

**ROBB EVANS OF  
ROBB EVANS & ASSOCIATES LLC**

**Receiver of**

**Grant Connect, LLC; Global Gold, Inc.; Horizon Holdings, LLC;  
O'Connell Gray, LLC; Pink LP; Vantex Group, LLC;  
Vertek Group, LLC; et al.**

**Including OS Marketing Group, LLC**

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Sun Valley, California 91352-1121

Telephone No.: (818) 768-8100

Facsimile No.: (818) 768-8802

**Federal Trade Commission v. Grant Connect, LLC, et al.  
CASE No. 2:09-CV-01349-PMP-RJJ**

**Notice of Motion and Motion for Order Further Extending Deadlines  
for Filing Receiver's Final Fee Motion Under Stipulated Final  
Judgment and Order as to Defendants Vantex Group, LLC, et al. and  
Order for Permanent Injunction Entered October 25, 2011;  
Memorandum of Points and Authorities;  
Declaration of Gary Owen Caris in Support Thereof**

**Filed January 4, 2012**

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11 **LLC as Receiver**

12 **UNITED STATES DISTRICT COURT**

13 **DISTRICT OF NEVADA**

14 FEDERAL TRADE COMMISSION,  
15  
16 Plaintiff,

17 v.

18 GRANT CONNECT, LLC; et al.,  
19  
20 Defendants.

CASE NO. 2:09-CV-01349-PMP-RJJ

**NOTICE OF MOTION AND  
MOTION FOR ORDER FURTHER  
EXTENDING DEADLINES FOR  
FILING RECEIVER'S FINAL FEE  
MOTION UNDER STIPULATED  
FINAL JUDGMENT AND ORDER  
AS TO DEFENDANTS VANTEX  
GROUP, LLC, ET AL. AND ORDER  
FOR PERMANENT INJUNCTION  
ENTERED OCTOBER 25, 2011;  
MEMORANDUM OF POINTS AND  
AUTHORITIES; DECLARATION  
OF GARY OWEN CARIS IN  
SUPPORT THEREOF**

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26 PLEASE TAKE NOTICE that Robb Evans & Associates LLC ("Receiver"),  
27 the Court-appointed Receiver for Global Gold Inc., Pink LP, Vantex Group LLC,  
28 Vertek Group, LLC, Grant Connect, LLC, Horizon Holdings, LLC and O'Connell

1 Gray, LLC and their successors, assigns, affiliates or subsidiaries, hereby moves the  
2 Court for an order extending the deadline for the Receiver to file his application for  
3 compensation (“Fee Motion”) under Section XV.C. of the of the Stipulated Final  
4 Judgment and Order for Permanent Injunction and Monetary Relief as to  
5 Defendants Vantex Group, LLC; Vertek Group, LLC, Pink LP; Juliette M. Kimoto  
6 Asset Protection Trust; and Juliette M. Kimoto (“Vantex Final Judgment”) (Doc.  
7 No. 338) filed on August 31, 2011, previously extended on the Receiver’s motion  
8 by Order entered November 8, 2011, and to extend for the first time the deadline for  
9 the Receiver to file its Fee Motion under Section XII.C. of the Order for Permanent  
10 Injunction (“Permanent Injunction”) (Doc. No. 346) entered October 25, 2011,  
11 from the current deadline of January 5, 2012<sup>1</sup>, to such date as the Receiver files its  
12 motion for approval of the Receiver’s Final Report, the wind up of the receivership  
13 estate and the discharge the Receiver and exoneration of his bond (the “Wind Up  
14 Motion”). As set forth in the Receiver’s Report filed December 20, 2011, Doc. No.  
15 360, the Receiver has additional tasks to perform under the Vantex Final Judgment  
16 and the Permanent Injunction in order to wind up the receivership estate which are  
17 ongoing. The Receiver will incorporate its Fee Motion into the Wind Up Motion.

