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UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON, AT TACOMA

MORGAN STANLEY SMITH BARNEY  
LLC, a Delaware limited liability company,

Plaintiff,

v.

SCOTT MALOY, an individual,

Defendant.

NO. C14-5388

ORDER GRANTING PLAINTIFF'S  
MOTION FOR TEMPORARY  
RESTRAINING ORDER AND  
EXPEDITED DISCOVERY, AND  
ORDERING DEFENDANT TO SHOW  
CAUSE RE PRELIMINARY  
INJUNCTION

This matter came before the Court this 13 day of May, 2014, on Plaintiff's Motion for Temporary Restraining Order, Preliminary Injunction, and Order Granting Leave to Conduct Expedited Discovery. Due notice was given to Defendant Scott Maloy ("Maloy" or "Defendant") of said motion.

The Court, having considered the Complaint; the Motion for Temporary Restraining Order, Preliminary Injunction, and Expedited Discovery; the Declarations of Timothy Truebenbach and Carles Applying; and all pleadings, if any, submitted in opposition to the motion, and having heard argument of counsel, finds as follows:

ORDER GRANTING PLAINTIFF'S MOTION FOR  
TEMPORARY RESTRAINING ORDER AND EXPEDITED  
DISCOVERY, AND ORDERING DEFENDANT TO SHOW  
CAUSE RE PRELIMINARY INJUNCTION [PROPOSED]-1

LAW OFFICES OF  
**MILLS MEYERS SWARTLING**  
1000 SECOND AVENUE, 30TH FLOOR  
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TELEPHONE (206) 382-1000  
FACSIMILE (206) 386-7343

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2 1. Under Section 13804 of the FINRA Code of Arbitration Procedure, Morgan  
3 Stanley has the right to seek injunctive relief pending an arbitration hearing before a duly  
4 appointed Financial Industry Regulatory Authority (“FINRA”) Panel.

5 2. Morgan Stanley's rights with respect to its property, proprietary and confidential  
6 information, competitive interests, and contract rights with Defendant are being and will  
7 continue to be violated by Defendant unless Defendant is restrained in the manner set forth  
8 below.

9 3. Morgan Stanley will suffer irreparable harm and loss if Defendant is permitted  
10 to: (a) convert the property of Morgan Stanley to Defendant's own personal use and benefit  
11 and that of Linsco Private Ledger, Defendant's new employer; and (b) solicit the patronage of  
12 any Morgan Stanley clients whom Defendant serviced at Morgan Stanley or whose names  
13 became known to Defendant during his Morgan Stanley employment.

14 4. Morgan Stanley has no adequate remedy at law.

15 5. Greater injury will be inflicted upon Morgan Stanley if temporary injunctive  
16 relief were denied than would be incurred by Defendant if the relief requested by Morgan  
17 Stanley is granted.

18 6. The public interest would be served by a grant of the requested relief.

19 NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

20 A. A temporary restraining order shall be issued immediately. Defendant is hereby  
21 enjoined and restrained, directly or indirectly, whether acting alone or in concert with others,  
22 including any officer, agent, representative, and/or employee of Defendant's new employer,  
23 Linsco Private Ledger, from:

24 ORDER GRANTING PLAINTIFF'S MOTION FOR  
25 TEMPORARY RESTRAINING ORDER AND EXPEDITED  
DISCOVERY, AND ORDERING DEFENDANT TO SHOW  
CAUSE RE PRELIMINARY INJUNCTION [PROPOSED]-2

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2           1.     Soliciting any business from any client or customer whom Defendant  
3 served during his employment with Morgan Stanley, or any other customer or client of Morgan  
4 Stanley whose name became known to Defendant while in the employ of Morgan Stanley;

5           2.     Contacting for business purposes, whether in person, through others, by  
6 telephone or in writing (including, but not limited to, email, text-message, instant message, and  
7 any other electronic form of communication), any client or customer of Morgan Stanley whom  
8 Defendant served during his employment with Morgan Stanley or whose name became known  
9 to Defendant while employed by Morgan Stanley; and

10          3.     Using, disclosing, or transmitting for any purpose (including but not  
11 limited to the solicitation of said clients or customers), any information contained in the  
12 records of Morgan Stanley, including but not limited to the names, addresses, and financial  
13 information of said clients or customers.

