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**UNITED STATES DISTRICT COURT**

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**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

11

FEDERAL TRADE COMMISSION,

Case No. 5:18-cv-02104-DMG-PLA

12

Plaintiff,

**RECEIVER'S EX PARTE  
APPLICATION:**

13

v.

**1. FOR LEAVE TO FILE UNDER  
SEAL REPORT OF RECEIVER RE  
CONDUCTING VPL OPERATIONS  
AND RELATED VPL CASH FLOW  
PROJECTIONS; AND**

14

JASON CARDIFF, etc., et al.,

**2. FOR ORDER APPROVING**

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Defendants.

**(A) THE JOINT STIPULATION AS  
TO VPL OPERATIONS;**

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**(B) RECEIVER'S REPORT AS TO  
VPL OPERATIONS; AND**

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**(C) VPL CASH FLOW  
PROJECTIONS; AND**

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**3. FOR ORDER INSTRUCTING  
THE RECEIVER TO CONDUCT  
VPL OPERATIONS GOING  
FORWARD IN ACCORDANCE  
WITH THE PROJECTIONS.**

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(Filed concurrently with Declarations of  
Brick Kane and Michael Gerard  
Fletcher; Proposed Order)

26

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Judge: Hon. Dolly M. Gee

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1 **TO THE HONORABLE DOLLY M. GEE, JUDGE OF THE UNITED**  
2 **STATES DISTRICT COURT:**

3  
4 Receiver Robb Evans & Associates LLC (“Receiver”), the court-appointed  
5 receiver in this action as to VPL Medical, Inc. (“VPL”), respectfully applies, ex  
6 parte, for this Court to issue its order and instructions to the Receiver --- without a  
7 hearing which the parties have waived --- (1) granting the Receiver leave to file  
8 under seal the full unredacted version of the Kane Declaration, attaching the  
9 Receiver’s report regarding the operations of Receivership Entity VPL on a go-  
10 forward basis (“Receiver’s VPL Report”), including the VPL Cash Flow Projections  
11 attached as an exhibit to the Receiver’s VPL Report (“VPL Cash Flow  
12 Projections”), for consideration by the Court; and (2) approving the Joint Stipulation  
13 of the parties concerning VPL operations (“Joint Stipulation”), and the underlying  
14 Receiver’s VPL Report and the VPL Cash Flow Projections; and (3) instructing the  
15 Receiver to conduct VPL operations going forward in accordance with the Report  
16 and the VPL Cash Flow Projections, if the Receiver concludes such operations can  
17 be profitable and are legal, without further order of this Court (the “Application”).

18 The full unredacted version of the Receiver’s VPL Report, including the VPL  
19 Cash Flow Projections attached as an exhibit to the Receiver’s VPL Report, the  
20 entirety of which the Receiver asserts should be under seal, is attached as Exhibit 1  
21 to the concurrently-filed Declaration of Brick Kane, the Receiver’s President &  
22 Chief Operating Officer (“Kane Decl.”), and labeled “UNREDACTED VERSION  
23 OF DOCUMENT PROPOSED TO BE FILED UNDER SEAL”, pursuant to L.R.  
24 79-5.2.2(a)(iv).

25 The factual basis for the request for leave to file under seal is that the  
26 Receiver’s VPL Report, including the VPL Cash Flow Projections attached as an  
27 exhibit thereto, includes confidential and sensitive business and financial  
28 information about VPL and its projected operations, products, sales, and sales

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1 prices, and information in the nature of trade secrets that could result in an adverse  
2 competitive and unfair advantage being obtained by competitors of VPL if they  
3 were to learn about it. (See Kane Decl.) Given the nature of the information  
4 contained in the Receiver’s VPL Report, including the VPL Cash Flow Projections,  
5 the Receiver believes that in the event the Court grants a sealing order, that service  
6 of the full unredacted version of the Receiver’s VPL Report, including the VPL  
7 Cash Flow Projections attached as an exhibit to the Receiver’s VPL Report, should  
8 and would be made only upon counsel for defendants Jason and Eunjung Cardiff  
9 (“Cardiffs”), plaintiff Federal Trade Commission (“FTC”), and Receivership Entity  
10 VPL. (*Id.*)

