

STATE OF NORTH CAROLINA  
COUNTY OF WAKE

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
12 CVS 004017

STATE OF NORTH CAROLINA ex rel.  
ROY COOPER, Attorney General,

Plaintiff,

v.

INSTANT TAX SERVICE, a North  
Carolina franchise doing business at  
2712 Freedom Drive,  
Charlotte, North Carolina 28208; and

INSTANT TAX SERVICE, a North  
Carolina franchise doing business at  
1520 West Boulevard, Suite J,  
Charlotte, North Carolina 28208; and

INSTANT TAX SERVICE, a North  
Carolina franchise doing business at  
316 E. Franklin Boulevard, Suite A,  
Gastonia, North Carolina 28054; and

EDEN KIDANE, individually and  
in her capacity as owner of  
the above-named defendants,

Defendants.

**TEMPORARY RESTRAINING ORDER**

**THIS MATTER** came on to be heard and was heard by the undersigned Judge presiding over the March 22, 2012 civil session of Wake County Superior Court upon plaintiff State of North Carolina's application for a Temporary Restraining Order under N.C. Gen. Stat. § 75-14.

Plaintiff has requested that such an order prohibit the defendants from soliciting or offering tax preparation and filing services, refund anticipation loans ("RAL's"), and instant cash

loans to North Carolina consumers. Plaintiff has also requested that such an order restrain the defendants from collecting fees from North Carolina consumers for such services. Finally, plaintiff has requested that such an order cancel the defendants' existing agreements or contracts with North Carolina consumers, at the discretion of the consumers, pursuant to N.C. Gen. Stat. §§ 75-1.1 and 75-15.1, and that the order preserve the defendants' assets and the status quo.

Assistant Attorney General Stuart M. Saunders appeared on plaintiff's behalf at the appointed time for the hearing. Attorney Chad A. Sharkey appeared on behalf of the defendants after the defendants were duly notified of the hearing.

It appears to the Court from the Complaint, and the affidavits and other exhibits filed in substantiation thereof, and in consideration of all evidence offered at the hearing by counsel for the defendants, that there is a strong likelihood plaintiff will prevail on its claims that the defendants have engaged in unfair and deceptive trade practices and have violated Chapter 53 of the North Carolina General Statutes, including N.C.G.S. § 53-250. It also appears from the Complaint and the evidence that plaintiff's request for a Temporary Restraining Order under N.C. Gen. Stat. § 75-14 should be granted to prevent further imminent harm to the public and further violations of North Carolina law.

**IT IS THEREFORE ORDERED** that the defendants, together with the defendants' respective employees, agents, representatives, successors, and assigns, and any others acting in concert with the defendants who have knowledge thereof, be and hereby are Temporarily Restrained and Prohibited from:

- (1) Advertising, offering, soliciting, or entering into contracts with North Carolina consumers for the purpose of providing tax preparation and/or filing services.

- (2) Advertising, offering, soliciting, or entering into contracts with North Carolina consumers for the purpose of providing refund anticipation loans or other loans, including instant cash loans, to consumers.
- (3) Engaging in unfair or deceptive trade practices in the offering or conduct of tax preparation/filing and loan services.
- (4) Disposing of any funds unlawfully collected as fees from North Carolina consumers for advances, loans, and/or tax preparation/filing services.
- (5) Transferring, concealing, spending, or disposing of any money or funds received, directly or indirectly, from any North Carolina consumers in connection with the defendants' tax preparation and filing, RAL, and instant cash loan activities, except to return funds to consumers;
- (6) Transferring, converting, encumbering, dispersing, assigning, spending, withdrawing or otherwise disposing of any funds held in any bank accounts controlled by, or in the name of, Eden Kidane or Instant Tax Service, except that the defendants shall be allowed to use funds for the purpose of paying ordinary business expenses associated with the operation of Instant Tax Service, such as rent, payroll, and utilities, and defendant Kidane shall be allowed to use funds for limited and ordinary personal expenses, such as payment of her mortgage, rent, utilities, food, and the like.
- (7) Destroying, removing, transferring, erasing, or otherwise disposing of any business or financial records relating to the defendants' services, including, but not limited to, any business or financial records relating to monies obtained from

any North Carolina consumers in connection with the defendants' services.

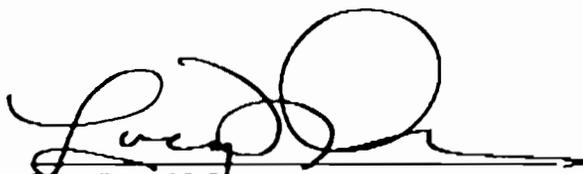
**IT IS FURTHER ORDERED** that the defendants' existing agreements or contracts with North Carolina consumers be canceled, at the discretion of the consumers, pursuant to N.C. Gen. Stat. §§ 75-1.1 and 75-15.1. The defendants are not enjoined from processing returns already prepared for their customers and are likewise not enjoined from providing refunds to customers.

**IT IS FURTHER ORDERED** that the defendants be required to produce to plaintiff the following records no later than three (3) days prior to the preliminary injunction hearing, or within ten (10) days of entry of a Temporary Restraining Order, whichever is sooner:

- (A) The name and address of every bank at which the defendants maintain deposit, checking or other bank accounts, and the account number for each such account;
- (B) A statement of the current monetary balance in each such account held by the defendants, together with a copy of the most recent bank statements for each such account; and
- (C) A current financial statement, showing the current assets and liabilities for the defendants.
- (D) A breakdown of accounts, if such accounts are segregated, showing what the accounts are for, e.g., whether the accounts are for payment of rent, payroll, or the like.

**IT IS FURTHER ORDERED** that the parties appear before this Court at 10 o'clock a.m. on Monday, April 2, 2012, in Courtroom 10C of the Wake County Courthouse in Raleigh, North Carolina, if they wish to be heard on plaintiff's application for a Preliminary Injunction.

**SO ORDERED**, this the 23rd day of March, 2012 at 9:10 a.m.

A handwritten signature in black ink, appearing to read 'Lucy N. Iman', written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke at the end.

Hon. Lucy N. Iman  
SUPERIOR COURT JUDGE