14          B.     Defendant is hereby required to return to Morgan Stanley within one business  
15 day after entry of this Order if possible, and no later than two business days, all originals,  
16 copies, or other reproductions, in any form whatsoever, of any document or other form of  
17 recorded Morgan Stanley information.

18          C.     Defendant is hereby required to preserve all computer environments used by  
19 Defendant (including but not limited to desktop, laptop and hand-held computers or devices),  
20 whether they be utilized at Linsco Private Ledger, Defendant's residence, or elsewhere.  
21 Defendant shall make no changes to, deletions from, or modifications to any such computer  
22 environments.

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2 D. This Order shall remain in full force and effect through May 22, 2014, or until a  
3 ruling on the motion for preliminary injunction is issued, whichever is later, unless earlier  
4 expressly lifted by order of the Court.

5 E. This case is set for hearing on Morgan Stanley's Motion for Preliminary  
6 Injunction on May 22, 2014, at 10:00 a.m. The parties may file briefs in accordance with the  
7 following schedule:

8 1. Plaintiff Morgan Stanley's opening papers, if it wishes to submit any,  
9 shall be served on Defendant's counsel and filed no later than May 16, 2014, by 5:00 p.m.

10 2. Defendant's opposition papers shall be served on Plaintiff's counsel and  
11 filed no later than May 20, 2014, by 5:00 p.m.

12 3. Plaintiff Morgan Stanley's reply papers shall be served on Defendant's  
13 counsel and filed with the Court no later than May 21, 2014, by 5:00 p.m.

14 F. The parties are granted leave to commence discovery immediately in  
15 preparation for the preliminary injunction hearing, and to conduct depositions of parties and  
16 the Linsco Private Ledger Branch Manager where Defendant is employed on five days' notice;  
17 to require that responses to requests for production of documents be served within five days;  
18 and that responses to documents subpoenaed from Linsco Private Ledger be served within five  
19 days.

20 G. Pursuant to § 13804 of the FINRA Code of Arbitration Procedure and §§ 3 and  
21 4 of the Federal Arbitration Act, the parties are directed to proceed toward expedited  
22 arbitration on Morgan Stanley's request for permanent injunctive relief before a full Panel of  
23 arbitrators appointed in accordance with § 13804 of the FINRA Code of Arbitration Procedure.

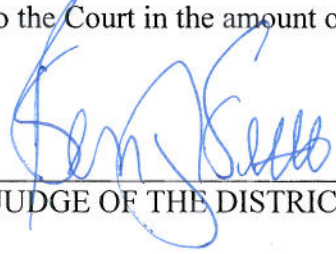
24 ORDER GRANTING PLAINTIFF'S MOTION FOR  
25 TEMPORARY RESTRAINING ORDER AND EXPEDITED  
DISCOVERY, AND ORDERING DEFENDANT TO SHOW  
CAUSE RE PRELIMINARY INJUNCTION [PROPOSED]-4

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H. This Order shall become effective immediately upon Morgan Stanley's posting of a bond, cash, or other security acceptable to the Court in the amount of \$10,000.

Dated: 5/13/14

  
\_\_\_\_\_  
JUDGE OF THE DISTRICT COURT

Presented By:

MILLS MEYERS SWARTLING  
Attorneys for Plaintiff

By: \_\_\_\_\_  
Kasey Huebner  
WSBA No. 32890  
khuebner@millsmeyers.com

ORDER GRANTING PLAINTIFF'S MOTION FOR  
TEMPORARY RESTRAINING ORDER AND EXPEDITED  
DISCOVERY, AND ORDERING DEFENDANT TO SHOW  
CAUSE RE PRELIMINARY INJUNCTION [PROPOSED]-5

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