate with our office in resolving this
2 matter and direct all communications with regard to our client's debt
3 or your attempted collection of the debt to this office via our legal
4 assistant/paralegal who is an employee of Morgan Drexen Integrated
5 Systems, Inc., who is an agent of our law firm and who acts at an
6 attorney's direction and under attorney supervision.⁷⁴

7 **IV. THE COURT SHOULD GRANT THE BUREAU'S *EX PARTE***
8 **APPLICATION AND ENTER AN ORDER TO HOLDING THE**
9 **ATTORNEYS, AIONO, AND SEILA LAW IN CONTEMPT AND**
10 **IMPOSING MONETARY SANCTIONS.**

11 **A. The Court Has The Power To Enforce Its Orders Through Civil**
12 **Contempt.**

13 The Court has the inherent power to enforce its orders through civil
14 contempt proceedings.⁷⁵ Civil contempt proceedings may be initiated by the Court
15 itself, or upon motion by any party to the action.⁷⁶

16 Civil contempt is warranted where there is "clear and convincing evidence
17 that the contemnors violated a specific and definite order of the court."⁷⁷ The
18 contempt "need not be willful," and there is no good faith exception to the

19 ⁷⁴ *Id.*

20 ⁷⁵ *Shillitani v. United States*, 384 U.S. 364, 370, 86 S. Ct. 1531, 1535, 16 L. Ed. 2d
21 622, 627 (1966) ("There can be no question that courts have inherent power to
22 enforce compliance with their lawful orders through civil contempt.").

23 ⁷⁶ *See Inst. of Cetacean Research v. Sea Shepherd Conservation Soc'y*, 774 F.3d
24 935, 944 (9th Cir. 2014) (noting that courts "'possess [the] inherent authority to
25 initiate contempt proceedings for disobedience to [their] orders'" (quoting *Young v.*
26 *U.S. ex rel. Vuitton et Fils S.A.*, 481 U.S. 787, 793, 107 S. Ct. 2124, 95 L.Ed.2d
27 740 (1987)); *see also FTC v. Affordable Media, LLC*, 179 F.3d 1228, 1239 (9th
28 Cir.1999) (contempt proceedings initiated upon motion of the Federal Trade
Commission).

⁷⁷ *Affordable Media*, 179 F.3d at 1239. When contempt proceedings are initiated
upon motion, "[t]he moving party has the burden of showing by clear and
convincing evidence that the contemnors violated a specific and definite order of
the court. The burden then shifts to the contemnors to demonstrate why they were
unable to comply." *Id.* (citation omitted).

1 requirement of obedience to a court order.⁷⁸ Moreover, Federal Rule of Civil
2 Procedure 71 “grants to the district courts the power to enforce orders against ‘a
3 person who is not a party . . . as if a party.’”⁷⁹ Thus, “when an injunction is
4 addressed to a non-party and he is given notice of the injunction, Rule 71 permits a
5 district court to use ‘the same processes for enforcing obedience to the order as
6 if[he were] a party,’ such as holding him in contempt for violating it.”⁸⁰

7 As explained below, there is no dispute that the Attorneys had notice of the
8 Court’s Injunction and Contempt Orders. The clear and convincing evidence also
9 indicates that Aiono and Seila Law had notice of the Court’s Injunction and
10 Contempt Orders. Clear and convincing evidence further demonstrates that the
11 Attorneys, Aiono, and Seila Law have taken significant additional measures since
12 October 2015 to evade this Court’s Orders so they could continue charging fees to
13 and violating the rights of Affected Consumers. For all of these reasons, which are
14 explained in detail below, the Attorneys, Aiono, and Seila Law should be held in
15 contempt of Court and pay significant monetary sanctions to ensure that they do
16 not further victimize Affected Consumers.

17 ⁷⁸ *Go–Video, Inc. v. Motion Picture Ass’n of America*, 10 F.3d 693, 695 (9th
18 Cir.1993).

19 ⁷⁹ *Irwin v. Mascott*, 370 F.3d 924, 931 (9th Cir. 2004) (quoting Fed. R. Civ. P. 71);
20 Fed. R. Civ. P. 71 (“When an order grants relief for a nonparty or may be enforced
21 against a nonparty, the procedure for enforcing the order is the same as for a
22 party.”).