11 *No one other than this Court, and the Receiver, the FTC, the Cardiffs, and*  
12 *VPL and their respective legal counsel, have any need to see any of the material in*  
13 *the Receiver's VPL Report or in the Projections which are requested to be sealed,*  
14 *which Report and Projections are based on the VPL cash under the control of the*  
15 *Receiver, and the VPL tangible and intangible personal property and real property*  
16 *assets of VPL under the Receiver's control and administration. (See Kane Decl.)*

17 The reason for seeking the sealing order, as well as the order approving the  
18 Receiver's VPL Report, the Joint Stipulation, and the VPL Cash Flow Projections,  
19 and instructing the Receiver to conduct VPL operations going forward in  
20 accordance with such Projections, on an ex parte basis, is that the key parties with a  
21 stake in such VPL operations going forward have now agreed to such go-forward  
22 operations, based on the Projections. Plaintiff FTC has indicated its conditional  
23 non-opposition to the Receiver's Report and Projections by expressing such non-  
24 opposition in the Joint Stipulation. The conditions to the FTC non-opposition are  
25 set forth in the Joint Stipulation (section E thereof), and concern the asset freeze  
26 restrictions on Cardiff salary and the need for a further Court order concerning the  
27 use by the Cardiffs of the salary to be paid to Jason Cardiff for his participation in  
28 the VPL operations going forward. (*See Kane Decl.*)

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1 In order to expedite the resumption of VPL’s operations, the Receiver, VPL,  
2 and the Cardiffs have entered into the Joint Stipulation to approve the Receiver’s  
3 VPL Report, including the Cash Flow Projections, and for the Court to instruct the  
4 Receiver to conduct VPL operations going forward in accordance therewith. The  
5 Joint Stipulation provides that all parties waive hearing on the approval of the  
6 Stipulation, the Receiver’s VPL Report, and the Cash Flow Projections. The FTC  
7 has indicated its non-opposition to the matters set forth in the Joint Stipulation  
8 (subject to limited condition as set forth therein) by executing the “Notice of FTC  
9 Non-Opposition” page attached to the Joint Stipulation. A true and correct copy of  
10 the fully executed Joint Stipulation is attached hereto as Exhibit 1. (*See Kane Decl.*)

11 This Application is made and based upon (i) this Application and attached  
12 Memorandum; (ii) the concurrently-filed Kane Decl. and Declaration of Michael  
13 Gerard Fletcher in support of this Application (“Fletcher Decl.”) (closed to public  
14 inspection pursuant to LR 79-5.2.2(a)); the concurrently-filed [Proposed] Order; the  
15 concurrently-filed Joint Stipulation; and the concurrently-filed unredacted version of  
16 the Kane Declaration, attaching the Receiver’s VPL Report, including the VPL Cash  
17 Flow Projections (closed to public inspection pursuant to LR 79-5.2.2(a)). No  
18 portion of the Kane Declaration, attaching the Receiver's VPL Report or the  
19 Projections should be made public, and all of that should be sealed.

20 Pursuant to Courtroom Rule 6 and Local Rule 7-19, and as reflected by the  
21 Joint Stipulation, the Receiver and counsel for the Receiver have met and conferred  
22 extensively by personal cell phone (which numbers should be kept confidential) and  
23 by email with counsel for VPL and the Cardiffs (Stephen R. Cochell,  
24 srcochell@gmail.com; and James D. White, jdwhite@jamesdwhitelaw.com), and the  
25 FTC (Elizabeth Sanger, esanger@ftc.gov), regarding the substance of this  
26 Application. Based thereon, and upon the Joint Stipulation filed herewith, the  
27 Receiver believes that this Application is unopposed. *See Fletcher Decl.; Kane*  
28 *Decl.*

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1           **WHEREFORE**, the Receiver requests that the Court --- without the need for  
2 a hearing, which the parties have waived --- enter an order (1) granting the Receiver  
3 leave to file under seal the full unredacted version of the Kane Declaration,  
4 attaching the Receiver’s VPL Report, including the VPL Cash Flow Projections  
5 attached as an exhibit to the Receiver’s VPL Report, for consideration by the Court,  
6 and (2) approving the Receiver's VPL Report and the VPL Cash Flow Projections;  
7 and (3) and instructing the Receiver to conduct VPL operations going forward in  
8 accordance with the VPL Cash Flow Projections, in the form of the proposed order  
9 submitted herewith.

