

ORIGINAL

FILED

1 Paul Duffy  
2 2 N. LaSalle St., 13th Floor  
3 Chicago, IL 60602  
4 Telephone: (312) 952-6136

2013 MAY 23 PM 4: 04

CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

BY: AP

5 *In Propria Persona*

6 **IN THE UNITED STATES DISTRICT COURT FOR THE**  
7 **CENTRAL DISTRICT OF CALIFORNIA**

8 **INGENUITY13 LLC,**

9 *Plaintiff,*

10 v.

11 **JOHN DOE,**

12 *Defendant.*

**Case No. 2:12-cv-08333-ODW(JCx)**

**PAUL DUFFY'S MOTION FOR  
APPROVAL OF BOND AND ORDER  
STAYING ENFORCEMENT OF  
MAY 6 AND MAY 21 ORDERS  
IMPOSING SANCTIONS AND  
PENALTIES**

Date: June 24, 2013  
Time: 1:30 p.m.

Judge: Hon. Otis D. Wright, II  
Magistrate Judge: Hon. Jacqueline  
Chooljian

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18 Pursuant to Rule 62(d) of the Federal Rules of Civil Procedure, movant Paul  
19 Duffy ("Duffy") respectfully requests that the Court approve the supersedeas bond,  
20 which was posted with the District Court on May 22, 2013,<sup>1</sup> and thereby stay  
21 enforcement of the May 6, 2013, and the May 21, 2013, Orders imposing monetary  
22 sanctions and penalties. The May 6, 2013, sanctions award (Dkt. 130) was in the  
23 amount of \$81,319.72. In its May 21, 2013, Order assessing further penalties and  
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27 <sup>1</sup> A true and correct and conformed copy of which is attached hereto as Exhibit A.

1 denying Prenda Law, Inc.'s Application for a Stay of the Proceedings (Dkt. 164), the  
2 Court indicated that it would approve a supersedeas bond in the amount of the May 6,  
3 2013, sanctions order.<sup>2</sup> Movant attempted to meet and confer with opposing counsel  
4 Morgan Pietz on the type and amount of the bond. A compromise could not be  
5 reached, but this Court's May 21, 2013, Order thereafter delineated the requirements  
6 for a supersedeas bond. The moving party believes that the bond posted with the  
7 Court on May 22, 2013, satisfies the requirements of the Court's May 21 Order, and  
8 that the amount will cover both the Court's original May 6, 2013, sanctions order and  
9 the imposition of penalties in the May 21, 2013, Order. *See* Exhibit A.

13 Duffy respectfully requests that the Court approve the supersedeas bond and  
14 grant the requested stay of enforcement of the May 6 and May 21 Orders. Under  
15 Ninth Circuit law, the purpose of a supersedeas bond is to secure an appellee from a  
16 loss that may result from the stay. *Rachel v. Banana Republic, Inc.*, 831 F.2d 1503,  
17 1505 n.1 (9th Cir. 1987). The posting of a bond protects the prevailing party from the  
18 risk of a later uncollectible judgment and compensates for delay in the entry of the  
19 final judgment. *NLRB v. Westphal*, 859 F.2d 818, 819 (9th Cir. 1988).

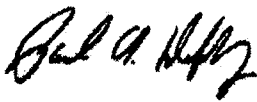
22 Duffy believes the form and bond of surety to be acceptable to the Clerk's  
23 office because (1) the surety, SureTec Insurance Company, is approved by the United  
24

25 <sup>2</sup> The principal amount of the bond posted is \$101,650.00. The overage amount is intended to cover  
26 the additional sanctions imposed by the Court in its May 21, 2013 order. Because the sanctions  
27 calculation was subject to different interpretations, the bond, out of an abundance of caution was in  
the amount of 125% of the original sanctions award.

1 States Department of the Treasury, Bureau of Financial Management (see  
 2 <https://www.federalregister.gov/articles/2012/07/02/2012-15800/companies-holding->  
 3 [certificates-of-authority-as-acceptable-sureties-on-federal-bonds-and-as,](https://www.federalregister.gov/articles/2012/07/02/2012-15800/companies-holding-)  
 4  
 5 “Companies Holding Certificates of Authority as Acceptable Sureties on Federal  
 6 Bonds and as Acceptable Reinsuring Companies,” U.S. Department of the Treasury,  
 7 July 2, 2012); and (2) the agent of the surety resides in the District and has executed  
 8 the bond as attorney-in-fact. (See Exhibit A.) The bond thus provides the appellee  
 9 with protection while Duffy pursues his right to appellate review. The undersigned  
 10 therefore respectfully requests that the Court approve the bond and issue an order  
 11 staying the enforcement of the May 6, 2013, and May 21, 2013, Orders imposing  
 12 sanctions and penalties upon Duffy.  
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16 For the foregoing reasons, Duffy respectfully requests that this  
 17 Court grant this Motion and approve the supersedeas bond posted with the Court on  
 18 May 22, 2013, and stay enforcement of the Court’s orders imposing sanctions and  
 19 penalties pursuant to Rule 62(d) of the Federal Rules of Civil Procedure.  
 20

21  
 22 DATED: May 23, 2013

23 By:   
 24 Paul Duffy  
 25 2 N. LaSalle St., 13th Floor  
 26 Chicago, IL 60602  
 27 Telephone: (312) 952-6136  
 28 *In Propria Persona*

# SureTec Insurance Company

THE UNITED STATE DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

INGENUITY 13 LLC,  
Plaintiff,

v.