23 ⁸⁰ *Irwin*, 370 F.3d at 931 (quoting Fed. R. Civ. P. 71); *see also Chicago Truck*
24 *Drivers v. Brotherhood Labor Leasing*, 207 F.3d 500, 506-07 (8th Cir. 2000) (“It is
25 well-settled that a court's contempt power extends to non-parties who have notice
26 of the court's order and the responsibility to comply with it.”); *McGraw-Edison Co.*
27 *v. Preformed Line Prods. Co.*, 362 F.2d 339, 344 (9th Cir. 1966) (finding that
28 “[n]onparties may be found in contempt of an injunction provided they have actual
notice of the injunction and aid or abet in its violations”); *United States Commodity*
Futures Trading Comm’n v. Forex Liquidity LLC, 2009 WL 2231684 (C.D. Cal.
July 23, 2009) (finding a nonparty agent of the defendant in civil contempt for
failing to turn over assets pursuant to court-ordered receivership).

1 **B. The Attorneys, Aiono, And Seila Law Had Notice Of The**
2 **Injunction Order And Contempt Order.**

3 There can be no dispute that the Attorneys had actual notice of the Court’s
4 Injunction and Contempt Orders. On June 26, 2015, the Attorneys filed an *ex*
5 *parte* application seeking clarification of the Injunction Order and requesting
6 (among other things) access to Morgan Drexen’s case management software
7 (referred to as MDIS) so that they could (presumably) continue collecting fees
8 from Affected Consumers.⁸¹ There is also no dispute that the Attorneys had actual
9 notice of the Contempt Order on the date it was issued (October 9, 2015), as
10 counsel for the Attorneys was listed on the Court’s electronic service list for the
11 Order, and the Attorneys filed a Notice of Appeal of the Order two days later.⁸²

12 The Court should also find that Aiono and Seila Law had actual notice of the
13 Court’s Injunction and Contempt Orders. In June 2015, during the time period
14 when the Court issued the Injunction Order, Aiono was an employee of
15 Williamson and acted as the specific point of contact for Williamson Law in
16 communications with the Morgan Drexen bankruptcy trustee.⁸³ Given Aiono’s
17 employment and role, it was impossible for him *not* to be on notice of the Court’s
18 Orders. Further, it is clear from Aiono’s role working for Williamson, and his
19 subsequent actions at Seila Law, that he and Seila Law received actual notice of
20 the Court’s Orders. Following the Court’s Contempt Order, Aiono schemed with
21 the Attorneys to defy the Orders by reinstating the Attorneys’ debt relief
22 operations under the Seila Law name and continuing to charge fees to Affected
23

24 ⁸¹ Doc. 313. Howard and Williamson admit they “thoroughly read the Injunction
25 [Order].” Howard Decl. ¶ 47 (Doc. 356-1); Williamson Decl. ¶ 36 (Doc. 356-2).

26 ⁸² Doc. 388.

27 ⁸³ *See supra* n. 57. Moreover, as an employee of Williamson Law, Aiono is equally
28 bound by the Court’s Injunction Order. *See* Doc. 385 at 26 (discussing individuals
and entities that are covered by an injunction even if they are not parties or
expressly mentioned in the text of the order).

1 Consumers. Indeed, just weeks after the October 9, 2015 Contempt Order, Aiono
2 formed Seila Law, followed-up on Howard's conference call with engagement
3 counsel by soliciting him to sign a new contract with Seila Law to service Affected
4 Consumers, employed former Howard Law employees to do so, employed other
5 former Morgan Drexen and/or Howard Law employees as part of Seila Law, and
6 took over the accounts of Affected Consumers from the Attorneys.⁸⁴ Such conduct
7 makes clear that Aiono and Seila not only had notice of the Court's Orders, they
8 worked actively to violate them.

9 **C. The Attorneys Continue To Violate Specific Orders Of The Court.**

10 The Court has provided the Attorneys with ample opportunity to comply
11 with the law. Instead of doing so, they have gone to great lengths since October to
12 evade the Court's Orders. And the reason is clear: as the Bureau learned from the
13 initial accounting the Attorneys provided—inaccurate as it was—the Attorneys are
14 collecting *millions* of dollars from Affected Consumers. As explained below, the
15 clear and convincing evidence demonstrates that the Attorneys have continued to
16 blatantly violate at least two specific and definite provisions of this Court's
17 Injunction and Contempt Orders, despite the threat of coercive monetary sanctions
18 in the Court's Contempt Order.