10 DATED: August 28, 2020

Respectfully submitted,

FRANDZEL ROBINS BLOOM & CSATO, L.C.  
MICHAEL GERARD FLETCHER  
CRAIG A. WELIN  
HAL D. GOLDFLAM

By:           /s/ Michael Gerard Fletcher            
MICHAEL GERARD FLETCHER  
Attorneys for Receiver ROBB EVANS  
AND ASSOCIATES LLC

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**MEMORANDUM**

1  
2 Ex parte relief is justified where “moving party’s cause will be irreparably  
3 prejudiced if the underlying motion is heard according to regular noticed motion  
4 procedures” and where “moving party is without fault in creating the crisis that  
5 requires ex parte relief.” *Mission Power Engineering Co. v. Continental Cas. Co.*  
6 (C.D. Cal. 1995) 883 F.Supp. 488, 492 (cited in this Court’s Courtroom Rule 6).

7 Here, as set forth in the Kane Declaration, the Estate would be irreparably  
8 prejudiced if the matter were heard as a noticed motion because all of the predicate  
9 steps for the evaluation of go-forward VPL operations have been completed, except  
10 for instructions from this Court to do so, and there is no reason for delay in  
11 obtaining those instructions to proceed to operate. The Receiver did not cause the  
12 urgency in that the Preliminary Injunction as to VPL was only recently entered on  
13 July 8, 2020, the Receiver has been diligently evaluating the VPL operations and  
14 assets both before and after that time, and the Receiver is bringing this Application  
15 promptly after reaching agreement with VPL, the Cardiffs, and the FTC on the  
16 matters addressed herein.

17 With regard to the request to file under seal, Local Rule 79-5 authorizes the  
18 filing of documents under seal pursuant to an “Application for Leave to File Under  
19 Seal”. LR 79-5.2.2(a). The Application must “describe the nature of the  
20 information that the Filing Party asserts should be closed to public inspection,” and  
21 “be accompanied by ... [a] declaration establishing good cause or demonstrating  
22 strong compelling reasons why the strong presumption of public access in civil  
23 cases should be overcome ...” (*Id.*)

24 “Every court has supervisory power over its own records and files, and access  
25 has been denied where court files might have become a vehicle for improper  
26 purposes.” *Hagestad v. Tragesser* (9th Cir. 1995) 49 F.3d 1430, 1433-34. Such  
27 purposes can include improper use of sensitive business information and trade  
28 secrets. *Rich v. Shrader* (S.D. Cal., Nov. 26, 2013, No. 09CV652 AJB BGS) 2013

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1 WL 6190895, at \*1-2; *Hagestad v. Tragesser, supra*, 49 F.3d at 1434. A District  
2 Court’s order sealing its records is “an exercise of its inherent supervisory power,”  
3 and the decision is “one best left to the sound discretion of the trial court, a  
4 discretion to be exercised in light of the relevant facts and circumstances of the  
5 particular case.” (*Id.*)

6 Here, based on the Kane Declaration as well as the information set forth in the  
7 unredacted version of the Receiver’s VPL Report and VPL Cash Flow Projections,  
8 the Receiver submits that there is both good cause and compelling reason to grant  
9 the sealing order requested in the Application.

