

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

AMERICAN MORTGAGE  
CONSULTING GROUP, LLC, a  
California Limited Liability Company,  
also d.b.a. American Mortgage Group  
and American Mortgage Consulting;  
HOME GUARDIAN  
MANAGEMENT SOLUTIONS, LLC,  
a California Limited Liability  
Company, also d.b.a. Home Guardian  
Solutions; and MARK NAGY  
ATALLA, d.b.a Home Guardian  
Solutions, Home G Solutions Firm, and  
Home G Solutions Group,

Defendants.

CASE NO. SA CV 12-1561-DOC (JPRx)

**ORDER: (1) APPROVING  
RECEIVER'S FINAL REPORT  
AND ACCOUNTING; (2)  
APPROVING AND AUTHORIZING  
PAYMENT OF RECEIVER'S AND  
ITS PROFESSIONALS' FEES AND  
EXPENSES INCURRED FROM  
NOVEMBER 1, 2012 THROUGH  
CLOSING; (3) DISCHARGING  
RECEIVER AND RELIEVING  
RECEIVER OF ALL DUTIES AND  
LIABILITIES; (4) AUTHORIZING  
ABANDONMENT AND  
DESTRUCTION OF RECORDS  
AND RELATED RELIEF; AND (5)  
LIMITING NOTICE UNDER  
LOCAL CIV. R. 66-7 IN  
CONNECTION THEREWITH [94]**

1 Before the Court is the Motion for Order: (1) Approving Receiver’s Final  
2 Report and Accounting; (2) Approving and Authorizing Payment of Receiver’s  
3 Fees and Expenses Incurred from November 1, 2012 Through Closing; (3)  
4 Discharging Receiver and Relieving Receiver of All Duties and Liabilities; (4)  
5 Authorizing Abandonment and Destruction of Records and Related Relief; and (5)  
6 Limiting Notice under Local Civ. R. 66-7 (“Motion”) (Dkt. 94) filed by Robb  
7 Evans & Associates LLC, the Receiver (“Receiver”) for American Mortgage  
8 Consulting Group, LLC, Home Guardian Management Solutions, LLC, and their  
9 successors, assigns, subsidiaries and affiliates. The Receiver filed the instant  
10 Motion on June 3, 2016. On June 20, 2016, Plaintiff Federal Trade Commission  
11 filed a Statement of Non-Opposition (Dkt. 99). No Defendants (or non-parties) have  
12 filed any oppositions. The Court, having reviewed and considered the Motion and  
13 all pleadings and papers filed in support thereof, and in the absence of any  
14 opposition, and good cause appearing, GRANTS the Motion as set forth below.

15 IT IS ORDERED, without limiting the generality of the foregoing:

16 1. The Receiver’s Final Report and the Receiver’s Final Accounting, a  
17 copy of which is attached as Exhibit 1 to the Declaration of Brick Kane filed in  
18 support of the Motion is hereby approved;

19 2. All receivership administrative expenses incurred in this receivership  
20 proceeding, including the Receiver’s fees and expenses and those of its  
21 professionals incurred in connection with the receivership proceeding, including  
22 those previously paid to the Receiver and its counsel, are hereby approved. All  
23 administrative expenses and Receiver’s and professionals’ fees and expenses  
24 incurred during the Final Expense Period, described and estimated in the Final  
25 Accounting, are also hereby approved and authorized to be paid from assets of the  
26 receivership estate, including without limitation the actual and estimated fees and  
27 costs of the Receiver and the Receiver’s counsel incurred from November 1, 2012  
28 through the closing of the estate (the “Final Expense Period”) as set forth in the