19 First, *even after the Court issued the Contempt Order*, the Attorneys
20 continued to collect fees from Affected Consumers in violation of Section V of the
21 Injunction Order, which prohibits the collection of such fees as of June 18, 2015.⁸⁵
22 The declarations submitted by Hugh Williams, Frederick Weber, and the
23 screenshots from the Morgan Drexen/Howard online portal provide clear and
24 convincing evidence that the Attorneys have continued to violate the Court's
25 Orders by collecting fees from Affected Consumers.

27 ⁸⁴ See *supra* Section III-B.

28 ⁸⁵ Doc. 306 § V.

1 Second, the Attorneys are *still* violating Section IV of the Injunction Order
2 by “[d]isclosing, using, or benefitting from” information related to Affected
3 Consumers, and by “[a]ttempting to collect, collecting, selling, or assigning, or
4 otherwise transferring any right to collect payment from any” Affected
5 Consumer.⁸⁶ Here, the clear and convincing evidence that the Attorneys have
6 disclosed, sold, transferred, or assigned information for Affected Consumers to
7 Seila Law includes: (1) Howard’s effort to get engagement counsel to use Seila
8 Law to service Affected Consumers and refusal to provide Williams with access to
9 portal information after he refused to work with Seila; (2) Seila Law’s presence as
10 an engagement counsel for an Affected Consumer in the Morgan Drexen/Howard
11 Law online portal; and (3) portal screenshots that show that attorneys other than
12 Hugh Williams are now listed as counsel for Affected Consumers for whom
13 Williams had previously been assigned as engagement counsel.

14 In short, the evidence is beyond clear and convincing that the Attorneys have
15 no intention of complying with the Court’s Orders anytime soon. The Attorneys
16 are continuing to violate at least two specific provisions of the Injunction Order
17 despite the Court’s warning that the Attorneys would face sanctions if their
18 unlawful conduct continued. The Court should now impose severe monetary
19 sanctions so that the Attorneys finally understand that they are not above the law.

20 **D. The Court Should Also Hold Aiono And Seila Law In Contempt**
21 **Because They Are In Active Concert And Participation With The**
22 **Attorneys In Violating The Court’s Injunction And Contempt**
23 **Orders.**

24 Under Federal Rule of Civil Procedure 65(d), an injunction binds not only
25 the parties, but also “persons who are in active concert or participation with” the
26 parties, so long as those persons “receive actual notice of [the order].”⁸⁷ As

27 ⁸⁶ *Id.* at § IV.

28 ⁸⁷ Fed. R. Civ. P. 65(d).

1 explained above, Aiono and Seila Law received actual notice of the Court’s
2 Injunction and Contempt Orders. Accordingly, Aiono and Seila Law should be
3 held in contempt for violating those Orders given that they have been acting in
4 concert or participation with the Attorneys to evade the Orders.

5 “The common-law rule . . . essentially codified in Rule 65(d) of the Federal
6 Rules of Civil Procedure [] holds that an injunction is binding on the parties to the
7 proceeding; their officers, agents, and employees (acting in that capacity); and
8 nonparties with notice who are either legally identified with a party or who aid and
9 abet a party’s violation of the injunction.”⁸⁸ It is well established that an injunction
10 may “be enforced against those to whom [a] business may have been transferred,
11 whether as a means of evading the judgment or for other reasons.”⁸⁹ This makes
12 sense, for otherwise parties could “nullify the court’s decree and circumvent the
13 [relevant] regulations by carrying out prohibited acts through successive
14 corporations not party to the original actions.”⁹⁰ Thus, where an entity is “a
15 continuing business enterprise”⁹¹ of an entity that is subject to an injunction, it has
16 “the requisite relationship” to the enjoined party to be subject to the injunction.⁹²
17 Such a continuing enterprise “may be found to be acting ‘in active concert or
18 participation’ with the enjoined party and thus subject to contempt under Rule
19 65(d).”⁹³ These principles, moreover, “may be applied in fuller measure” where, as
20 here, it furthers “the public interest.”⁹⁴

21 _____
22 ⁸⁸ *Nat’l Spiritual Assembly of Baha’is of U.S. Under Hereditary Guardianship, Inc.*
23 *v. Nat’l Spiritual Assembly of Baha’is of U.S., Inc.*, 628 F.3d 837, 840 (7th Cir.
24 2010).

