

DISTRICT COURT, EL PASO COUNTY, COLORADO El Paso County Combined Courts 270 S Tejon St, Colorado Springs, CO 80903	DATE FILED November 1, 2024 10:39 AM CASE NUMBER: 2024CV32098
<hr/> STATE OF COLORADO, <i>ex rel.</i> PHILIP J. WEISER, ATTORNEY GENERAL Plaintiff, v. U.S. ATLANTIC SOLUTIONS LLC dba CHAMPION CAR WARRANTY, JACK YEDID, AND RALPH ANTEBY, individuals. Defendants.	<hr/> <p style="text-align: center;">^ COURT USE ONLY ^</p> <hr/> Case No.: Div.:
[PROPOSED] ORDER ON PLAINTIFF'S MOTION FOR TEMPORARY RESTRAINING ORDER, PRELIMINARY INJUNCTION, AND ASSET FREEZE	

Having reviewed the evidence and considering the sworn and credible testimony provided by the State's witnesses, this Court finds and concludes that a Temporary Restraining Order and Preliminary Injunction against Defendants is necessary.

1. This Court has jurisdiction over this matter pursuant to § 6-1-110(1), C.R.S.
2. This Court is expressly authorized by § 6-1-110(1) to issue a temporary restraining order to prevent ongoing violations of the CCPA:

Whenever the attorney general or a district attorney has cause to believe that a person has engaged in or is engaging in any deceptive trade practice listed in section 6-1-105 or part 7 of this article, the attorney general or district attorney may apply for and obtain, in an action in the appropriate district court of this state, a temporary restraining order or injunction, or both, pursuant to the Colorado rules of civil procedure, prohibiting such person from continuing such practices, or engaging therein, or doing any act in furtherance thereof. The court may make such orders or judgments as may be necessary to prevent the use or employment by such person of any such deceptive trade practice or

which may be necessary to completely compensate or restore to the original position of any person injured by means of any such practice or to prevent any unjust enrichment by any person through the use or employment of any deceptive trade practice.

3. The State has shown from specific facts by affidavit, declarations, and/or testimony that Defendants' deceptive trade practices violate sections 6-1-105(1)(aa), (c), (e), and (i), C.R.S. These practices are injurious to the public and continued violations, if not enjoined, will cause immediate and irreparable injury, loss or damage. *Baseline Farms Two, LLP v. Hennings*, 26 P.3d 1209, 1212 (Colo. App. 2001); *Lloyd A. Fry Roofing Co. v. State Dept. of Air Pollution*, 553 P.2d 200 (Colo. 1976); *Rathke v. MacFarlane*, 648 P.2d 648 (Colo. 1982).

4. In view of the continuing harm to consumers established in the evidence and affidavits submitted by the State, the entry of a temporary restraining order is necessary and appropriate.

5. A preliminary injunction is also necessary and appropriate. The Court may grant a preliminary injunction when:

- a) there is a reasonable probability of success on the merits;
- b) there is a danger of real, immediate and irreparable injury which may be prevented by injunctive relief;
- c) there is no plain, speedy and adequate remedy at law;
- d) the granting of the preliminary injunction will not disserve the public interest;
- e) the balance of the equities favors entering an injunction; and
- f) the injunction will preserve the status quo pending a trial on the merits.

Rathke v. MacFarlane, 648 P.2d 648, 653-54 (Colo. 1982); *see also Gitlitz v. Bellock*, 171 P.3d 1274, 1278 (Colo. App. 2007).

6. Based on the evidence presented by the State in its Motion and exhibits, the Court finds there is a reasonable probability that the State will prove its claims against Defendants at trial. *Rathke v. MacFarlane*, 648 P.2d 648, 653-54 (Colo. 1982); *see also Gitlitz v. Bellock*, 171 P.3d 1274, 1278 (Colo. App. 2007).

7. Regarding the second *Rathke* factor, the Court finds that there is a danger of real, immediate and irreparable injury, which may be prevented by injunctive relief. *Rathke*, 648 P.2d at 653.

8. For the same reasons, the Court finds that, absent an injunction, there is no plain, speedy and adequate remedy at law. *Rathke*, 648 P.2d at 653-54.