18 The Receiver submits that good cause exists for the Court to grant the relief  
19 sought herein in that the interests of judicial economy and cost efficiencies for the  
20 parties and the estate will be served if the Receiver files and serves one Fee Motion  
21 with the Wind Up Motion under the Vantex Final Judgment and Permanent  
22 Injunction when the Receiver completes the tasks necessary to wind up the  
23 receivership estate, rather than filing a Fee Motion within 15 days of the filing of  
24 the Report and a second fee motion to address additional fees incurred in  
25 connection with the Receiver’s remaining tasks to complete the administration and

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27 <sup>1</sup> January 5, 2012 is fifteen (15) days after the date the Receiver filed his Report of  
28 Receiver’s Activities [September 1, 2009 through December 20, 2011] (“Report”),  
the deadline provided under both the Vantex Final Judgment and the Permanent  
Injunction.

1 wind up of the estate. Granting this Motion will allow the Receiver to avoid the  
2 expense of preparing, filing and serving two motions and two sets of notices to  
3 creditors for these motions.

4 This Motion is made pursuant to Local Rule of Civil Practice 7-2 and 66-10  
5 and is based upon this notice of motion and motion, the accompanying  
6 memorandum of points and authorities and Declaration of Gary Owen Caris in  
7 support hereof, any reply, and upon all other pleadings and documentary evidence  
8 as may be presented to the Court by the Receiver.

9 PLEASE TAKE FURTHER NOTICE that this Motion is posted on the  
10 Receiver's web site at [www.robbevans.com/html/grantconn.html](http://www.robbevans.com/html/grantconn.html). Copies of this  
11 Motion will be provided to any interested party upon receipt of a written request  
12 which maybe sent to: Robb Evans & Associates LLC, Attn: Cherrie Eustaquio,  
13 11450 Sheldon Street, Sun Valley, CA 91352-1121; Telephone: (818) 768-8100;  
14 Facsimile: (818) 768-8802.

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16 Dated: January 4, 2012

Respectfully submitted,

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MCKENNA LONG & ALDRIDGE LLP

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By: /s/ Gary Owen Caris

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Gary Owen Caris (Admitted Pro Hac  
Vice)

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Lesley Anne Hawes (Admitted Pro  
Hac Vice)

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Attorneys for **ROBB EVANS &  
ASSOCIATES LLC as Receiver**

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**MEMORANDUM OF POINTS AND AUTHORITIES**

**I. INTRODUCTION AND SUMMARY OF RELEVANT FACTS**

The Federal Trade Commission (“FTC”) filed this action alleging that defendants engaged in deceptive marketing practices concerning various products and unauthorized debiting of consumers’ credit cards and/or bank accounts. The Receiver was initially appointed as the temporary receiver pursuant to a Temporary Restraining Order entered on July 28, 2009. Thereafter, on August 14, 2009, the Receiver was subsequently confirmed as the receiver for defendants Grant Connect, LLC, Horizon Holdings, LLC, and O’Connell Gray, LLC, and their successors, assigns, affiliates or subsidiaries pursuant to the Stipulated Preliminary Injunction as to Defendants Grant Connect, LLC, Horizon Holdings, LLC, and O’Connell Gray, LLC, James J. Gray, and Randy O’Connell (“Stipulated Preliminary Injunction”). On September 22, 2009, the Receiver was confirmed as the receiver for defendants Global Gold Inc., Pink LP, Vantex Group LLC, Vertek Group, LLC, and their successors, assigns, affiliates or subsidiaries pursuant to the Preliminary Injunction Order as to Defendants Global Gold Inc., Pink LP, Vantex Group LLC, Vertek Group, LLC, Rachael A. Cook, Steven R. Henriksen and Juliette M. Kimoto (“Preliminary Injunction”).