10 Accordingly, the Receiver requests that the Court grant the Application in  
11 full.

12  
13 DATED: August 28, 2020

Respectfully submitted,

FRANDZEL ROBINS BLOOM & CSATO, L.C.  
MICHAEL GERARD FLETCHER  
CRAIG A. WELIN  
HAL D. GOLDFLAM

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19 By: /s/ Michael Gerard Fletcher  
20 MICHAEL GERARD FLETCHER  
21 Attorneys for Receiver ROBB EVANS  
22 AND ASSOCIATES LLC  
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# EXHIBIT 1



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7 Attorneys for Receiver ROBB EVANS &  
ASSOCIATES LLC

8  
9  
10 **UNITED STATES DISTRICT COURT**  
11 **CENTRAL DISTRICT OF CALIFORNIA**  
12 **WESTERN DIVISION**

13 FEDERAL TRADE COMMISSION,

14 Plaintiff,

15 v.

16 JASON CARDIFF, etc., et al.,

17 Defendants.  
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Case No. 5:18-cv-02104-DMG-PLA

**JOINT STIPULATION OF  
RECEIVER ROBB EVANS &  
ASSOCIATES LLC, DEFENDANTS  
JASON CARDIFF AND EUNJUNG  
CARDIFF, AND RECEIVERSHIP  
ENTITY VPL MEDICAL, INC. (1)  
TO APPROVE THE VPL  
RECEIVER'S REPORT AND THE  
OPERATING CASH FLOW  
PROJECTION; AND (2) FOR THE  
COURT TO INSTRUCT THE  
RECEIVER TO CONDUCT VPL  
OPERATIONS GOING FORWARD  
IN ACCORDANCE THEREWITH;  
AND (3) WAIVER OF HEARING  
CONCERNING THIS  
STIPULATION**

Date: Waived; None required  
Time: Waived; None required  
Place: Courtroom 8C, 350 West 1st St.  
Judge: Hon. Dolly M. Gee

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1 Receiver Robb Evans & Associates LLC ("Receiver"), and defendants Jason  
2 Cardiff and Eunjung Cardiff (collectively, the "Cardiffs"), and receivership entity  
3 VPL Medical, Inc. ("VPL") herewith submit their Joint Stipulation Of Receiver  
4 Robb Evans & Associates LLC, Defendants Jason Cardiff And Eunjung Cardiff,  
5 And Receivership Entity VPL Medical, Inc. (1) To Approve The VPL Receiver's  
6 Report And The Operating Cash Flow Projection; And (2) For The Court To  
7 Instruct The Receiver To Conduct VPL Operations Going Forward In Accordance  
8 Therewith; And (3) Waiver Of Hearing Concerning This Stipulation ("Stipulation"),  
9 entered into through their respective counsel of record with respect to the following  
10 facts. The Federal Trade Commission ("FTC") has provided its conditional non-  
11 opposition as set forth below in the Non-Opposition signature block, conditioned on  
12 paragraph E herein:

13 A. This Court entered its Temporary Restraining Order as to VPL on June  
14 24, 2020 (Dkt. 352) temporarily appointing the Receiver over VPL, which the Court  
15 extended for the duration of this case by entering its Preliminary Injunction with  
16 Asset Freeze and Receiver (Dkt.389) on July 7, 2020, giving the Receiver the  
17 powers of an equity receiver as to VPL ("Preliminary Injunction").

18 B. This Court instructed the Receiver to evaluate the possibility of  
19 conducting VPL operations going forward as a going business concern, which the  
20 Receiver contends it has been doing since June 24, 2020, and has been consulting  
21 with the other interested parties concerning.

22 C. The Receiver, VPL, and the Cardiffs (the "Parties") have now jointly  
23 created a consensual VPL operating cash flow projection ("Projections") concerning  
24 VPL going-forward operations ("Operations"), which is being submitted to this  
25 Court under seal as an exhibit to the sealed Receiver's report to the Court concerning  
26 VPL. Subject to paragraphs D and E below, the Parties hereto respectfully submit  
27 that this Court should approve the Projections and instruct the Receiver to conduct  
28 VPL Operations in accordance with the Projections, for so long as the Receiver

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1 believes such operations can be conducted on a basis that they are both profitable  
2 and legal. The Receiver would intend to conduct such Operations forthwith upon  
3 receiving such instructions.

