

LOGGED

1 DEBRA W. YANG  
United States Attorney  
2 SANDRA B. BROWN  
Assistant United States Attorney  
3 Chief, Tax Division  
ROBERT F. CONTE (SBN 157582)  
4 Assistant United States Attorney  
Room 7211 Federal Building  
5 300 North Los Angeles Street  
Los Angeles, California 90012  
6 Telephone: (213) 894-6607  
Facsimile: (213) 894-0115

7  
8 ADAM F. HULBIG  
Trial Attorney, Tax Division  
U.S. Department of Justice  
9 P.O. Box 683, Ben Franklin Station  
Washington, D.C. 20044  
10 Telephone: (202) 514-6061  
Facsimile: (202) 307-0054  
11 adam.f.hulbig@usdoj.gov

12 Attorneys for United States of America

13 UNITED STATES DISTRICT COURT  
14 FOR THE CENTRAL DISTRICT OF CALIFORNIA

15 UNITED STATES OF AMERICA, ) No. EDCV 04-1566 VAP (SGLx)  
16 Plaintiff, )  
17 v. ) ~~Proposed~~ TEMPORARY RESTRAINING  
18 ) ORDER AND ORDER TO SHOW CAUSE  
19 ) WHY DEFENDANTS SHOULD NOT BE  
N.C.K. SERVICES, INC., ) PRELIMINARILY ENJOINED FROM  
20 CARLA D. BERRY; KAREN D. ) PREPARING INCOME TAX RETURNS  
BERRY; and IVAN T. JOHNSON, )  
21 Defendants. )  
22 )  
23 )

24 The United States' Ex Parte Application for Temporary  
25 Restraining and Order to Show Cause Why Defendants Should Not Be  
26 Preliminarily Enjoined from Preparing Income Tax Returns having  
27 come before the Court, and good cause appearing therefor, namely  
28

FILED  
CLERK, U.S. DISTRICT COURT  
MAR 15 2006  
CENTRAL DISTRICT OF CALIFORNIA  
EASTERN DIVISION BY DEPUTY

1 evidence showing that (i) Defendants have prepared thousands of  
2 fraudulent income tax returns containing false and inflated  
3 deductions for home mortgage interest and other Schedule A  
4 deductions, most of which have resulted in undeserved refunds,  
5 (ii) the United States has suffered a significant tax loss as a  
6 result of Defendants' actions to date, and (iii) immediate and  
7 irreparable injury will result to the United States if Defendants  
8 are allowed to continue preparing income tax returns pending the  
9 July 25, 2006 trial on the merits of the United States' complaint  
10 for permanent injunctive relief, *if no opposition having been*  
*filed after proper notice,*

11 IT IS HEREBY ORDERED that:

12 The United States' Ex Parte Application for Temporary  
13 Restraining Order and Order to Show Cause Why Defendants Should  
14 Not Be Preliminarily Enjoined from Preparing Income Tax Returns  
15 is GRANTED, and

16 1. Defendants N.C.K. Services, Inc., Carla D. Berry, Karen  
17 D. Berry, and Ivan T. Johnson, and all other persons acting in  
18 concert with them, directly or indirectly, by use of any means or  
19 instrumentality, are ORDERED TO CEASE and are hereby TEMPORARILY  
20 RESTRAINED from preparing income tax returns within the meaning  
21 of 26 U.S.C. § 7701(a)(36), such order to remain in effect until

22 4:00 ~~a.m.~~/p.m. on the 24<sup>th</sup> day of March, 2006;

23 2. Government counsel shall serve a copy of this Order  
24 upon Defendants' counsel by personal delivery or facsimile on or  
25 before 4:00 ~~a.m.~~/p.m. on the 16<sup>th</sup> day of March, 2006;

26 and

vyp

1 3. Defendants shall respond by filing papers with the  
 2 Clerk of Court on or before 4:00 a.m./p.m. on the ~~22~~ day of  
 3 March, 2006, contemporaneously serving copies upon  
 4 Government counsel by personal delivery or facsimile, to SHOW  
 5 CAUSE WHY A PRELIMINARY INJUNCTION SHOULD NOT ISSUE to enjoin  
 6 Defendants, and all persons acting in concert with them, directly  
 7 or indirectly, by use of any means or instrumentality, from  
 8 preparing income tax returns within the meaning of 26 U.S.C. §  
 9 7701(a)(36) pending the July 25, 2006 trial on the merits of the  
 10 United States' complaint for permanent injunctive relief.

11 4. Defendants shall appear before this Court at 10:00  
 12 a.m./~~p.m.~~ on the ~~24~~<sup>24<sup>th</sup></sup> day of March, 2006 to show  
 13 cause, if any there be, why this Court should not enter a  
 14 preliminary injunction against said defendants enjoining them and  
 15 all persons acting in concert with them, directly or indirectly,  
 16 by use of any means or instrumentality, from preparing income tax  
 17 returns within the meaning of 26 U.S.C. § 7701(a)(36) pending the  
 18 July 25, 2006 trial on the merits of the United States' complaint  
 19 for permanent injunctive relief.

20  
 21 Dated: March 15, 2006

Virginia A. Phillips  
 VIRGINIA A. PHILLIPS  
 UNITED STATES DISTRICT JUDGE

vyp