With leave of Court, the FTC filed an amended complaint naming several additional parties as defendants, including Kyle Kimoto, Tasha Jn Paul, Michael L. Henriksen, Johnnie Smith and a number of entities, including Dragon Group, Inc., Global Fulfillment, Inc. and other entities constituting subsidiaries or affiliates of the Receivership Defendants. On June 17, 2010, the Court issued an additional preliminary injunction as to the newly named individual defendants.

On April 11, 2011, the Court conducted a hearing on the FTC’s motion for summary judgment and related cross-motions for summary judgment by various defendants. In June 2011, the FTC filed a proposed stipulated judgment against defendant Johnnie Smith, which was entered by the Court as a Final Judgment

1 against that defendant on June 10, 2011. The cross-motions for summary judgment  
2 were taken under submission by the Court.

3 The FTC entered into settlement discussions with defendant Juliette Kimoto  
4 and the corporate defendants subject to her ownership and control. On August 31,  
5 2011, the Court entered the Vantex Final Judgment based on the FTC's stipulation  
6 with Juliette Kimoto and her related corporate defendants. On October 25, 2011,  
7 the Court entered its Order denying the defendants' cross-motions for summary  
8 judgment and granting all relief sought by the FTC against the remaining  
9 defendants, with certain limited exceptions (Doc. No. 343). On the same date, the  
10 Court entered the Permanent Injunction against the remaining Receivership  
11 Defendants which were not subject to the Vantex Final Judgment.

12 On November 4, 2011, the Receiver filed a motion seeking an extension of  
13 the deadline for the Receiver to file his report and application for compensation  
14 under the Vantex Final Judgment to the same dates his report and application for  
15 compensation were required to be filed under the Permanent Injunction (Doc. No.  
16 350) (the "First Extension Motion"). The First Extension Motion was unopposed,  
17 and the Court granted that motion by Order entered November 8, 2011 (Doc. No.  
18 352).

19 Pursuant to that First Extension Motion and the Permanent Injunction, the  
20 Receiver filed its Report on December 20, 2011 (Doc. No. 360). Under the Vantex  
21 Final Judgment and the extended deadline thereunder, and the Permanent  
22 Injunction, the Receiver is required to file its Fee Motion within fifteen days after  
23 filing the Report, or by January 5, 2012. The Receiver seeks an extension of the  
24 deadline to file the Fee Motion as set forth in the Motion.

25 The Report filed December 20, 2011 summarizes the steps the Receiver has  
26 already taken to dissolve the receivership estate pursuant to the Vantex Final  
27 Judgment and the Permanent Injunction. The Report also describes the other  
28 actions the Receiver is still in the process of performing in order to wind down the

1 receivership estate, including pursuing further information from Cynergy Data and  
2 ePay Data regarding any remaining funds that may be owed to the estate from pre-  
3 receivership processing revenues, addressing the disputed claims of Media Funding  
4 Corporation and funds held at Bank of the West that may be recovered by the  
5 estate, and evaluation of any claims the estate may have for recovery of funds from  
6 other merchant processors, among other activities. The Receiver is also still taking  
7 steps to enforce the Vantex Final Judgment and the Order granting judgment  
8 against the other defendants pursuant to the Vantex Final Judgment and Permanent  
9 Injunction. These activities all require services by and assistance of counsel as well  
10 as services of the Receiver.

11           The remaining activities required by the Receiver and its counsel to wind up  
12 and dissolve the receivership estate are limited but are not complete at this point.  
13 The precise date by which the activities will be completed is unknown since the  
14 activities in part involve communications and negotiations with third parties such as  
15 the payment processors and Media Funding Corporation. When the Receiver's  
16 wind up activities are complete, the Receiver anticipates filing a Wind Up Motion,  
17 which will include a summary of the Receiver's activities since December 20,  
18 2011, and a motion to approve and authorize payment of all fees and expenses  
19 incurred by the Receiver and counsel since the last expense period, to approve the  
20 Receiver's Report, to approve the Receiver's final accounting, to discharge the  
21 Receiver and exonerate the Receiver's bond. The Receiver believes deferral of the  
22 deadline for the Fee Motion is in the best interests of the estate by avoiding the  
23 filing of a fee motion on January 5, 2012 and a second fee motion incorporated into  
24 the Wind Up Motion when the Receiver's activities are complete and the estate is  
25 ready to be dissolved.

