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**IN THE THIRD JUDICIAL DISTRICT COURT
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH**

JEFFREY D. GASTON,

Plaintiff,

v.

JASON HALL, an individual; NATALIE
HALL, an individual; GEORGE
SCHLIESSER, an individual; WOODCRAFT
MILL & CABINET, INC., a Utah corporation;
and BLUFFDALE CITY, a municipality of the
State of Utah,

Defendants.

**MOTION TO STAY CASE PENDING
RESOLUTION OF RELATED CRIMINAL
PROCEEDINGS**

Case No: 230905528

Judge Chelsea Koch

Defendants Jason Hall, Natalie Hall, and Woodcraft Mill & Cabinet, Inc. (collectively the “**Hall parties**”), by and through undersigned counsel, and pursuant to Rule 7 of the Utah Rules of Civil Procedure, respectfully submit this Motion to Stay Case Pending Resolution of Related Criminal Proceedings.

RELIEF REQUESTED AND GROUNDS IN SUPPORT

The Court should enter an Order staying this case pending the resolution of a related criminal case. “It lies within the inherent powers of the courts to grant a stay of proceedings.” *Lewis v. Moultree*, 627 P.2d 94, 96 (Utah 1981). “The matter of granting a stay, when an action is pending in another jurisdiction is addressed to the sound discretion of the trial court.” *Power Train, Inc. v. Stuver*, 550 P.2d 1293, 1294 (Utah 1976). “A common ground for a stay is the pendency of another action involving identical parties and issues and where a decision in one action settles the issues in another, or when the decision in an action is essential to the decision in another.” *Lewis*, 627 P.2d at 96.

In the context of parallel civil and criminal actions, courts defer “civil proceedings pending the completion of parallel criminal prosecutions when the interests of justice seemed to require such action.” *U.S. v. Kordel*, 397 U.S. 1, 12 n.27 (1970). It is common practice for a court to stay “civil proceedings pending the completion of parallel criminal prosecutions” *Id.* “[T]he strongest case for granting a stay is where a party under criminal indictment is required to defend a civil proceeding involving the same matter.” *Windham for Marquis Props., LLC v. Snyder*, Case No. 2:18-cv-00063-RJS-EJF, 2018 WL 4100512, *3 (D. Utah August 28, 2018) (quoting *In re CFS-Related Sec. Fraud Litig.*, 256 F. Supp. 2d 1227, 1238 (N.D. Okla. 2003)).

BACKGROUND

1. On June 30, 2022, the State of Utah filed criminal charges against Defendant Jason Hall. See *State of Utah v. Jason Christopher Hall*, Case No: 221906445. These charges were based on allegations of a series of acts committed against Jeffrey D. Gaston (“**Plaintiff**”). This criminal

prosecution has been ongoing for one year and seven months and has involved extensive motion work, hearings, and discovery.

2. On July 26, 2023, a year after the criminal charges in this matter were filed, Plaintiff filed this action. The very next day, Plaintiff filed his First Amended Complaint.

3. Plaintiff never served the First Amended Complaint on any of the Defendants.

4. On November 15, 2023, 111 days after Plaintiff filed his First Amended Complaint, Plaintiff filed a motion to amend his complaint in this matter yet again. The motion was granted by the Court on December 6, 2023.

5. On December 11, 2023, Plaintiff filed his Second Amended Complaint (the “**SAC**”) against the Hall parties, George Schliesser, and Bluffdale City (collectively “**Defendants**”).

6. On January 17, 2024, the Hall Defendants were served with the Second Amended Complaint.¹

7. The allegations in the SAC are all based on the same series of events cited in the charges filed by the State of Utah in the criminal prosecution of Mr. Hall.

8. The criminal trial against Mr. Hall is currently scheduled for May 2024.

JUDICIAL EFFICIENCY WARRANTS A STAY OF THIS ACTION PENDING OUTCOME OF THE STATE OF UTAH INVESTIGATION.

