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 4 Seventeenth Floor  
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 6  
 7 Attorneys for Permanent Receiver, ROBB  
 EVANS & ASSOCIATES LLC

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

12 FEDERAL TRADE COMMISSION,  
 13 Plaintiff,

14 v.

15 SALE SLASH LLC, a California  
 limited liability company; PURISTS  
 16 CHOICE LLC, a California limited  
 liability company; ARTUR  
 17 BABAYAN, individually and as an  
 owner and manager of SALE SLASH  
 18 LLC and PURISTS CHOICE LLC; and  
 VAHE HAROUTOUNIAN,  
 19 individually and doing business as  
 PRISMA PROFITS,

20 Defendants.  
 21

Case No. 2:15-cv-03107-PA-AJW

**NOTICE OF MOTION AND  
 MOTION FOR AN ORDER  
 APPROVING AND AUTHORIZING  
 PAYMENT FROM RECEIVERSHIP  
 ASSETS OF RECEIVER'S AND  
 RECEIVER'S COUNSEL'S FEES  
 AND EXPENSES FOR THE  
 PERIOD OF JUNE 1, 2015,  
 THROUGH JUNE 30, 2015;  
 MEMORANDUM OF POINTS AND  
 AUTHORITIES AND  
 DECLARATIONS OF BRICK  
 KANE AND CRAIG A. WELIN  
 FILED HEREWITH**

[Honorable District Court Judge Percy  
 Anderson]

Date: August 31, 2015  
 Time: 1:30 p.m.  
 Place: Courtroom 15, Spring Street

FRANZEL ROBINS BLOOM & CSATO, L.C.  
6500 WILSHIRE BOULEVARD, 17TH FLOOR  
LOS ANGELES, CALIFORNIA 90048-4920  
(323) 852-1000

1 TO: THE HONORABLE PERCY ANDERSON, UNITED STATES  
2 DISTRICT JUDGE, AND ALL PARTIES IN INTEREST:

3 PLEASE TAKE NOTICE that on August 31, 2015, commencing at 1:30 p.m., or  
4 as soon thereafter as the parties may be heard in Courtroom 15 of the above-entitled  
5 Court located at 312 North Spring Street, Los Angeles, California 90012, Robb Evans  
6 & Associates LLC, the Receiver in the above-entitled action ("Receiver"), will and  
7 hereby does move the Court for an order approving the reasonableness and authorizing  
8 the payment from receivership assets of compensation and expenses for the Receiver  
9 and the Receiver's counsel Frandzel Robins Bloom & Csato, L.C. ("Frandzel") for the  
10 period of June 1, 2015, through June 30, 2015 ("Second Period"). During the Second  
11 Period, the Receiver's fees totaled \$18,751.65 and the Receiver's expenses totaled  
12 \$515.01, for a total of \$19,266.66. During the Second Period, Frandzel's fees totaled  
13 \$23,479.50 and Frandzel's expenses totaled \$461.41, for a total of \$23,940.91.<sup>1</sup>

14 PLEASE TAKE FURTHER NOTICE that this Motion is based upon this Notice  
15 of Motion and Motion; the accompanying memorandum of points and authorities and  
16 declarations of Brick Kane and Craig A. Welin; the pleadings, records and files of this  
17 case of which the Receiver requests the Court take judicial notice; the separate Notice  
18 of Hearing filed and served concurrently herewith; and all other further pleadings, oral  
19 and documentary evidence and arguments of counsel as may be presented by the  
20 Receiver at or before the time of the hearing on the Motion.

21 PLEASE TAKE FURTHER NOTICE that a copy of this Notice of Motion and  
22 Motion, the accompanying memorandum of points and authorities and declarations of  
23 Brick Kane and Craig A Welin (without exhibits) are posted and may be reviewed on

24  
25 <sup>1</sup> On May 27, 2015, pursuant to the Court's Minute Order entered May 13, 2015  
26 (Dkt. No. 34), the Receiver filed its Quarterly Task-Based Budget for the Months of  
27 June, July, and August 2015 (Dkt. No. 50) ("Budget"). For June 2015, the Budget  
28 budgets \$55,836.20 in fees for the Receiver and \$38,007.50 in fees for Frandzel. Thus,  
the fees that are the subject of this Motion are substantially less than the budgeted fees.

