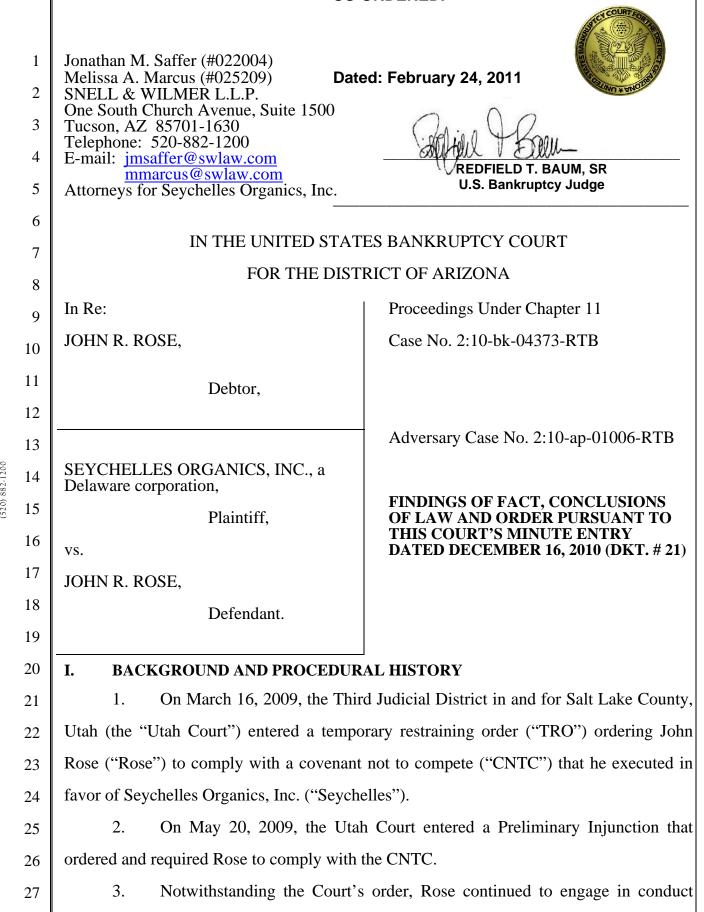
SO ORDERED.



that violated the CNTC.

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- 4. Accordingly, Seychelles filed a Motion and Order to Show Cause as to Why Defendant Rose Should Not Be Held In Contempt on February 3, 2010.
 - 5. The Utah Court set an Order to Show Cause hearing on February 23, 2010.
- 6. On February 22, 2010, the day before the Order to Show Cause hearing, Rose filed a Chapter 13 bankruptcy petition with this Court.
- 7. On March 10, 2010, Seychelles filed a Motion to Lift Stay for the limited purpose of allowing the Utah contempt proceeding to continue against Rose, and on June 4, 2010, Seychelles initiated this adversary proceeding.
- 8. On September 20, 2010, the parties filed their amended Joint Pretrial Statement (Dkt. # 15), which contains a statement of stipulated facts as well as a stipulation to admit certain witnesses and exhibits. The Amended Pretrial Statement is hereby incorporated by this reference, as if fully set forth herein. .
- 9. This matter came on for trial to the Court on November 10, 2010, and the Court admitted Exhibits 1 through 24 (see Dkt. # 19), which are hereby incorporated by this reference, as if fully set forth herein.
- 10. The Court returned its ruling on December 16, 2010 (Dkt. # 21), which is hereby incorporated by this reference as if fully set forth herein, and made the following findings of fact and conclusions of law:

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

- In November 2006, Seychelles purchased Rose's cosmetic products for a 11. price of seven million dollars and Rose gave Seychelles a CNTC. The CNTC precluded Rose or any Rose company from producing or selling any similar cosmetic products in the United States or Canada or to any prior customer of Seychelles.
 - 12. The CNTC had a term of three years.
- 13. Rose's employment with Seychelles ended on August 1, 2007 and Seychelles and Rose then entered into an independent contractor agreement.
 - 14. Seychelles sued Rose in Utah to enforce the CNTC.
 - 15. On March 6, 2009, by stipulation a TRO was entered enforcing the CNTC.

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16.	On May 20,	2009 that	TRO became	a preliminary	injunction
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- 17. During the period 2008 through most of 2010, Rose sold \$534,342.75 (gross sales) indirectly through his various companies cosmetic products.
- 18. Rose sold \$103,904 to Aarisse, a New Jersey company that was a customer of Rose prior to Rose's sale of cosmetic products to Seychelles.
- 19. Rose sold \$74,576.29 to Khonsu, another customer of Rose prior to Rose's sale of cosmetic products to Seychelles.
- Rose sold \$256,716.00 to Wisdom Natural Brands, a company located in 20. Gilbert, Arizona.
 - 21. The CNTC is valid and enforceable.
- 22. Rose violated the CNTC when companies that he was associated with sold products to Aarisse, Khonsu, Wisdom Natural Brands and other companies located in the United States.
 - 23. Seychelles was damaged by Rose's conduct.
- 24. Seychelles' damages that were incurred after the Utah Court entered the TRO and preliminary injunction are not dischargeable under Section 523(a)(6) because such post-order actions violate public policy.

III. **ORDER**

In light of the foregoing Findings of Fact and Conclusions of Law, IT IS HEREBY ORDERED that:

- 25. Rose's actions violated the CNTC:
- 26. Rose's actions violated the TRO and preliminary injunction entered by the Utah Court;
 - 27. Rose's actions damaged Seychelles in an as yet undetermined amount;
- 28. Seychelles' damages that were incurred after the Utah Court entered the TRO and preliminary injunction are not dischargeable in bankruptcy.

DATED AND SIGNED ABOVE