25 ⁸⁹ *Walling v. James V. Reuter, Inc.*, 321 U.S. 671, 674 (1944).

26 ⁹⁰ *I.C.C. v. Rio Grande Growers Co-op*, 564 F.2d 848, 849 (9th Cir. 1977).

27 ⁹¹ *Golden State Bottling Co., Inc. v. NLRB*, 414 U.S. 168, 180 (1973).

28 ⁹² *Id.*

⁹³ *Additive Controls & Measurement Sys., Inc. v. Flowdata, Inc.*, 96 F.3d 1390,
1397 (Fed. Cir. 1996); accord *Rockwell Graphic Sys., Inc. v. DEV Indus., Inc.*, 91
F.3d 914, 919 (7th Cir. 1996) (explaining that under the “active concert or

1 The facts set forth above establish that Aiono and Seila Law are in active
2 concert and participation with the Attorneys to violate the Court’s Orders. Howard
3 specifically recommended that engagement counsel enter into contracts with Seila
4 Law because he could no longer collect fees from Affected Consumers. Howard
5 then withheld consumer information from an engagement counsel who refused to
6 partner with Seila Law. Howard Law employees were specifically responsible for
7 “switching clients to a new company.”⁹⁵ Several other former Howard Law
8 employees now work for Seila Law.⁹⁶ The facsimile letter and the records in the
9 Morgan Drexen/Howard Law online portal show that Seila Law is acting as
10 engagement counsel for consumers and has the same contact information as
11 Howard Law.⁹⁷ Seila Law’s website contains the same promotional language found
12 on the Williamson & Howard website.⁹⁸ Moreover, though Seila Law is
13 purportedly hiring new employees at the moment, the online advertisements for
14 those jobs redirect prospective employees to the website of Howard Law for
15 further information about the jobs.⁹⁹

16 In sum, the Court has sufficient evidence to hold Aiono and Seila Law in
17 contempt—and should do so. At a minimum, Aiono and Seila law have aided and
18 abetted the Attorneys’ violations of the Court’s Orders. By agreeing to act as a
19 front for the Attorneys, Aiono and Seila Law have also become “legally identified”
20 with the Attorneys. Under either legal characterization, it is clear that Aiono and

21
22 participation” case law, “an injunction may bind nonparties who are successors in
23 interest to parties named in the injunction with respect to the subject matter of the
24 injunction”)

25 ⁹⁴ *Walling*, 321 U.S. at 674.

26 ⁹⁵ *See supra* n. 60 and 61.

27 ⁹⁶ *See supra* n. 58-60.

28 ⁹⁷ *See supra* n. 63 and 65.

⁹⁸ *See supra* n. 62.

⁹⁹ *See supra* n. 64.

1 Seila have acted in active concert and participation with Howard as he has
2 continued to fleece vulnerable consumers in violation of this Court's Orders.
3 Rather than distance himself from his boss, Lawrence Williamson, following the
4 Court's issuance of contempt sanctions, Aiono escalated his involvement and
5 agreed to become the new face and name of Morgan Drexen/the Attorneys. Aiono
6 decided he wanted in on a share of the spoils of the Attorneys' continued unlawful
7 collection of fees from Affected Consumers. He should now share in the
8 consequences of those spoils as well.¹⁰⁰

9 **E. Severe Coercive And Compensatory Sanctions Are Warranted.**

10 Once a party is found in contempt, the Court has wide discretion in
11 determining the appropriate sanctions.¹⁰¹ Sanctions for civil contempt may be
12 imposed "for either or both of two purposes; to coerce the defendant into
13 compliance with the court's order, and to compensate the complainant for losses
14 sustained."¹⁰² A court may "excuse minor, technical, or good faith violations of an
15 injunction," but it "likewise has discretion to punish substantial violations when
16 appropriate."¹⁰³

17 **1. Coercive sanctions are warranted.**

18 Courts have broad discretion in designing a contempt sanction that will
19 ensure compliance with the court's orders.¹⁰⁴ The two paradigmatic civil contempt
20 sanctions are imprisonment and a per diem fine imposed for each day a contemnor
21

22 ¹⁰⁰ To the extent the Court concludes that there is not yet clear and convincing
23 evidence to find Aiono or Seila Law in contempt, the Bureau requests leave to
24 conduct limited discovery of Aiono, Seila Law, and the Attorneys and to file
25 supplemental evidence with the Court.