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the Receiver's website at <http://www.robbevans.com/find-a-case/casepage/sale-slash-LLC-et-al-receiver>. Copies will be provided to any interested party upon receipt of a written request sent to Robb Evans & Associates LLC, 11450 Sheldon Street, Sun Valley, California 91352; Telephone: (818) 768-8100; Facsimile: (818) 768-8802.

PLEASE TAKE FURTHER NOTICE that this Motion is made following the conference of counsel pursuant to Local Rule 7-3. On July 21, 2015, the Receiver's counsel sent an e-mail to Matthew Wernz, who represents the Plaintiff in this action, and Karl Kronenberger, who represents the Defendants in this action. The e-mail attached copies of the Receiver's and Frandzel's invoices for the Second Period (redacted where appropriate to preserve the attorney-client and attorney work product privileges or to otherwise protect the Receiver and the estate from inappropriate disclosures) and requested that Messrs. Wernz and Kronenberger contact the Receiver's counsel with any questions or comments on the invoices.

On July 24, 2015, Mr. Wernz indicated by e-mail that the Plaintiff has no objection to payment from receivership assets of the fees and costs that are the subject of this Motion. On July 29, 2015, Mr. Kronenberger's colleague Ginny Sanderson indicated by e-mail that the Defendants reserve the right to oppose payment of the fees and costs that are the subject of this Motion.

DATED: July 31, 2015

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

By: /s/ Craig A. Welin  
CRAIG A. WELIN  
Attorneys for Permanent Receiver, ROBB  
EVANS & ASSOCIATES LLC

## MEMORANDUM OF POINTS AND AUTHORITIES

### I. INTRODUCTION

1  
2  
3 Plaintiff Federal Trade Commission ("FTC") commenced this action on April 27,  
4 2015, by filing its Complaint for Permanent Injunction and Other Equitable Relief  
5 ("Complaint") against Defendants Sale Slash LLC, a California limited liability  
6 company ("Sale Slash"); Purists Choice LLC, a California limited liability company  
7 ("Purists Choice"); Artur Babayan, individually and as an owner and manager of Sale  
8 Slash and Purists Choice; and Vahe Haroutounian, individually and doing business as  
9 Prisma Profits (individually and collectively, "Defendants"). The Complaint alleges  
10 violations of the Federal Trade Commission Act and the Controlling the Assault of  
11 Non-Solicited Pornography and Marketing Act of 2003.

12 On April 27, 2015, the Court entered its *Ex Parte* Temporary Restraining Order  
13 with an Asset Freeze, Appointment of a Receiver, and Other Equitable Relief, and  
14 Order to Show Cause Why a Preliminary Injunction Should Not Issue (Dkt. No. 13),  
15 pursuant to which (among other things) Robb Evans & Associates LLC ("Receiver")  
16 was appointed as the temporary receiver in this action. The Receiver's appointment  
17 was subsequently confirmed by the Court's Preliminary Injunction entered May 12,  
18 2015 (Dkt. No. 33) ("Preliminary Injunction Order").

19 The orders providing for the Receiver's appointment direct the Receiver (among  
20 other things) to take exclusive custody, control, and possession of the assets of the  
21 Defendants and any of their affiliates, subsidiaries, divisions, or sales or customer  
22 service operations, wherever located, with the Receiver having the full power of an  
23 equity receiver. The appointment orders also authorize the Receiver to "choose,  
24 engage, and employ attorneys, accountants, appraisers, and other independent  
25 contractors and technical specialists, as the Receiver deems advisable or necessary in  
26 the performance of duties and responsibilities under the authority granted by" the  
27 appointment orders. The Receiver has engaged Frandzel Robins Bloom & Csato, L.C.  
28 ("Frandzel") as its counsel in this action.

