

Gary Owen Caris CA Bar No 089918  
FRANDZEL ROBINS BLOOM & CSATO, L.C.  
6500 Wilshire Boulevard, 17th Floor  
P.O. Box 48932  
Los Angeles, California 90048-4920  
Telephone: (323) 852-1000  
Facsimile: (323) 651-2577  
Attorneys for Permanent Receiver  
ROBB EVANS & ASSOCIATES

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
WESTERN DIVISION

**FEDERAL TRADE COMMISSION,**

**Plaintiff,**

**v.**

**WESTERN UNITED SERVICE  
CORPORATION d/b/a  
TITAN BUSINESS SOLUTIONS,**

**and**

**SCOTT FORD,**

**Defendants.**

**CASE NO. 00- 11324 GAF (JWx)**

**NOTICE OF MOTION AND MOTION  
FOR ORDER APPROVING: (1)  
REPORT OF RECEIVER'S  
ACTIVITIES OCTOBER 26, 2000  
THROUGH OCTOBER 31, 2000; AND  
(2) REPORT OF RECEIVER'S  
ACTIVITIES FROM OCTOBER 31,  
2000 THROUGH JANUARY 19,  
2001; MEMORANDUM OF POINTS  
AND AUTHORITIES AND  
DECLARATION OF GARY OWEN  
CARIS IN SUPPORT THEREOF**

Date: March 19, 2001

Time: 9:30 a.m.

Place: Courtroom 740

TO: DEFENDANTS, AND THEIR ATTORNEYS OF RECORD, CHRISTENSEN, MILLER, FINK, JACOBS, GLASER, WEIL & SHAPIRO, LLP AND MARK G. KRUM; TO PLAINTIFF FEDERAL TRADE COMMISSION AND ITS ATTORNEYS OF RECORD; AND TO CREDITORS:

PLEASE TAKE NOTICE that on March 19, 2001, at 9:30 a.m., or as soon thereafter as counsel may be heard in Courtroom 740 at the above-entitled Court located at 255 E. Temple Street, Los Angeles, California, permanent receiver Robb Evans & Associates ("Receiver") will move this Court for an order approving (a) the Report of Receiver's Activities October 26, 2000 through October 31, 2000 while temporary receiver; and (b) the Report of Receiver's Activities October 31, 2000 through January 19, 2001 while permanent receiver (collectively the "Reports"). The Receiver specifically requests that the Receiver be authorized to pay the indicated accrued fees and expenses of the Receiver set forth in the second report, including expenses owed the Receiver, staff members of the Receiver, outside counsel, and other professionals retained by the Receiver; and that the Receiver's actions and payments as set forth in the Reports be confirmed, including the liquidation and sale of all personal property.

This Motion is made pursuant to Local Civil Rules 25 and 7 of the Local Rules of the United States District Court for the Central District of California, and is based upon this notice, the memorandum of points and authorities and

declaration of Gary Owen Caris ("Caris Declaration") filed concurrently herewith, and upon all documents, records and files in this action, and such oral and documentary evidence as may be presented at or before the time of the hearing on this Motion. The proposed order granting this Motion and approving the Reports is lodged concurrently herewith and the original of such order shall be presented to the Court at the time of the hearing on this Motion.

Date: February 15, 2001 FRANDZEL ROBINS BLOOM & CSATO, L.C.

BY: \_\_\_\_\_<signed>\_\_\_\_\_  
GARY OWEN CARIS  
Attorneys for Permanent  
Receiver ROBB EVANS & ASSOCIATES

**MEMORANDUM OF POINTS AND AUTHORITIES**

**I.**

**THE RECEIVER SEEKS APPROVAL OF THE REPORT SUBMITTED WHILE  
TEMPORARY RECEIVER AND HIS INITIAL REPORT AS PERMANENT RECEIVER**

Robb Evans & Associates ("Receiver") was originally appointed temporary receiver, with the full powers of an equity receiver for Western United Service Corporation dba Titan Business Solutions, pursuant to the Ex Parte Temporary Restraining Order Freezing Assets, Prohibiting Destruction or Alteration of Books and Records, Granting Access and Inspection, and Orders Appointing a Temporary Receiver, Permitting Expedited Discovery and To Show Cause Why a Preliminary Injunction Should Not Issue and Why a Permanent Receiver Should Not Be Appointed filed October 25, 2000 ("TRO"). The Receiver filed the Report of Receiver's Activities October 26, 2000 Through October 31, 2000 on November 1, 2000 while temporary receiver. A copy of the initial report is attached to the Caris Declaration as Exhibit 1.

The Receiver was subsequently confirmed as permanent receiver, with the full powers of an equity receiver, pursuant to the Court's minute order entered November 9, 2000. Pursuant to the minute order, the Receiver's duties as permanent receiver remained identical to the duties set forth in the TRO.