4 D. The Projections provide for a salary for both Bobby Bedi and Jason  
5 Cardiff going forward. Bedi and Cardiff contend that the Receiver should also pay  
6 them for the efforts they claim to have undertaken from and after the entry on July  
7 16, 2020 (Dkt. 403) of this Court's Order Denying Defendant Jason Cardiff And  
8 Intervenor VPL Medical Inc.'s *Ex Parte* Application To Remove Receiver Or To  
9 Direct Receiver To Continue VPL Medical, Inc's Operations And Pay Vendors And  
10 Critical Staff Order, concerning VPL operations. For a variety of reasons, some  
11 general to both and some specific to each such person, the Receiver contends that  
12 neither Bedi nor Cardiff should be compensated for the indicated period, but instead  
13 that they only should be compensated for their employment by VPL pursuant to the  
14 employment term sheet presented to them by the Receiver in the context of VPL go  
15 forward operations under the Projections, once it is executed in a form acceptable to  
16 the Receiver, from and after the entry by the Court of an order based on this  
17 Stipulation. The Parties agree to reserve resolution of these issues as a Dispute  
18 (defined below) that may be addressed under the procedures set forth below in  
19 paragraph E.1 through and including E.3.

20 E. As noted in paragraph D, the Projections provide for a salary to be  
21 provided to Jason Cardiff going forward. The FTC does not object thereto, but  
22 requires that the Receiver, pursuant to the asset freeze and receivership provisions of  
23 the November 8, 2018, Preliminary Injunction (Dkt. 59), hold Jason Cardiff's net  
24 salary provided for in the Projections ("Cardiff Salary") unless and until, following a  
25 proper application, the Court issues an order authorizing the release of frozen  
26 Cardiff Salary to pay reasonable Cardiff living expenses, and that the Court consider  
27 the FTC objection to any release of frozen Cardiff Salary to pay reasonable living  
28 expenses ("Living Expenses") until the Cardiffs purge their contempt by fully

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1 complying with the July 24, 2020 Order (Dkt. 417) ("Purge of Contempt"). The  
2 Cardiffs dispute those positions. The Parties have agreed to address these disputes  
3 ("Disputes") as follows:

4 1. This Stipulation and the Receiver's VPL Report and the VPL  
5 Projections shall be submitted to the Court for immediate approval, notwithstanding  
6 the Disputes, holding resolution of the Disputes for later determination by the Court;

7 2. Assuming approval hereof by this Court, and pending resolution  
8 of the Disputes by further stipulation or Court order, the Receiver shall hold  
9 undisbursed to Cardiff the Cardiff Salary;

10 3. Consistent with the Local Rules of the United States District  
11 Court for the Central District of California, the FTC and the Cardiffs shall meet and  
12 confer about the Cardiff Salary, the documented Living Expenses, and resolution of  
13 the Disputes prior to the filing of a motion by the Cardiffs to approve payment of the  
14 Cardiff Salary for documented Living Expenses. In the event that such a motion is  
15 filed, the FTC and the Cardiffs agree that it may be addressed on an expedited basis  
16 by the Court, provided that there is at least three business days for any Party or FTC  
17 to oppose the motion.

18 F. VPL contends that Jason Cardiff and Bobby Bedi ought to be provided  
19 an increased salary adjustment based on VPL's actual performance after sixty (60)  
20 days of going forward operations; the Receiver disagrees and contends that this  
21 would be an inappropriate time to consider salary adjustments, before any  
22 operations are conducted and the profitability, if any, of VPL operations going  
23 forward is actually determined through operational results, and before their  
24 respective contributions to such operational results can be evaluated. Accordingly,  
25 the Parties have reached a compromise that the Receiver will conduct a review of  
26 such salaries on or before November 1, 2020, to determine if salary adjustments are  
27 advisable.