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1 **II. GOOD CAUSE EXISTS TO EXTEND THE DEADLINE FOR THE**  
2 **RECEIVER'S FEE MOTION UNDER THE VANTEX FINAL**  
3 **JUDGMENT AND THE PERMANENT INJUNCTION**

4 Under the Vantex Final Judgment, the Permanent Injunction and the Court's  
5 Order on the First Extension Motion entered November 8, 2011, the Receiver filed  
6 its Report on December 20, 2011. The Receiver's Fee Motion is due to be filed on  
7 January 5, 2012, fifteen days after the filing of the Report. The Receiver believes  
8 that a single filing of a Fee Motion incorporated into a Wind Up Motion and  
9 covering all outstanding fees and expenses from the end of the last expense period  
10 through the dissolution of the estate will be most cost-effective, efficient,  
11 convenient and economical for the Court, the parties and the creditors.

12 The Receiver has contacted counsel for the FTC to address this request for  
13 extension of the Fee Motion deadline prior to filing this Motion. The FTC has  
14 indicated it does not object to the requested extension.

15 **III. CONCLUSION**

16 Based on the foregoing, the Receiver respectfully requests that the Court  
17 grant this Motion and issue an order extending the deadline for the Receiver to file  
18 its Fee Motion under Section XV.C. of the Vantex Final Judgment and Section  
19 XII.C. of the Permanent Injunction to the same date that the Receiver files its Wind  
20 Up Motion in the case, which the Receiver will file after the Receiver completes the  
21 tasks and activities necessary to wind up and dissolve the receivership estate,  
22 including without limitation those described in the Report filed

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1 December 20, 2011 and those required under the Vantex Final Judgment and the  
2 Permanent Injunction.

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4 Dated: January 4, 2012

Respectfully submitted,

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MCKENNA LONG & ALDRIDGE LLP

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By: /s/ Gary Owen Caris

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Gary Owen Caris (Admitted Pro Hac  
Vice)

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Lesley Anne Hawes (Admitted Pro  
Hac Vice)

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Attorneys for **ROBB EVANS &  
ASSOCIATES LLC as Receiver**

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1 **DECLARATION OF GARY OWEN CARIS**

2 I, Gary Owen Caris, declare:

3 1. I am an attorney at law duly admitted to practice in the State of  
4 California and before all of the United States District Courts located in the State of  
5 California and have been admitted to appear *pro hac vice* in this case. I am a  
6 partner in the firm of McKenna Long & Aldridge LLP (“McKenna Firm”), the  
7 attorneys for Robb Evans & Associates LLC (“Receiver”), the Court-appointed  
8 Receiver for Global Gold Inc., Pink LP, Vantex Group LLC, Vertek Group, LLC,  
9 Grant Connect, LLC, Horizon Holdings, LLC and O’Connell Gray, LLC and their  
10 successors, assigns, affiliates or subsidiaries (the “Receivership Defendants”). I am  
11 lead counsel for the Receiver with primary responsibility for the representation of  
12 the Receiver in this matter. If called upon to testify as to the facts set forth in this  
13 declaration, I could and would testify competently thereto as the facts are true and  
14 within my personal knowledge.