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1 The Preliminary Injunction Order at Section X.G (entitled Compensation of  
2 Receiver) provides:

3 **IT IS FURTHER ORDERED** that the Receiver and all personnel hired  
4 by the Receiver as herein authorized, including counsel to the Receiver  
5 and accountants, are entitled to reasonable compensation for the  
6 performance of their duties pursuant to this Order and for the cost of  
7 actual out-of-pocket expenses incurred by them, from the assets now  
8 held by, or in the possession or control of, or which may be received by  
9 the Receivership Defendants. The Receiver shall file with the Court and  
10 serve on the parties periodic requests for the payment of such reasonable  
11 compensation, with the first such request filed no more than thirty (30)  
12 days after the date of this Order and every 30 days thereafter. The  
13 Receiver shall not increase the hourly rates used as the basis for such fee  
14 applications without prior approval of the Court.

11 On May 27, 2015, pursuant to the Court's Minute Order entered May 13, 2015  
12 (Dkt. No. 34), the Receiver filed its Quarterly Task-Based Budget for the Months of  
13 June, July, and August 2015 (Dkt. No. 50) ("Budget"). For June 2015, the Budget  
14 budgets \$55,836.20 in fees for the Receiver and \$38,007.50 in fees for Frandzel.

15 On June 11, 2015, the Receiver, the FTC, and the Defendants, by and through  
16 their respective counsel, entered into an *Ex Parte* Stipulation to Extend Deadline for  
17 Receiver to File Motion For an Order Authorizing and Approving Payment of the  
18 Receiver and Its Counsel for Allowance of Compensation and Reimbursement of  
19 Expenses Incurred During the Period of Inception Through May 31, 2015 (Dkt. No. 61)  
20 ("Ex Parte Stipulation"). On June 12, 2015, the Court entered its Order Approving the  
21 Ex Parte Stipulation and extending the Receiver's deadline to file its first fee motion as  
22 set forth in the Preliminary Injunction Order through and including June 25, 2015 (Dkt.  
23 No. 63).

24 On June 25, 2015, the Receiver filed its Notice of Motion and Motion for Order  
25 (1) Authorizing Payment from Receivership Assets of Receiver's and Receiver's  
26 Counsel's Fees and Expenses for the Period of Inception Through May 31, 2015; and  
27 (2) Approving Stipulation Regarding Timing of Future Receiver Fee Motions (Dkt. No.  
28 65) ("First Fee Motion").

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1 The First Fee Motion sought an order approving the reasonableness and  
2 authorizing the payment from receivership assets of (1) the Receiver's fees and  
3 expenses from April 27-May 31, 2015, totaling \$84,050.03; and (2) Frandzel's fees and  
4 expenses over the same time period, totaling \$37,597.00.

5 The First Fee Motion also sought approval of a stipulation by and between the  
6 Receiver, the FTC, and the Defendants, modifying the provisions of the Preliminary  
7 Injunction Order regarding the timing of filing fee motions. Specifically, the  
8 stipulation provides for the Receiver to file its next fee motion (covering fees and  
9 expenses for June 2015) no later than July 31, 2015, and for the Receiver to file  
10 subsequent fee motions every 60 days thereafter while this case remains pending.

11 The Court held a hearing on the First Fee Motion on July 27, 2015, and has not  
12 yet issued a ruling regarding the relief requested in the First Fee Motion.

13 Since the April 27, 2015, inception of the receivership through June 30, 2015,  
14 the Receiver has collected \$1,601,419.55 from the Defendants and their various related  
15 entities, as reflected on Exhibit 1 to the Declaration of Brick Kane filed herewith  
16 ("Kane Declaration").