9. The Court finds that the balance of the equities and the public interest favor the entry of an injunction. Without an injunction, the State will be unable to protect the public from Defendants' ongoing illegal activities.

10. In contrast, Defendants will not suffer undue hardship by the entry of an injunction. Requiring Defendants to follow the law does not impose hardship upon Defendants.

11. The State of Colorado will suffer real, immediate, and future harm and injury if an injunction, and an order freezing assets, are not granted, since it appears to the Court that Defendants have and will continue to violate the CCPA if not so restrained and enjoined.

12. Pursuant to C.R.C.P. Rule 65(c), the State is not required to provide a security bond.

IT IS HEREBY ORDERED PURSUANT TO C.R.S. § 6-1-110(1) AS FOLLOWS:

A. Effective immediately, this Court enjoins Defendants U.S. ATLANTIC SOLUTIONS LLC dba CHAMPION CAR WARRANTY, JACK YEDID and RALPH ANTEBY, any other person under their control or direction who receives actual notice of this Order, from:

1. Selling or disseminating any car warranty or motorcycle warranty motor vehicle service contracts in or from the state of Colorado.
2. Advertising, representing, or claiming, orally or in any form of writing (including but not limited to online or on paper) that Defendants can sell or disseminate any motor vehicle service contracts in or from the state of Colorado.
3. Operating, controlling or otherwise enabling the website www.championcarwarranty.com.
4. Collecting any monies, payments, or other consideration, owed in connection with the sale of any motor vehicle service contract in or from the state of Colorado.

B. In view of Defendants' fraudulent and deceptive practices perpetrated repeatedly in and outside Colorado, and given the substantial likelihood that the State will prevail on the merits, it is necessary and appropriate that Defendants and their officers, directors, agents, servants, employees, independent contractors and any other persons in active concert or participation with Defendants who receive actual notice of the Court's order, are enjoined from:

1. Withdrawing, transferring or otherwise encumbering any funds from any business account, including but not limited to those accounts in Defendants' names, at any financial institution or payment processor into which Defendants or their officers, directors, agents, servants, employees, independent contractors or any other persons in active concert or participation with Defendants deposited or transferred money received from consumers as a result of Defendants' deceptive business practices;

2. Negotiating any checks, money orders, wire transfers, drafts, or other negotiable instruments received by Defendants or their officers, directors, agents, servants, employees, independent contractors or any other persons in active concert or participation with Defendants as a result of Defendants' deceptive business practices;

3. Depositing or processing any credit card and debit card receipts obtained by Defendants or their officers, directors, agents, servants, employees, independent contractors or any other persons in active concert or participation with Defendants as a result of Defendants' deceptive business practices, and using any financial transaction device, such as a debit or credit card number, obtained from any consumer; and

4. Spending, transferring, giving away, or in any way disposing of any monies received by Defendants or their officers, directors, agents, servants, employees, independent contractors or any other persons in active concert or participation with Defendants as a result of Defendants' deceptive business practices.

5. The provisions above apply, but are not limited to, business accounts at the following banking institutions associated with Defendants: a TD Bank account ending in XXXXX56138 for US Atlantic Solutions LLC, a TD Bank account ending in XXXXX56592 for US

Atlantic Solutions LLC, a Chase Bank account ending in XXXX20815 for US Atlantic Solutions LLC, and a Bank of America account ending in XXXXX091423 for United Atlantic Solutions LLC .

6. The provisions above also apply, but are not limited to, business accounts with the following payment processing institutions associated with Defendants: Maverick Payments.

SO ORDERED THIS 1st DAY OF November, 2024, at 10:34 a.m.



DISTRICT COURT JUDGE

In accordance with C.R.C.P. 65(b), this Order expires by its terms within such time after entry not to exceed 14 days, as the Court fixes, unless within the time so fixed, the Order, for good cause shown, is extended for a like period or unless the party against whom the Order is directed consents that it may be extended for a longer period.

Subject to the foregoing and unless otherwise directed by the Court, this Order shall expire on November 15, 2024, at 10:34 a.m. Mountain Standard Time.

The parties may appear and be heard on the request for a preliminary injunction on November 8, 2024, at 1:30 p.m. in Division 14.