15 2. I have been the Receiver’s lead counsel since the inception of this  
16 receivership and am familiar with the facts, circumstances and events in the case  
17 and the receivership. On August 31, 2011, the Court entered the Vantex Final  
18 Judgment based on the FTC’s stipulation with Juliette Kimoto and her related  
19 corporate defendants. On October 25, 2011, the Court entered its Order denying  
20 the defendants’ cross-motions for summary judgment and granting all relief sought  
21 by the FTC against the remaining defendants, with certain limited exceptions (Doc.  
22 No. 343). On the same date, the Court entered the Permanent Injunction against the  
23 remaining Receivership Defendants which were not subject to the Vantex Final  
24 Judgment.

25 3. On November 4, 2011, on behalf of the Receiver, my office filed a  
26 motion seeking an extension of the deadline for the Receiver to file his report and  
27 application for compensation under the Vantex Final Judgment to the same dates  
28 his report and application for compensation were required to be filed under the

1 Permanent Injunction (Doc. No. 350) (the “First Extension Motion”). The First  
2 Extension Motion was unopposed, and the Court granted that motion by Order  
3 entered November 8, 2011 (Doc. No. 352).

4 4. Pursuant to that First Extension Motion and the Permanent Injunction,  
5 the Receiver filed its Report of Receiver’s Activities [September 1, 2009 through  
6 December 20, 2011] filed with the Court as Document No. 360 on December 20,  
7 2011 (“Report”). I reviewed and assisted the Receiver in finalizing and filing the  
8 Report. Under the Vantex Final Judgment and the extended deadline thereunder,  
9 and the Permanent Injunction, the Receiver is required to file its Fee Motion within  
10 fifteen days after filing the Report, or by January 5, 2012.

11 5. The Report filed December 20, 2011 summarizes the steps the  
12 Receiver has already taken to dissolve the receivership estate pursuant to the  
13 Vantex Final Judgment and the Permanent Injunction. The Report also describes  
14 the other actions the Receiver is still in the process of performing in order to wind  
15 down the receivership estate, including pursuing further information from Cynergy  
16 Data and ePay Data regarding any remaining funds that may be owed to the estate  
17 from pre-receivership processing revenues, addressing the disputed claims of Media  
18 Funding Corporation and funds held at Bank of the West that may be recovered by  
19 the estate, and evaluation of any claims the estate may have for recovery of funds  
20 from other merchant processors, among other activities. The Receiver is also still  
21 taking steps to enforce the Vantex Final Judgment and the Order granting judgment  
22 against the other defendants pursuant to the Vantex Final Judgment and Permanent  
23 Injunction. These activities all require services by and assistance of counsel as well  
24 as services of the Receiver.

25 6. The remaining activities required by the Receiver and its counsel to  
26 wind up and dissolve the receivership estate are limited but are not complete at this  
27 point. The precise date by which the activities will be completed is unknown since  
28 the activities in part involve communications and negotiations with third parties

1 such as the payment processors and Media Funding Corporation. When the  
2 Receiver's wind up activities are complete, I anticipate preparing and filing on the  
3 Receiver's behalf a Wind Up Motion, which will include a summary of the  
4 Receiver's activities since December 20, 2011, and a motion to approve and  
5 authorize payment of all fees and expenses incurred by the Receiver and counsel  
6 since the last expense period, to approve the Receiver's Report, to approve the  
7 Receiver's final accounting, to discharge the Receiver and exonerate the Receiver's  
8 bond. If the current deadline for filing the Fee Motion is not deferred, my firm will  
9 be required to file a Fee Motion now and a second Fee Motion as part of the Wind  
10 Up Motion to be filed in the future.

11 7. Prior to filing this Motion, my firm advised counsel for the FTC of the  
12 Receiver's intention to make this request for extension of the Fee Motion deadlines  
13 under the Vantex Final Judgment and the Permanent Injunction. Counsel for the  
14 FTC indicated that the FTC does not object to the requested extension.

15 I declare under penalty of perjury that the foregoing is true and correct and  
16 that this declaration was executed on this 4th day of January 2012 at Los Angeles,  
17 California.

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19 */s/ Gary Owen Caris*

20 GARY OWEN CARIS

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