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1 G. Concerning any issues not otherwise expressly addressed in this  
2 Stipulation, each party to this Stipulation in general reserves its respective claims  
3 and contentions as to any party, person, or entity, including without limitation the  
4 claimed respective entitlements of Cardiff and Bedi as to VPL. Each party hereto  
5 may seek further instructions from the Court if it is necessary or desirable to do so,  
6 as to any such issues.

7 H. All Parties hereto waive having a hearing on the approval of this  
8 Stipulation, the Receiver's Report, and the Projections, and request that the Court so  
9 order as soon as possible, without the need to conduct a hearing for such immediate  
10 approval.

11 **WHEREFORE**, and accordingly, the Parties hereto respectfully request on  
12 an ex parte basis that the Court enter the accompanying [Proposed] Order to approve  
13 this Stipulation, the Receiver's VPL Report, and the Projections and instruct the  
14 Receiver to conduct VPL Operations in accordance with the Projections waiving  
15 any need for a hearing hereon, subject to the conditions and requests in paragraph E  
16 above with respect to the Disputes.

17 DATED: August 27, 2020

Respectfully submitted,

FRANDZEL ROBINS BLOOM &  
CSATO, L.C.  
MICHAEL GERARD FLETCHER  
CRAIG A. WELIN  
HAL.D. GOLDFLAM

By: /s/ Michael Gerard Fletcher  
MICHAEL GERARD FLETCHER  
Attorneys for ROBB EVANS AND  
ASSOCIATES LLC solely in its capacity  
as the duly appointed and acting receiver  
over VPL Medical, Inc.

[Signatures continued on following pages]

28

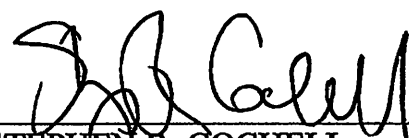
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DATED: August 29, 2020

Respectfully submitted,


LAW OFFICES OF STEPHEN R. COCHELL.

By:   
STEPHEN R. COCHELL  
Attorneys for JASON CARDIFF,  
EUNJUNG CARDIFF, AND VPL  
MEDICAL, INC.

DATED: August 21, 2020

Respectfully submitted,

LAW OFFICES OF JAMES D. WHITE

By:   
JAMES D. WHITE  
Attorneys for JASON CARDIFF,  
EUNJUNG CARDIFF, AND VPL  
MEDICAL, INC.

[Signatures continued on following pages]




**NOTICE OF CONDITIONAL FTC NON-OPPOSITION**

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The FTC has no objection to the foregoing, on the condition that the Court approve this Stipulation at this time, subject to the provisions of paragraph E above.

DATED: August 27, 2020

Respectfully submitted,

By: 

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Attorneys for Plaintiff  
FEDERAL TRADE COMMISSION

[Signatures continued on following pages]

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CONSENT

The Parties hereto consent to the foregoing and acknowledge that they have instructed their respective legal counsel to enter into this Stipulation on their respective behalf.

DATED: August 27, 2020

ROBB EVANS & ASSOCIATES LLC

By: 

BRICK KANE, acting solely as the duly appointed and acting receiver over VPL Medical, Inc.

DATED: August 27, 2020

VPL MEDICAL, INC.

By: 

Name:

Its: *CEO/President*

DATED: August 27, 2020

JASON CARDIFF



DATED: August 27, 2020

EUNJUNG CARDIFF





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7 Attorneys for Receiver ROBB EVANS &  
ASSOCIATES LLC

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**UNITED STATES DISTRICT COURT**

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**CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**

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FEDERAL TRADE COMMISSION,

Case No. 5:18-cv-02104-DMG-PLA

12

Plaintiff,

**DECLARATION OF MICHAEL  
GERARD FLETCHER IN  
SUPPORT OF RECEIVER'S EX  
PARTE APPLICATION:**

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v.

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JASON CARDIFF, etc., et al.,

**1. FOR LEAVE TO FILE UNDER  
SEAL REPORT OF RECEIVER RE  
CONDUCTING VPL OPERATIONS  
AND RELATED VPL CASH FLOW  
PROJECTIONS; AND**

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Defendants.