Accordingly, the Receiver hereby submits his initial report as permanent receiver for the period October 31, 2000 through January 19, 2001, attached to the Caris Declaration as Exhibit 2. The current report describes the Receiver's communications with consumers, the financial condition of the receivership estate, and the potential for consumer redress.

The Receiver hereby requests the following:

1. That the Receiver's report as temporary receiver, Exhibit 1 to the Caris Declaration, and the Receiver's initial report as permanent receiver, attached as Exhibit 2 to the Caris Declaration, be approved in their entirety.
2. That the Court authorize the Receiver to pay the indicated accrued fees and expenses as set forth in the second report owed to the Receiver, the Receiver's staff members, outside counsel, and other professionals retained by the Receiver.
3. That the Court confirm the Receiver's actions and payments as set forth in the Reports, including the liquidation and sale of all personal property.

**II.**  
**NOTICE IS APPROPRIATE PURSUANT TO THE LOCAL RULES**

Rule 25.6.1 of the Local Rules of the United States District Court for the Central District of California ("Local Rules") provides:

Within six months of appointment, and semi-annually thereafter, the receiver shall serve and file with the court a report showing:

- (a) the receipts and expenditures of the receivership; and
- (b) all acts and transactions performed in the receivership.

Pursuant to Local Rule 25.7, motions to approve a receiver's report and applications for fees and expenses of a receiver, receiver's counsel and other personnel retained to aid a receiver are to be noticed to all parties to the action and to all known creditors of the defendants in conformity with the notice provision of Local Rule 7. Because the pool of potential consumers asserting a claim in the receivership action totals approximately 14,000 individuals, comprised of consumers who were not creditors in Western United's Chapter 11 case, {[1] There are also approximately 1,900 unsecured creditors from the Chapter 11 case who elected to be paid from 20% of the recovery in the litigation against Matt Rubin. The Receiver does not intend that such election will be affected in this receivership case} it would not be cost effective to serve each consumer with this motion, given the small amount of assets in the estate. However, this entire motion is being posted on the Receiver's web site at robbevans.com concurrently with its filing, in order to allow it to be read and reviewed by the consumers. Accordingly, this Notice of Motion and Motion has been timely mailed to all the parties in this action and to all known creditors, excluding the consumers who may have a claim in the receivership estate, and the unpaid creditors from defendant's Chapter 11 case who elected to be paid from 20% of the recovery in the Rubin litigation, as described in the accompanying proof of service.

Therefore, the Receiver respectfully requests that this Court grant this Motion and approve the Reports in their entirety.

Date: February 15, 2001

FRANDZEL ROBINS BLOOM & CSATO, L.C.

BY: \_\_\_\_\_<signed>\_\_\_\_\_  
GARY OWEN CARIS  
Attorneys for Permanent  
Receiver ROBB EVANS & ASSOCIATES

**DECLARATION OF GARY OWEN CARIS**

I, Gary Owen Caris, declare:

1. I am an attorney at law duly licensed to practice before all courts of the State of California and the United States District Court for the Central District of California, and am a member of Frandzel Robins Bloom & Csato, L.C., attorneys of record for Robb Evans & Associates ("Receiver") in the above-referenced action. I have been the attorney primarily responsible for representing the Receiver since the Receiver's appointment on October 25, 2000, pursuant to the Court's TRO. I have personal knowledge of the matters set forth in this declaration, and if I were called upon to testify as to these matters, I could and would competently testify based upon my own personal knowledge.

2. Attached hereto as Exhibit "1" is a true and correct copy of the Temporary Receiver's Report of Receiver's Activities October 26, 2000 Through October 31, 2000 previously filed with the Court on November 1, 2000.

3. Attached hereto as Exhibit "2" is the original Report of Receiver's Activities October 31, 2000 Through January 19, 2001.

4. Lodged concurrently herewith is the proposed Order Approving: (1) Report of Receiver's Activities October 26, 2000 to October 31, 2000 and; (2) Report of Receiver's Activities October 31, 2000 Through January 19, 2001.

5. Because the pool of potential consumers asserting a claim in the receivership action totals approximately 14,000 individuals, it would not be cost effective to serve each consumer with this motion, given the small amount of assets in the estate. There are also approximately 1,900 unsecured creditors from the Chapter 11 case who elected to be paid from 20% of the recovery in the litigation against Matt Rubin. The Receiver does not intend that such election will be affected in this receivership case. However, this entire motion is being posted on the Receiver's web site at [robbevans.com](http://robbevans.com) concurrently with its filing, in order to allow it to be read and reviewed by the consumers and other interested parties.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed on February 15, 2001, at Los Angeles, California.

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<signed>  
GARY OWEN CARIS

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