26 ¹⁰¹ *United States v. United Mine Workers of Am.*, 330 U.S. 258, 303-04 (1947).

27 ¹⁰² *Id.*

28 ¹⁰³ *Irwin*, 370 F.3d at 932.

¹⁰⁴ *Falstaff Brewing Corp v. Miller Brewing Co.*, 702 F.2d 770, 779-80 (9th Cir. 1983).

1 fails to comply with an affirmative court order.¹⁰⁵ Per diem fines exert a constant
2 coercive pressure, and once the commands of the injunction are obeyed, daily fines
3 may be purged.¹⁰⁶

4 The Court has already held the Attorneys in contempt for violating the terms
5 of the Injunction Order and warned the Attorneys that the Court would impose a
6 \$10,000 per day sanction for continued violations.¹⁰⁷ Pursuant to the Contempt
7 Order, the Bureau respectfully requests that the Court order the Attorneys to
8 immediately pay a sanction of \$10,000 per day for each day between October 10,
9 2015 and the date of the issuance of the Court's ruling on this *Ex Parte*
10 Application.

11 Moreover, in light of the Attorneys' conduct over the past four months, it is
12 evident that the threat of a \$10,000 per day coercive sanction is ineffective at
13 deterring the Attorneys from continuing to violate the rights of consumers. The
14 Bureau therefore respectfully requests that the Court issue an Order imposing a
15 \$100,000 per day sanction for each day that the Attorneys continue to violate the
16 Court's Orders moving forward.

17 The Bureau also requests that the Court order Mr. Aiono and Seila Law be
18 held jointly and severally liable for the sanctions imposed on the Attorneys.

19 **2. Compensatory sanctions are warranted.**

20 Ordinarily, the amount of a compensatory sanction is the actual damage
21 caused to the petitioner by the respondent's contumacious act.¹⁰⁸ However, "a civil
22 compensatory sanction need not always be dependent upon proof of actual loss."¹⁰⁹

23
24 ¹⁰⁵ *United Mine Workers of Am. v. Bagwell*, 512 U.S. 821, 829 (1994).

25 ¹⁰⁶ *FTC v. Productive Mktg. Inc.*, 136 F. Supp. 2d 1096, 1112-13 (C.D. Cal. 2001)
26 (finding nonparty in civil contempt for failing to turn over assets to receivership
and issuing a per diem fine that doubled each day the nonparty failed to comply).

27 ¹⁰⁷ Doc. 386 at 44-45.

28 ¹⁰⁸ *United States v. Asay*, 614 F.2d 655, 660 (9th Cir. 1980).

¹⁰⁹ *In re: General Motors Corp.*, 110 F.3d 1003, 1018-19 fn. 16 (4th Cir. 1997).

1 In fact, courts are justified in ordering the contemnors to disgorge profits or gross
2 revenue generated from the illicit activity.¹¹⁰

3 Here, given that the Attorneys have preyed upon—and continue to prey
4 upon—the very consumers the Court seeks to protect, nothing less than full redress
5 to Affected Consumers is warranted. The Attorneys, as well as Aiono and Seila
6 Law, should be required to submit an updated accounting to the Bureau—this time,
7 with accurate information—demonstrating the total amount of payments they
8 received from Affected Consumers from June 18, 2015 (the date of the Injunction
9 Order) to the present, and to refund those payments to consumers through the
10 Bureau. The Attorneys should also be required to pay the Bureau its reasonable
11 expenses for administering the consumer refunds.

12 **3. The Attorneys, Aiono, and Seila Law Should be Held**
13 **Jointly and Severally Liable for Sanctions.**

14 Finally, any award of monetary relief should be entered jointly and severally
15 against each of the Attorneys, Aiono, and Seila Law since each is responsible for
16 the repeated violations of this Court's Orders.¹¹¹ Further, the injunctive relief the
17 Bureau requests should also be applied to Aiono and Seila Law.