JOHN DOE,  
Defendant.

**COPY**

No. 1:12-cv-9333-ODW(JC)

UNDERTAKING FOR \_\_\_\_\_

Appeal

WHEREAS, the above named Ingenuity 13 LLC, John Steel, Paul Hansmeier, Paul Duffy, AF Holdings LLC & Prenda Law Inc. desire(s) to give undertaking for Supersedeas as provided by section 917.1 of California Code of Civil Procedure and as provided by applicable rules of the Federal Rules of Civil Procedure.

NOW, THEREFORE, the undersigned surety, does hereby obligate itself, jointly and severally to John Doe

under said statutory obligations in the sum of One Hundred and One Thousand, Six Hundred and Fifty and NO/100's Dollars (\$ 101,650.00 ).

IT IS FURTHER AGREED by the Surety, that in case of default or contumacy on the part of the Surety, the Court may, upon notice to it of not less than ten days, proceed summarily and render judgment against it in accordance with their obligation and award execution thereon.

Signed, sealed and dated this 16th day of May, 2013

BOND NO. 3347707

PREMIUM: \$1017.00

BY: Justin Buenaventura Attorney-in-fact

SureTec Insurance Company  
3033 5th Ave., Ste 300  
San Diego, CA 92103

LODGED  
CLERK, U.S. DISTRICT COURT  
**MAY 22 2013**  
CENTRAL DISTRICT OF CALIFORNIA  
BY \_\_\_\_\_

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California

County of Los Angeles

COPY

On 5/11/13 before me, Jennifer Wayne, notary public  
Date Here Insert Name and Title of the Officer

personally appeared Justin Buchaventura  
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

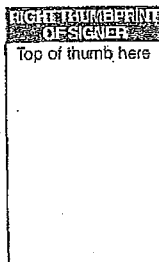
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer(s)**

Signer's Name: \_\_\_\_\_

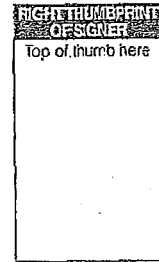
- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_



Signer Is Representing: \_\_\_\_\_

POA #: 510376

# SureTec Insurance Company **COPY**

## LIMITED POWER OF ATTORNEY

Know All Men by These Presents, That SURETEC INSURANCE COMPANY (the "Company"), a corporation duly organized and existing under the laws of the State of Texas, and having its principal office in Houston, Harris County, Texas, does by these presents make, constitute and appoint

Jennifer Wayne, Will Mingram, Ryan Tash, Kevin J. Phillips, Alfonso Lujan,  
Sylvia Diane Caneva, John D. Strong, Oscar Zachary Gallegos, Justin Buenaventura

its true and lawful Attorney-in-fact, with full power and authority hereby conferred in its name, place and stead, to execute, acknowledge and deliver any and all bonds, recognizances, undertakings or other instruments or contracts of suretyship to include waivers to the conditions of contracts and consents of surety for:

Five Million and 00/100 Dollars (\$5,000,000.00)

and to bind the Company thereby as fully and to the same extent as if such bond were signed by the President, sealed with the corporate seal of the Company and duly attested by its Secretary, hereby ratifying and confirming all that the said Attorney-in-Fact may do in the premises. Said appointment shall continue in force until 12/31/2015 and is made under and by authority of the following resolutions of the Board of Directors of the SureTec Insurance Company:

*Be it Resolved*, that the President, any Vice-President, any Assistant Vice-President, any Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint any one or more suitable persons as Attorney(s)-in-Fact to represent and act for and on behalf of the Company subject to the following provisions:

*Attorney-in-Fact* may be given full power and authority for and in the name of and of behalf of the Company, to execute, acknowledge and deliver, any and all bonds, recognizances, contracts, agreements or indemnity and other conditional or obligatory undertakings and any and all notices and documents canceling or terminating the Company's liability thereunder, and any such instruments so executed by any such Attorney-in-Fact shall be binding upon the Company as if signed by the President and sealed and effected by the Corporate Secretary.

*Be it Resolved*, that the signature of any authorized officer and seal of the Company heretofore or hereafter affixed to any power of attorney or any certificate relating thereto by facsimile, and any power of attorney or certificate bearing facsimile signature or facsimile seal shall be valid and binding upon the Company with respect to any bond or undertaking to which it is attached. (Adopted at a meeting held on 20<sup>th</sup> of April, 1999.)

