
UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No.: SACV 13-01267-JLS (JEMx)

Date: October 19, 2015

Title: Consumer Financial Protection Bureau v. Morgan Drexen Inc. et al.

Present: **Honorable JOSEPHINE L. STATON, UNITED STATES DISTRICT JUDGE**

Terry Guerrero
Deputy Clerk

N/A
Court Reporter

ATTORNEYS PRESENT FOR PLAINTIFF:
Not Present

ATTORNEYS PRESENT FOR DEFENDANT:
Not Present

**PROCEEDINGS: (IN CHAMBERS) ORDER REGARDING DAMAGES AND
THE ENTRY OF A DEFAULT JUDGMENT AS TO MORGAN
DREXEN**

On September 10, 2015, Plaintiff Consumer Financial Protection Bureau (“CFPB”) and Ledda filed a Joint Motion to Enter Stipulated Final Judgment and Order as to Defendant Walter J. Ledda. (Joint Mot., Doc. 367.) CFPB and Ledda request that the Court enter their Proposed Stipulated Final Judgment and Order as to Defendant Walter J. Ledda. (Id. at 1; *see* Proposed Order, Doc. 367-1.) For the following reasons, and with certain modifications as noted below, the Court will enter Judgment concurrently with this Minute Order.

By way of background, the Court notes that on July 7, 2015, the parties were ordered to submit supplemental briefing regarding “whether the Court must wait until adjudication of this matter with respect to [Defendant Walter] Ledda to issue *one final judgment*” pertaining to both Ledda and Defendant Morgan Drexen, Inc. (Order, Doc. 329 (emphasis added).) After reviewing the papers submitted by the parties, the Court agreed that waiting until the conclusion of Ledda’s trial before taking any further action in regards to the terminating sanctions against Morgan Drexen was warranted. (Order, Doc. 340.) However, despite the Court’s stated intention to issue “one final judgment” in this matter, (*see* Order, Doc. 329), in submitting the current proposed judgment as to

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No.: SACV 13-01267-JLS (JEMx)

Date: October 19, 2015

Title: Consumer Financial Protection Bureau v. Morgan Drexen Inc. et al.

Ledda only, the parties failed to offer any argument for why the Court now has good cause to issue separate, final judgments against Ledda and Morgan Drexen.

Nevertheless, the Court has independently reviewed the procedural history and circumstances of this case and finds that there is good cause to enter a final judgment against Ledda at this time. The Court already has issued terminating sanctions against Morgan Drexen (Doc. 284), frozen Morgan Drexen's assets (Doc. 289), and issued a permanent injunction Order (Doc. 306). Therefore, the only issue left to be determined in regards to Morgan Drexen is damages. In light of this procedural history, and based upon the stipulation between CFPB and Ledda, the Court finds that there is good cause to issue the Stipulated Final Judgment and Order as to Defendant Walter J. Ledda.

The Court notes, however, that it has deleted certain portions of the Proposed Stipulated Final Judgment and Order. Specifically, CFBP and Ledda included in the proposed "Findings" section certain purported facts relating to entities or individuals other than Ledda and Morgan Drexen. The Court will not enter an order or judgment containing those purported facts.

Finally, the Court ORDERS CFBP to promptly file a motion for default judgment against Morgan Drexen, in which it offers evidence as to the damages resulting from Morgan Drexen's illegal conduct. Once the Court has made its determination of damages, the Court then will direct CFBP to file a proposed final judgment as to Morgan Drexen.

Initials of Preparer: tg