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FILED
Superior Court of California
County of Los Angeles
07/30/2024

David W. Slayton, Executive Officer / Clerk of Court
By: E. Muñoz Deputy

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11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
12 **COUNTY OF LOS ANGELES**

13 HOWARD MANN, on behalf of himself and
14 all others similarly situated,

15 Plaintiff,

16 v.

17 SEAN MOORE, MIRANDA GOMEZ, and
18 DOES 1 through 200, inclusive,

19 Defendants.

Case No. 24STCV17012

~~PROPOSED~~ **PRELIMINARY
INJUNCTION ORDER**

Judge: Hon. William F. Highberger
Place: 312 N. Spring Street
Los Angeles, CA 90012, Dept. 10

1 This Court has previously considered Plaintiff's *Ex Parte* Application for a Temporary
2 Restraining Order and OSC Re: Preliminary Injunction. On July 17, 2024, the Court issued an Order
3 for Temporary Restraining Order and to Show Cause (the "TRO").

4 Now pending before the Court is whether to grant Plaintiff a preliminary injunction. This
5 matter was scheduled for hearing and heard on July 29, 2024. This Court finds that Defendants and
6 the entities enjoined by the TRO were provided with fair and adequate notice of this hearing, properly
7 informed of the nature of this hearing, and informed of their right to be heard. No response to the
8 Order to Show Cause was filed with the Court, and no defendant or any party to be enjoined appeared
9 at the hearing.

10 The Court has reviewed and considered the evidence, which includes the Verified Complaint
11 and the Declarations of Plaintiff Howard Mann, Charles Zach, and Shaun Martin. The Court has also
12 heard and considered the arguments of Plaintiff's counsel.

13 This case involves the alleged theft of cryptocurrency using a scheme known as "pig
14 butchering." Typically, these scams involve the promise of returns through deceit using fake websites
15 that mimic legitimate cryptocurrency trading platforms, job sites, or investment companies. Once
16 victims transfer large sums, typically in cryptocurrency—the "fattening"—the perpetrators and the
17 victims' assets disappear—the "butchering." Despite variations, the scheme always ends with the
18 proceeds being moved beyond reach through cryptocurrency channels, as happened in this case.

19 In this case, however, perpetrators used scare tactics and deceit by impersonating Department
20 of Water and Power employees. They threatened the immediate shut-off of Plaintiff Howard Mann's
21 services if he did not make an immediate payment. The scammers, identifying themselves as "Sean
22 Moore" and "Miranda Gomez," falsely claimed that Mr. Mann had failed to pay his utility bill on time
23 and demanded immediate payment in cryptocurrency to avoid shutting off water and power services
24 to his residence. Defendants convinced Mr. Mann to buy Bitcoin at an ATM and transfer it to them
25 via a provided QR code. After the transfer, they falsely claimed non-receipt and instructed him to
26 make additional deposits. This pattern continued, with Mr. Mann repeatedly depositing cash at the
27 Bitcoin ATM, ultimately totaling \$10,070. Inca Digital Inc. ("Inca"), a digital asset intelligence
28 company, and Charles Zach, Lead Illicit Finance Investigator at Inca, successfully traced funds and

1 connected the Defendants' transactions. They followed the trail and identified several cryptocurrency
2 wallets that held or currently hold the funds belonging to the Plaintiff and other likely victims of
3 similar "pig butchering" schemes.

4 The TRO froze the digital wallets which held and/or hold the cryptocurrency funds of Plaintiff
5 and others who were likely victims of similar "pig butchering" schemes. Plaintiff now seeks a
6 preliminary injunction that would serve to continue the freeze of those wallets.

7 Pursuant to California Code of Civil Procedure § 527(b), when ruling on a request for a
8 preliminary injunction, courts must evaluate two factors: "(1) the likelihood that the plaintiff will
9 prevail on the merits at trial and (2) the interim harm that the plaintiff would be likely to sustain if the
10 injunction were denied as compared to the harm the defendant would likely to suffer if the preliminary
11 injunction were issued." *Smith v Adventist Health System/West* (2010) 182 Cal.App.4th 729, 749.
12 These two factors are interrelated; the greater plaintiff's showing on one, the less must be shown on
13 the other to support the issuance of preliminary relief. *Butt v. State of California* (1992) 4 Cal.4th 668,
14 678. In deciding whether to issue provisional relief, a court must exercise its discretion "in favor of
15 the party most likely to be injured If denial of an injunction would result in great harm to the
16 plaintiff, and the defendants would suffer little harm if it were granted, then it is an abuse of discretion
17 to fail to grant the preliminary injunction." *Robbins v. Superior Court (County of Sacramento)* (1985)
18 38 Cal.3d 199, 205.