1 Final Accounting in the aggregate sum of \$25,247.53 for the Final Expense Period,  
2 comprised of the following: (1) the fees and expenses of the Receiver, its members  
3 and staff, incurred from November 1, 2012 through March 31, 2016, in the  
4 aggregate sum of \$7,009.10 and Receiver's expenses in the sum of \$213.13; (2) the  
5 fees and costs incurred by the Receiver for the services of Receiver's counsel  
6 incurred from November 1, 2012 through March 31, 2016, consisting of fees of  
7 \$10,587.15 and \$154.79 in costs; and (3) the fees and costs incurred and to be  
8 incurred for the services of the Receiver and Receiver's counsel from April 1, 2016  
9 through the closing of the estate consisting of estimated additional Receiver's fees  
10 of \$2,189.00 and Receiver's costs of \$94.36 and estimated additional attorneys' fees  
11 of \$4,000.00 and costs of \$1,000.00;<sup>1</sup>

12 3. All actions and activities taken by or on behalf of the Receiver and all  
13 payments made by the Receiver in connection with the administration of the  
14 receivership estate are hereby approved and confirmed;

15 4. The Receiver is hereby authorized to abandon and destroy the records  
16 of the Receivership Defendants in the possession, custody or control of the  
17 Receiver if, within 30 days after service of written notice to the FTC, the Receiver  
18 has not been served with a written request by the FTC for possession of the records  
19 or a subpoena by a law enforcement agency for the records, and if during such 30-  
20 day period, the Receiver is served with a written request for the records by the FTC  
21 or subpoena by a law enforcement agency for the records, authorizing the Receiver  
22 to turn over the original records to the FTC or a law enforcement agency in  
23 response to the request or subpoena;

24 \_\_\_\_\_  
25 <sup>1</sup> The Receiver has indicated the receivership estate is "administratively insolvent." Declaration of  
26 Brick Kane ("Kane Decl.") (Dkt. 94-3) ¶ 12. Thus, "[t]he Receiver and [counsel] understand that  
27 the receivership presently has insufficient funds to pay the fees and expenses sought and will  
28 likely not have such funds to pay prior to the closing of the estate." *Id.* ¶ 18. The Receiver further  
explains that "[g]iven the absence of funds in the receivership to pay administrative expenses of  
the Receiver and its counsel, the Receiver also has no funds at this time to turn over to the FTC  
under the Final Judgment and does not anticipate having funds to turn over to the FTC when the  
estate us closed." *Id.* ¶ 18.

1           5.       Effective upon the completion of the Receiver’s wind up and closing  
2 of the estate as provided herein, the Receiver, its agents, employees, members,  
3 officers, independent contractors, attorneys and representatives are hereby: (a)  
4 discharged; (b) released from all claims and liabilities arising out of and/or  
5 pertaining to the receivership herein;<sup>2</sup> and (c) relieved of all duties and  
6 responsibilities pertaining to the receivership previously established in this action;  
7 and

8           6.       Limited notice of the Motion is hereby approved, and notice of the  
9 Motion is deemed sufficient based on the Receiver’s service of notice of the Motion  
10 and the Motion on the parties to this action through service on their counsel of  
11 record, service of a notice of hearing on the Motion on the governmental agencies  
12 and taxing authorities set forth in the certificate of service on the notice of hearing,  
13 and posting of the notice of motion and motion, supporting memorandum and  
14 declarations without time record exhibits on the Receiver’s web site.

15           The hearing set for July 11, 2016 at 10:00 a.m. is hereby VACATED.

16  
17  
18  
19  
20  
21  
22  
23  
24  
25

Dated: July 8, 2016

*David O. Carter*

\_\_\_\_\_  
DAVID O. CARTER  
United States District Court Judge

<sup>2</sup> The Court notes it “does not have the power to grant *ex ante* blanket immunity for claims predicated on acts outside the Receiver’s official duties” or “court-derived authority.” *F.T.C. v. Lucas Lawcenter Inc.*, No. SACV 09-0770 DOC ANX, 2010 WL 4916622, at \*2 (C.D. Cal. Nov. 29, 2010). Thus, the motion to relieve the Receiver of all liabilities is only granted to the extent the Receiver does not seek “to exonerate himself from potential liability for actions falling outside the scope of his court-derived authority.” *Id.*