

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

UNITED STATES OF AMERICA
v.
CHESAPEAKE FIRESTOP PRODUCTS,
INC., et al.

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:
: Civil Action No. DKC 17-3256
:
:

ORDER

For the reasons stated in the foregoing Memorandum Opinion, it is this 6th day of August, 2018, by the United States District Court for the District of Maryland, ORDERED that:

1. The motion for default judgment filed by Plaintiff United States of America (ECF No. 11) BE, and the same hereby IS, GRANTED;

2. Judgment BE, and the same hereby IS, ENTERED in favor of the United States of America and against Chesapeake Firestop Products, Inc. in the amount of \$3,504,479, plus any statutory additions;

3. Defendants Clifford Smith and Chesapeake Firestop Products, Inc. BE, and the same hereby ARE, PERMANENTLY ENJOINED as follows:

a. Under 26 U.S.C. § 7402(a), Defendants as well as their agents, employees, and anyone acting in concert or participation with them, are ENJOINED:

- i. to withhold federal income and FICA taxes from the wages of their employees and pay those taxes when they become due;
- ii. to deposit withheld federal income and FICA taxes and Chesapeake's share of FICA and FUTA taxes in an appropriate federal depository bank each quarter;
- iii. for the next five years, to provide proof no later than the twentieth of each month to the Internal Revenue Service at 190 Admiral Cochrane Drive, Suite 180-C, Annapolis, MD 21401 or such other location as the IRS may deem appropriate that the required tax deposits were timely made;
- iv. to file all outstanding employment and unemployment tax returns;
- v. from assigning or making disbursements of Chesapeake's property until all income taxes and FICA taxes together with Chesapeake's FICA and FUTA taxes are paid to the IRS;
- vi. for the next five years, to notify the IRS within ten days of beginning, operating, owning, managing, or working for any new business enterprise;

4. Plaintiff SHALL BE permitted to issue discovery requests during the pendency of the injunction to ensure that Defendants are in compliance with the injunction;

5. The court will retain jurisdiction over this case to ensure compliance with this Order; and

6. The clerk will transmit copies of the Memorandum Opinion and this Order to counsel for Plaintiff and directly to Defendants and CLOSE this case.

/s/
DEBORAH K. CHASANOW
United States District Judge