17 This Motion seeks an order approving the reasonableness and authorizing the  
18 payment from receivership assets of compensation and expenses for the Receiver and  
19 the Receiver's counsel Frandzel for the period of June 1, 2015, through June 30, 2015  
20 ("Second Period"). During the Second Period, the Receiver's fees totaled \$18,751.65  
21 and the Receiver's expenses totaled \$515.01, for a total of \$19,266.66, as reflected on  
22 the itemized invoices collectively attached to the Kane Declaration as Exhibit 2.  
23 During the Second Period, Frandzel's fees totaled \$23,479.50 and Frandzel's expenses  
24 totaled \$461.41, for a total of \$23,940.91, as reflected on the itemized invoice attached  
25 to the Declaration of Craig A. Welin filed herewith as Exhibit 3. The fees of the  
26 Receiver and Frandzel for the Second Period are substantially less than the fees in the  
27 Budget for the Second Period.

28 ///

1           **II. SUMMARY OF RECEIVER'S AND RECEIVER'S COUNSEL'S**  
2                           **ACTIVITIES DURING THE SECOND PERIOD**

3           The Receiver and its counsel have complied with and continue to comply with  
4 the duties and responsibilities imposed upon them by the appointment orders.

5           During the Second Period, the Receiver continued its efforts to gain access to the  
6 Defendants' books and records and perform necessary forensic accounting in the face of  
7 the Defendants' refusal to provide access to certain password-protected computers. The  
8 Receiver on June 8, 2015, ultimately filed an Affidavit by Brick Kane Regarding Non-  
9 Compliance by the Defendants to bring these issues to the Court's attention (Dkt. No.  
10 55). The next day, on June 9, 2015, the Court ordered the Defendants to provide the  
11 requested access (Dkt. No. 58). As of the July 27, 2015, hearings in this matter, issues  
12 regarding the Receiver's access to computers had not been resolved.

13           The Receiver also worked to resolve merchant processing issues (including  
14 charge backs and fees) and payroll issues associated with the Defendants' business.  
15 The Receiver addressed issues associated with the Defendants' inventory, including  
16 discussions with the Defendants regarding an auction sale of the inventory and  
17 evaluating and responding to a third party's claims regarding ownership of some of the  
18 inventory. The Receiver dealt with a break-in at the Defendants' business premises,  
19 including taking additional steps to secure the premises, and took steps to ensure  
20 payment of rent payments due with respect to the premises.

21           Frاندzel assisted the Receiver with the legal aspects of many of the items  
22 described above, and continued frequent communications with the Defendants' counsel  
23 and the FTC. Among other things, Frاندzel evaluated and responded to legal issues  
24 raised by the Defendants regarding the Receiver's access to the Defendants' electronic  
25 records, including under the Federal Stored Communications Act. Frاندzel also  
26 evaluated claims by third parties (including merchant processors) to receivership funds.  
27 Frاندzel also prepared the First Fee Motion in accordance with this Court's orders.

28 ///

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III. CONCLUSION

Based on the foregoing, the Receiver respectfully requests that the Court grant this Motion and enter an order approving the reasonableness and authorizing the payment from receivership assets of (1) \$18,751.65 in fees and \$515.01 in expenses for the Receiver, a total of \$19,266.66, and (2) \$23,479.50 in fees and \$461.41 in expenses for Frandzel, a total of \$23,940.91.

DATED: July 31, 2015

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

By: /s/ Craig A. Welin  
CRAIG A. WELIN  
Attorneys for Permanent Receiver, ROBB  
EVANS & ASSOCIATES LLC

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**DECLARATION OF BRICK KANE**

I, Brick Kane, declare as follows:

1. I am a deputy to the Receiver Robb Evans & Associates LLC ("Receiver") and am a principal of the firm. I have been one of the deputies to the Receiver with primary responsibility for the day-to-day supervision and management of the receivership estate in this action since the Receiver was first appointed as receiver on April 27, 2015. I have personal knowledge of the matters set forth in this declaration and, if I were called upon to testify as to those matters, I could and would testify competently thereto based upon my personal knowledge.