In Witness Whereof, SURETEC INSURANCE COMPANY has caused these presents to be signed by its President, and its corporate seal to be hereto affixed this 21st day of March, A.D. 2013.

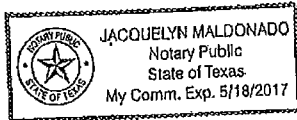
SURETEC INSURANCE COMPANY

By: [Signature]  
John Knox Jr., President



State of Texas                    ss:  
County of Harris

On this 21st day of March, A.D. 2013 before me personally came John Knox Jr., to me known, who, being by me duly sworn, did depose and say, that he resides in Houston, Texas, that he is President of SURETEC INSURANCE COMPANY, the company described in and which executed the above instrument; that he knows the seal of said Company; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said Company; and that he signed his name thereto by like order.



[Signature]  
Jacquelyn Maldonado, Notary Public  
My commission expires May 18, 2017

I, M. Brent Beaty, Assistant Secretary of SURETEC INSURANCE COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a Power of Attorney, executed by said Company, which is still in full force and effect; and furthermore, the resolutions of the Board of Directors, set out in the Power of Attorney are in full force and effect.

Given under my hand and the seal of said Company at Houston, Texas this 16th day of MAY, 2013, A.D.

[Signature]  
M. Brent Beaty, Assistant Secretary

Any instrument issued in excess of the penalty stated above is totally void and without any validity.  
For verification of the authority of this power you may call (713) 812-0800 any business day between 8:00 am and 5:00 pm CST.

**RULE 65-5**  
**BOND OR UNDERTAKING - CERTIFICATE BY ATTORNEY**

THIS BOND (OR UNDERTAKING) HAS BEEN EXAMINED PURSUANT TO LOCAL  
RULE 65-3 AND IS RECOMMENDED FOR APPROVAL. IT  (IS NOT) REQUIRED  
BY LAW TO BE APPROVED BY A JUDGE.

DATED THIS 20<sup>th</sup> DAY OF MAY 2013

  
\_\_\_\_\_  
ATTORNEY

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
JUDGE



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

INGENUITY 13 LLC,

*Plaintiff,*

v.

JOHN DOE,

*Defendant.*

CASE NO. 2:12-CV-8333-ODW (JCx)

Judge: Hon. Otis D. Wright, II  
Magistrate Judge: Hon. Jacqueline Chooljian

**CERTIFICATE OF SERVICE**

IT IS HEREBY CERTIFIED THAT:

I, the undersigned, am a citizen of the United States and am at least eighteen years of age. My business address is 2 N. LaSalle Street, Chicago, IL 60602. I have caused service of:

**PAUL DUFFY'S NOTICE OF MOTION AND MOTION FOR APPROVAL OF BOND AND ORDER STAYING ENFORCEMENT OF MAY 6, 2013, AND MAY 21, 2013, ORDERS IMPOSING SANCTIONS AND PENALTIES**

On the following parties by mailing a copy of the foregoing document to each of the parties and third-parties identified below via first class U.S. Mail, postage prepaid.

<b>PARTY/THIRD PARTY</b>	<b>COUNSEL OF RECORD/PRO SE</b>
Brett L. Gibbs 28 Altamont Ave. Mill Valley, CA 94941	Brett.gibbs@gmail.com Specially Appearing in Pro Per
Prenda Law, Inc. 161 N. Clark St., Suite 3200 Chicago, IL 60601 800.380.0840	Klinedinst PC 501 West Broadway, Suite 600 San Diego, California 92101 Telephone: (619) 239-8131
Paul Duffy 2 N. La Salle St., 13th Floor Chicago, IL 60602 312.952.6136	Pro Se
John Steele	Pro Se



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1111 Lincoln Rd., Suite 400 Miami Beach, FL 33139 708.689.8131	
Angela Van Den Hemel c/o Prenda Law, Inc. 161 N. Clark St., Suite 3200 Chicago, IL 60601 800.380.0840	Pro Se
Non-Party Steele Hansmeier PLLC	Company formally dissolved in 2011
Non-Party 6881 Forensics, LLC Springates East Government Road Charlestown, Nevis	Pro Se
Plaintiff Ingenuity13, LLC and related-case plaintiff AF Holdings, LLC	Brett L. Gibbs, Esq. (SBN 251000) Of Counsel to Prenda Law Inc. 38 Miller Avenue, Suite 263 Mill Valley, CA 94941 415-325-5900 blgibbs@wefightpiracy.com
Non-Party Putative John Doe	Morgan Pietz The Pietz Law Firm 3770 Highland Ave., Ste. 206 Manhattan Beach, CA 90266 Telephone: (310) 424-5557

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 23, 2013.



\_\_\_\_\_  
Signature