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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
MANGO LABS, LLC,

Plaintiffs,

-v-

AVRAHAM EISENBERG,

Defendant.
-----X

23-cv-00665 (LJL)

ORDER

LEWIS J. LIMAN, United States District Judge:

The United States of America, by and through the United States Attorney for the Southern District of New York, moves to intervene in this case pursuant to Rule 24 of the Federal Rules of Civil Procedure and for a full stay in this matter, including a stay of all discovery, until the conclusion of the parallel criminal case, *United States v. Avraham Eisenberg*, 23 Cr. 10 (RMB) (the “Criminal Case”). Dkt. No. 53. The parties in this case have informed the Government that they do not oppose the issuance of a stay. *Id.* at 1.

Federal Rule of Civil Procedure 24(a) provides for intervention as of right when the party seeking to intervene “claims an interest relating to the property or transaction that is the subject of the action, and is so situated that disposing of the action may as a practical matter impair or impede the movant's ability to protect its interest.” Fed. R. Civ. P. 24(a). Rule 24(b) authorizes permissive intervention when the applicant “has a claim or defense that shares with the main action a common question of law or fact.” Fed. R. Civ. P. 24(b). In exercising its discretion under Rule 24(b), a court should “consider whether the intervention will unduly delay or prejudice the adjudication of the original parties’ rights.” Fed. R. Civ. P. 24(b)(3).

“A district court may stay civil proceedings when related criminal proceedings are imminent or pending, and it will sometimes be prudential to do so.” *Louis Vuitton Malletier S.A. v. LY USA, Inc.*, 676 F.3d 83, 98 (2d Cir. 2012). In deciding whether to grant such a stay, the Second Circuit has instructed courts to consider:

1) the extent to which the issues in the criminal case overlap with those presented in the civil case; 2) the status of the case, including whether the defendants have been indicted; 3) the private interests of the plaintiffs in proceeding expeditiously weighed against the prejudice to plaintiffs caused by the delay; 4) the private interests of and burden on the defendants; 5) the interests of the courts; and 6) the public interest.

Id. at 99 (internal quotation marks omitted) (quoting *Trs. of Plumbers & Pipefitters Nat’l Pension Fund v. Transworld Mech., Inc.*, 886 F. Supp. 1134, 1139 (S.D.N.Y. 1995)).

The Court grants the requested relief. “The Government is entitled to intervene under Rule 24(a) and will be permitted to intervene under Rule 24(b) for purposes of seeking a stay.” *Sec. & Exch. Comm’n v. Shah*, 2022 WL 17551937, at *1 (S.D.N.Y. Dec. 9, 2022) (granting request to intervene where Government had a discernible interest in intervening in order to prevent discovery in the civil case and where there was a substantial overlap between the civil case and the criminal indictment). The Government has also shown that the factors laid out above weigh in favor of a stay. *See Louis Vuitton Malletier S.A.*, 676 F.3d at 98; *Shah*, 2022 WL 17551937, at *1.

Accordingly, the case shall be stayed pending the criminal proceedings against the Defendant. The Government is directed to provide a status update to the Court in twelve (12) months and every six (6) months thereafter as to the status of the criminal case and whether the stay should be lifted.

The Clerk of Court is respectfully directed to close Dkt. No. 53.

SO ORDERED.

Dated: April 12, 2023
New York, New York



LEWIS J. LIMAN
United States District Judge