2. The Receiver was first appointed as temporary receiver in this action by the Court's order entered April 27, 2015. The Receiver is currently acting as receiver pursuant to the Court's Preliminary Injunction entered May 12, 2015 ("Preliminary Injunction Order"). The appointment orders authorize the Receiver to employ attorneys, accountants, appraisers, and other contractors and technical specialists as the Receiver deems advisable or necessary in the performance of his duties and responsibilities thereunder. The Receiver has engaged Frandzel Robins Bloom & Csato, L.C. ("Frandzel") as its counsel in this action.

3. Under X.G of the Preliminary Injunction Order, the Receiver, and all personnel hired by the Receiver, including counsel to the Receiver, are entitled to reasonable compensation for the performance of their duties and reimbursement for actual out-of-pocket expenses, with such sums payable from assets of the receivership estate.

4. Since the April 27, 2015, inception of the receivership through June 30, 2015, the Receiver has collected \$1,601,419.55 from the Defendants and their various related entities, as reflected on the summary prepared by the Receiver entitled "Receivership Administrative Expenses by Month and Fund Balance," which is attached hereto as Exhibit 1.

///

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1           5.       During the Second Period, the Receiver's fees totaled \$18,751.65 and the  
2 Receiver's expenses totaled \$515.01, for a total of \$19,266.66, as reflected on the  
3 itemized invoices collectively attached hereto as Exhibit 2. During the Second Period,  
4 Frandzel's fees totaled \$23,479.50 and Frandzel's expenses totaled \$461.41, for a total  
5 of \$23,940.91. Invoices itemizing the fees and expenses of the Receiver's counsel  
6 Frandzel are attached as Exhibit 3 to the declaration of Craig A. Welin filed herewith.

7           6.       The fees of the Receiver and Frandzel for the Second Period are  
8 substantially less than the fees set forth in the Receiver's Quarterly Task-Based Budget  
9 for the Months of June, July, and August 2015 (Dkt. No. 50) ("Budget"). For June  
10 2015, the Budget budgets \$55,836.20 in fees for the Receiver and \$38,007.50 in fees  
11 for Frandzel.

12           7.       I am familiar with the methods and procedures used to create, record, and  
13 maintain the Receiver's billing records. The invoices attached hereto collectively as  
14 Exhibit 2 are prepared from computerized time records prepared contemporaneously  
15 with the services rendered by each professional billing time to this matter. These  
16 computerized records are prepared in the ordinary course of business by the Receiver's  
17 professionals who have a business duty to accurately record their time spent and  
18 services rendered on the matters on which they perform work. The time records are  
19 transferred into a computerized billing program which generates monthly invoices. In  
20 my experience, the Receiver's methods and procedures for recording and accounting for  
21 time and services have proven to be reliable and accurate.

22           8.       During the Second Period, the Receiver continued its efforts to gain access  
23 to the Defendants' books and records and perform necessary forensic accounting in the  
24 face of the Defendants' refusal to provide access to certain password-protected  
25 computers. I ultimately filed an Affidavit Regarding Non-Compliance by the  
26 Defendants to bring these issues to the Court's attention (Dkt. No. 55). The next day,  
27 on June 9, 2015, the Court ordered the Defendants to provide the requested access (Dkt.  
28 No. 58). As of the July 27, 2015, hearings in this matter, issues regarding the

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Receiver's access to computers had not been resolved.

9. The Receiver also worked to resolve merchant processing issues (including chargebacks and fees) and payroll issues associated with the Defendants' business. The Receiver addressed issues associated with the Defendants' inventory, including discussions with the Defendants regarding an auction sale of the inventory and evaluating and responding to a third party's claims regarding ownership of some of the inventory. The Receiver dealt with a break-in at the Defendants' business premises, including taking additional steps to secure the premises, and took steps to ensure payment of rent payments due with respect to the premises.

I declare under penalty of perjury under the laws of the United States of America and the State of California that the foregoing is true and correct and that this declaration was executed on July 30, 2015, at Sun Valley, California.