**2. FOR ORDER APPROVING**

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**(A) THE JOINT STIPULATION AS  
TO VPL OPERATIONS;**

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**(B) RECEIVER'S REPORT AS TO  
VPL OPERATIONS; AND**

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**(C) VPL CASH FLOW  
PROJECTIONS; AND**

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**3. FOR ORDER INSTRUCTING  
THE RECEIVER TO CONDUCT  
VPL OPERATIONS GOING  
FORWARD IN ACCORDANCE  
WITH THE PROJECTIONS.**

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(Filed concurrently with Application,  
Declaration of Brick Kane, Proposed  
Order)

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Judge: Hon. Dolly M. Gee

FRANZEL ROBINS BLOOM & CSATO, L.C.  
1000 WILSHIRE BOULEVARD, NINETEENTH FLOOR  
LOS ANGELES, CALIFORNIA 90017-2427  
(323) 852-1000

1 I, Michael Gerard Fletcher, declare as follows:

2 1. I am an attorney at law duly admitted to practice before this Court, and  
3 am a shareholder of Frandzel Robins Bloom & Csato, L.C. (“FRBC”), attorneys for  
4 the Receiver in this matter, Robb Evans & Associates LLC (“Receiver”). I am one  
5 of the attorneys at FRBC primarily responsible for the representation of the Receiver  
6 in this action. I have personal knowledge of the matters set forth in this declaration  
7 and if called upon to testify as to these matters I could and would competently  
8 testify thereto.

9 2. I make this declaration in support of the Receiver’s ex parte application  
10 (“Application”) for an order (1) granting the Receiver leave to file under seal the full  
11 unredacted version of the Receiver’s report regarding the operations of Receivership  
12 Entity VPL Medical, Inc. (“VPL”) on a go-forward basis (“Receiver’s VPL  
13 Report”), including the VPL Cash Flow Projections attached as an exhibit to the  
14 Receiver’s VPL Report (“VPL Cash Flow Projections”), for consideration by the  
15 Court; and (2) approving the Joint Stipulation of the parties concerning VPL  
16 operations (“Joint Stipulation”), and the underlying Receiver’s VPL Report and the  
17 VPL Cash Flow Projections; and (3) instructing the Receiver to conduct VPL  
18 operations going forward in accordance with the Report and the VPL Cash Flow  
19 Projections, as the Receiver, VPL, plaintiff Federal Trade Commission (“FTC”), and  
20 defendants Jason and Eunjung Cardiff (“Cardiffs”) without further order of this  
21 Court. A true and correct full unredacted copy of the Receiver’s VPL Report,  
22 including the VPL Cash Flow Projections attached as an exhibit to the Receiver’s  
23 VPL Report, the entirety of which the Receiver asserts should be under seal, is  
24 attached to the concurrently-filed Declaration of Brick Kane, the Receiver’s  
25 President & Chief Operating Officer, as Exhibit 1 and labeled “UNREDACTED  
26 VERSION OF DOCUMENT PROPOSED TO BE FILED UNDER SEAL”,  
27 pursuant to L.R. 79-5.2.2(a)(iv).

FRANZEL ROBINS BLOOM & CSATO, L.C.  
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LOS ANGELES, CALIFORNIA 90017-2427  
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3. Pursuant to Courtroom Rule 6 and Local Rule 7-19, and as reflected by the Joint Stipulation of the parties filed concurrently herewith, I, along with Mr. Kane, have met and conferred extensively by personal cell phone (which numbers should be kept confidential) and by email with counsel for VPL and the Cardiffs (Stephen R. Cochell, srcochell@gmail.com; James D. White, jdwhite@jamesdwhitelaw.com), and the FTC (Elizabeth Sanger, esanger@ftc.gov), regarding the substance of the Application. Based thereon, and upon the Joint Stipulation, the Receiver believes that the Application is unopposed.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this Declaration was executed on August 27, 2020, at Hermosa Beach, California.

/s/ Michael Gerard Fletcher  
Michael Gerard Fletcher