19 The Court is satisfied that without the injunction, Plaintiff would suffer great harm as compared
20 to Defendants. Cryptocurrency theft schemes threaten irreparable injury and loss absent injunctive
21 relief due to the risk of anonymous and speedy asset dissipation. It would be a simple matter for
22 Defendants to transfer cryptocurrency to unidentified recipients outside the traditional banking system
23 and effectively place the assets at issue in this matter beyond the reach of the Court. Here, through
24 substantial effort, the current location of the cryptocurrency has been established. But that location
25 can change quickly because Defendants can quickly and easily move the cryptocurrency to other
26 digital wallets, continuing to put those assets outside the reach of victims and this Court. The only way
27 to prevent this irreparable harm is to freeze the digital wallets that currently hold the cryptocurrency,
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1 thereby preventing Defendants – until this Court decides otherwise – from transferring the
2 cryptocurrency to parts unknown.

3 Based on the foregoing, it is **ORDERED** that:

4 1. Plaintiff's request for a preliminary injunction is **GRANTED** pursuant to California
5 Code of Civil Procedure § 527(b).

6 2. Defendants SEAN MOORE and MIRANDA GOMEZ, and non-parties Binance
7 Holdings Ltd. ("Binance"), and Mek Global Limited, Phoenix, Fin PTE Ltd., Flashdot Limited, and
8 Peken Global Limited ("KuCoin"), and/or any of their agents, servants, employees, attorneys,
9 affiliates, partners, successors, assigns, subsidiaries, or any other persons through which they act, or
10 who act in active concert or participation with any of them, and any individual or entity who receives
11 actual notice of this Order through personal service or otherwise, whether acting directly or through
12 any trust, corporation, subsidiary, division or other device, or any of them [(collectively, the "Enjoined
13 Parties")], are hereby enjoined from withdrawing, transferring, selling, encumbering, or otherwise
14 altering any of the cryptocurrency or assets held in the wallets identified in Appendix A of this Order,
15 whether such property is located inside or outside of the United States of America.

16 3. Plaintiff's attorneys shall cause a copy of this Order to be served upon the person or
17 persons controlling the wallets identified in Appendix A of this Order via a special purpose token or
18 similar device delivered into each of the wallets identified in Appendix A of this Order, and each of
19 these service tokens will contain a hyperlink to a website maintained by Plaintiff's counsel that will
20 include both this Order and all papers upon which it is based. The hyperlink will include a mechanism
21 to track when a person clicks on the hyperlink. This process shall constitute actual notice of this Order
22 and sufficient service of process on Defendants and the person or persons controlling the
23 corresponding wallet addresses identified in Appendix A of this Order.

24 4. Binance and KuCoin, and/or any of their agents, servants, employees, attorneys,
25 partners, affiliates, successors, assigns, subsidiaries, or any other persons through which they act, or
26 who act in active concert or participation with any of them, who receive actual notice of this Order by
27 personal service or otherwise, are hereby directed, within twenty-four (24) hours of receiving actual
28 notice of this Order to provide notice of the same to any of their customers associated with any of the

wallet addresses identified in Appendix A of this Order, including Defendants SEAN MOORE and MIRANDA GOMEZ, and provide counsel for Plaintiff a copy of such notice.

5. Binance and KuCoin, and/or any of their agents, servants, employees, attorneys, partners, affiliates, successors, assigns, subsidiaries, or any other persons through which they act, or who act in active concert or participation with any of them, who receive actual notice of this Order by personal service or otherwise, are hereby directed, within ten (10) days of receiving actual notice of this Order to provide Plaintiff's attorneys with the type and total amount of cryptocurrency and assets contained within each wallet addressed identified in Appendix A of this Order as of the date of this Order.

6. The Court determines in its discretion that no bond is required. The Court has reviewed *Smith v. Adventist Health Systems West* (2010) 182 Cal.App.4th 729, 742-44. The Court determines that Defendants' failure to oppose or file any opposition to the Order to Show Cause constitutes a waiver and forfeiture of the bond requirement. On that basis, no bond will be required of Plaintiff for issuance of the preliminary injunction. In similar cryptocurrency scheme cases, courts have found a zero-bond appropriate when "there is no evidence before the court demonstrating that defendant will suffer any damages as a result of the requested temporary restraining order." *Jacobo v. Doe*, 2022 U.S. Dist. LEXIS 101504, *18 (E.D. Cal. June 7, 2022). Here, the provisional relief sought is to freeze stolen cryptocurrency in the traced wallet addresses. Since Defendants have no rightful claim to this stolen property, they will not incur damages from being restrained from further transferring these assets.

6. Until such time as the Court issues an order that either terminates, modifies, or converts it into permanent injunction, the preliminary injunction set forth in this Order shall remain in full force and effect.

IT IS SO ORDERED.

DATED: 07/30/2024



W. F. Highberger

William F. Highberger / Judge
Judge of the Superior Court