PRENDA LAW, INC.'S NOTICE OF APPEAL AND EMERGENCY MOTION TO THE NINTH CIRCUIT COURT OF APPEAL RE: THE DISTRICT COURT'S AMENDED ORDER (Dkt No. 177) 2:12-cv-8333-ODW(JCx)

In addition, Prenda Law will be filing with the Ninth Circuit Court of Appeals an emergency motion requesting alternative remedies pertaining to the District Court's Amended Order. The Motion will request one or more of the following remedies:

- 1. An order vacating the Amended Order in its entirety and instructing the District Court to grant and approve in its entirety, Paul Duffy's Motion.
- 2. An order modifying the Amended Order to impose a bond requirement upon the multiple appellants solely to cover any putative appellee's appellate costs, as opposed to the attorneys' fees incurred by any appellee during Prenda Law's appeal.
- 3. An order consolidating Prenda Law's appeal of the Amended Order with Prenda Law's underlying appeal of the sanctions order issued by the District Court in the order to show cause proceedings.

The bases for Prenda Law's appeal is that absent an underlying and *applicable* cost-shifting statute, the district courts may not impose a bond requirement for an appellee's attorneys' fees as a pre-condition to appeal. *See* Azizian v. Federated Dep't Stores, Inc., 499 F.3d 950, 958 (9<sup>th</sup> Cir. 2007).

The District Court, in its Amended Order, specifically cites to the Copyright Act as the basis by which it has imposed an additional bond requirement of just under \$136,000 for Prenda Law and its co-appellants. However, the District Court has no jurisdiction by which to award attorneys' fees pursuant to the Copyright Act, because Plaintiff in the underlying matter, pursuant to Federal Rule of Civil Procedure, Rule 41(a)(1), voluntarily dismissed the underlying copyright infringement action on January 28, 2013. Such dismissal is effective upon filing and removes the District Court's authority to rule on the merits of the action. *See* Commercial Space Mgmt. Co. v. Boeing Co., 193 F.3d 1074, 1077-78 (9<sup>th</sup> Cir. 1999). Thus, the Copyright Act cannot serve as a basis by which to impose the insuring of any putative appellee's attorneys' fees by way of a Federal Rules of

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Appellate Procedure, Rule 7, appellate bond.

Prenda Law shall also be challenging the conditions imposed upon Appellants by the District Court for the approval of both bonds imposed by the District Court.

Given the issues and legal authorities presented, and due to the onerous preconditions the District Court has imposed upon Prenda Law and its co-appellants, Prenda Law requests from the District Court an immediate, but temporary, stay of enforcement of the District Court's Amended Order to permit the Ninth Circuit Court of Appeals to resolve Prenda Law's pending emergency motion. Prenda Law will file its emergency motion with the Ninth Circuit Court of Appeals on or before Friday, June 14, 2013, and request from the Ninth Circuit a briefing schedule for any opposition or replies. Prenda Law will serve its motion and the Ninth Circuit's briefing schedule to all interested appellate parties.

## Klinedinst PC

DATED: June 12, 2013

Bv: /s/Philip W. Vinevard

Heather L. Rosing David M. Majchrzak Philip W. Vineyard

Attorneys for Specially Appearing for PRENDA LAW. INC.

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