18
19 _____
20 ¹¹⁰ *FTC v. Kuykendall*, 371 F.3d 745, 764 (10th Cir. 2004) (FTC may seek
21 contempt sanctions in an amount reflecting the defendants' gross receipts); *Asay*,
22 614 F.2d at 660 (finding no abuse of discretion in the imposition of a fine for
23 recovery of all expenses incurred where it was impossible to determine how much
24 money the government 'lost'); *Rebis v. Universal Cad Consultants, Inc.*, No. C-96-
25 4201 SC, 1998 U.S. Dist. LEXIS 12366, at *11 (N.D. Cal. Aug. 11, 1998)
(contempt sanction based on gross revenue generated from the illicit product is
warranted in order to deter future violations) (citing *Colonial Williamsburg Found.*
v. Kittinger Co., 792 F. Supp. 1397, 1407 (E.D. Va. 1992).

26 ¹¹¹ *NLRB v. AFL-CIO*, 882 F.2d 949, 955 (5th Cir. 1989) ("Where ... parties join
27 together to evade a judgment, they become jointly and severally liable for the
amount of damages resulting from the contumacious conduct."); *Colonial*
28 *Williamsburg Found.*, 792 F. Supp. at 1406 (same).

1 **V. THE BUREAU HAS COMPLIED WITH ALL NOTICE**
2 **REQUIREMENTS OF LOCAL RULE 7-19.1.**

3 Local Rule 7-19.1 requires *ex parte* applicants:

4 (a) to make reasonable, good faith efforts orally to advise counsel for
5 all other parties, if known, of the date and substance of the proposed
6 *ex parte* application and (b) to advise the Court in writing and under
7 oath of efforts to contact other counsel and whether any other counsel,
8 after such advice, opposes the application.

9 As the attached Declaration of R. Gabriel D. O'Malley demonstrates, the
10 Bureau has fulfilled the notice requirements of Local Rule 7-19. Mr. O'Malley,
11 who is counsel for the Bureau, contacted counsel for the Attorneys, Sean A.
12 O'Keefe, on February 15, 2016, via telephone to inform the Attorneys that the
13 Bureau would file this *ex parte* application. Mr. O'Keefe informed Mr. O'Malley
14 that the Attorneys would oppose the application.¹¹²

15 Pursuant to Local Rule 7-19, the name, address, telephone number and e-
16 mail address of counsel for the Attorneys are as follows: Sean A. O'Keefe;
17 O'Keefe & Associates Law Corp., P.C.; 4675 MacArthur Court, Suite 550;
18 Newport Beach, CA, 92660; 949-334-4135; sokeefe@okeefelc.com.¹¹³

19 Mr. O'Malley also called Mr. Aiono and Seila Law, LLC, on February 15,
20 2016, via telephone to inform them that the Bureau would file this *ex parte*
21 application. Aiono informed Mr. O'Malley that he and Seila Law did not have
22 counsel but were in the process of obtaining representation. Aiono stated that
23 counsel would call the Bureau on February 16, 2016 and stated that the Bureau
24 should discuss its application with counsel. On February 16, 2016, an attorney
25 named W. Thomas Gilman called me and informed me that he had been in contact
26 with Aiono, but that Aiono had not retained him. Neither Aiono nor Seila Law has
27 been in contact with the Bureau since Aiono referred the Bureau to Gilman.¹¹⁴

28 ¹¹² O'Malley Decl. ¶ 7.

¹¹³ *Id.* ¶ 8.

¹¹⁴ *Id.* ¶ 9.

1 Pursuant to Local Rule 7-19, the contact information of the only counsel the
2 Bureau is aware of who may represent Aiono and Seila Law in this matter is as
3 follows: W. Thomas Gilman, Hinkle Law Firm, 301 North Main Street, Suite
4 2000, Wichita, KS, 67202-4820; 316-267-2000; tgilman@hinklaw.com.¹¹⁵

5 **VI. CONCLUSION**

6 For the foregoing reasons, the Bureau respectfully requests that the Court
7 grant its *ex parte* application and enter an Order holding Vincent Howard, Howard
8 Law, PC, Williamson & Howard, LLP, Aissac Aiono, and Seila Law, LLC in
9 contempt, and imposing coercive and compensatory monetary sanctions.

10
11
12 Respectfully submitted,

13 Dated: February 18, 2016

14 CARA PETERSEN
15 Deputy Enforcement Director for
16 Litigation

17 /s/ R. Gabriel D. O'Malley
18 R. Gabriel D. O'Malley
19 Jan Singelmann
20 Amy Radon
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22 Bureau
23 1700 G Street NW
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26
27

28 ¹¹⁵ *Id.* ¶ 10.