In considering whether to grant a stay, courts have considered six factors:

(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.

Snyder, 2018 WL at *3 (citation omitted); *Trustees of Plumbers and Pipefitters Nat. Pension Fund*

¹ No return of service has been filed by the Plaintiff in this case.

v. Transworld Mechanical Inc., 886 F.Supp 1134, 1139 (SDNY 1995).

In *Snyder*, the court found that both the civil and criminal matters alleged roughly the same set of facts -- a Ponzi scheme and the sale of securities while not licensed. As such, the matters overlapped and weighed in favor of a stay. *Id.* The fact that criminal proceedings had been initiated also favored a stay. *Id.* Further, the court weighed the defendant's Fifth Amendment rights against the plaintiff's need for an expeditious resolution in the civil case, finding that the defendant's Fifth Amendment right trumped the plaintiff's interest. *Id.* at *4. The court also found that the defendant would be prejudiced by the requirement to proceed with both cases simultaneously, chiefly because it would force him to choose between an adverse inference for invoking his Fifth Amendment right or potentially incriminating himself (in his criminal case) by participating in civil discovery. *Id.*; see also *Baxter v. Palmigiano*, 425 U.S. 308, 318 (1976) ("[T]he Fifth Amendment does not forbid adverse inferences against parties to civil actions when they refuse to testify in response to probative evidence offered against them . . ."). Lastly, because resolving the criminal matter first could narrow the issues and streamline discovery in the civil case, the court found it was in the interest of both the court and the public to stay the civil proceedings. *Snyder*, 2018 WL at *4.

Here, as in *Snyder*, the factors all weigh in favor of a stay of this case pending the outcome of Mr. Hall's criminal case. First, the criminal and civil matters at hand both allege the same series of events between Mr. Hall and Mr. Gaston. Second, charges in Mr. Hall's criminal case precede Mr. Gaston's civil claims by more than a year, with an upcoming trial in the criminal case scheduled for May of this year. Third, Mr. Hall would suffer significant prejudice if this case proceeds while his criminal matter remains pending: as in *Snyder*, Mr. Hall would be forced to

choose between an adverse inference (in this case) for invoking his Fifth Amendment right² or potentially incriminating himself (in his criminal case) by participating in civil discovery. And notably, too, the Court's consideration of Plaintiff's interest in an expeditious resolution in this matter must take into account his own delay in filing this case, amending the complaint, and serving the complaint. Finally, just as in *Snyder*, allowing Mr. Hall's criminal matter to resolve first is in the interest of the Court and the public because it would likely streamline discovery and narrow the relevant issues in this case.

Mr. Hall is anxious to defend himself, both in this case and his companion criminal case. Short of this Court granting a stay, however, Mr. Hall will be limited in his ability to participate in discovery and defend himself in this case without suffering significant potential consequences in his criminal case. As such, and particularly considering plaintiff's delay in filing and pursuing this case, the Court should grant Mr. Hall's request and stay this case pending resolution of Mr. Hall's criminal case.

CONCLUSION

For the reasons set forth herein, the Hall parties respectfully request that the Court stay this case pending the outcome of the ongoing State of Utah investigation and prosecution.

DATED this 7th day of February, 2024.

ARMSTRONG TEASDALE LLP

/s/ Trinity Jordan

Aaron B. Clark

Trinity Jordan

Jordan E. Westgate

Jacob R. Lee

*Attorneys for Jason Hall, Natalie Hall, and
Woodcraft Mill & Cabinet, Inc.*

² See *Baxter*, 425 U.S. at 318. "[T]he Fifth Amendment does not forbid adverse inferences against parties to civil actions when they refuse to testify in response to probative evidence offered against them"

CERTIFICATE OF SERVICE

I hereby certify that on this 7th day of February, 2024, I caused a copy of the foregoing to be served on all counsel of record via the Court's Electronic Filing System.

/s/ Shelby Irvin