  
\_\_\_\_\_  
BRICK KANE

**DECLARATION OF CRAIG A. WELIN**

I, Craig A. Welin, declare:

1. I am an attorney licensed and admitted to practice before this Court and am a shareholder of Frandzel Robins Bloom & Csato, L.C. ("Frandzel"), attorneys for Robb Evans & Associates LLC ("Receiver"), the Receiver in this action. I am one of the attorneys primarily responsible for the representation of the Receiver herein. I have personal knowledge of the matters specified in this declaration and, if I were called upon to testify as to those matters, I could and would testify competently thereto based upon my personal knowledge. All capitalized terms not defined herein have the meanings ascribed to them by the Motion for Order Approving and Authorizing Payment from Receivership Assets of Receiver's and Receiver's Counsel's Fees and Expenses for the Period of June 1, 2015, Through June 30, 2015 ("Motion").

2. I attach hereto as Exhibit 3 Frandzel's invoice itemizing the services rendered, time spent, and costs incurred by Frandzel pertaining to this matter for the period of June 1, 2015, through June 30, 2015 ("Second Period"), with the descriptions redacted where appropriate to preserve the attorney-client and attorney work product privileges or to otherwise protect the Receiver and the estate from inappropriate disclosures. During the Second Period, Frandzel's fees totaled \$23,479.50 and Frandzel's expenses totaled \$461.41, for a total of \$23,940.91.

3. Frandzel's fees for the Second Period are substantially less than the fees set forth in the Receiver's Quarterly Task-Based Budget for the Months of June, July, and August 2015 (Dkt. No. 50) ("Budget"). For June 2015, the Budget budgets \$38,007.50 in fees for Frandzel.

4. During the Second Period, Frandzel assisted the Receiver in its continued efforts to gain access to the Defendants' books and records and perform necessary forensic accounting in the face of the Defendants' refusal to provide access to certain password-protected computers. In that regard, Frandzel evaluated and responded to legal issues raised by the Defendants regarding the Receiver's access to the Defendants'

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1 electronic records, including under the Federal Stored Communications Act. Frandzel  
2 also prepared an Affidavit by Brick Kane Regarding Non-Compliance by the  
3 Defendants to bring these issues to the Court's attention (Dkt. No. 55).

4 5. Among other things, Frandzel also evaluated claims by third parties  
5 (including merchant processors) to receivership funds; advised the Receiver regarding  
6 issues associated with the Defendants' inventory, including discussions with the  
7 Defendants and their counsel regarding an auction sale of the inventory and evaluating  
8 and responding to a third party's claims regarding ownership of some of the inventory;  
9 and prepared and prepared the First Fee Motion in accordance with this Court's orders.

10 6. I am familiar with the methods and procedures used to create, record, and  
11 maintain billing records for Frandzel's clients. The invoices attached hereto  
12 collectively as Exhibit 3 are prepared from computerized time records prepared  
13 contemporaneously with the services rendered by each attorney and paralegal billing  
14 time to this matter. These computerized records are prepared in the ordinary course of  
15 business by the attorneys and paralegals employed by Frandzel who have a business  
16 duty to accurately record their time spent and services rendered on the matters on which  
17 they perform work. The time records are transferred into a computerized billing  
18 program which generates monthly invoices under the supervision of Frandzel's  
19 accounting department. Based upon my experience at Frandzel, I believe Frandzel's  
20 methods and procedures for recording and accounting for time and services for its  
21 clients is reliable and accurate.

22 7. On July 21, 2015, I sent an e-mail to Matthew Wernz, who represents the  
23 FTC in this action, and Karl Kronenberger, who represents the Defendants in this  
24 action. The e-mail attached copies of the Receiver's and Frandzel's June 2015 invoices  
25 (redacted where appropriate to preserve the attorney-client and attorney work product  
26 privileges or to otherwise protect the Receiver and the estate from inappropriate  
27 disclosures) and requested that counsel contact me regarding any questions or  
28 comments on the invoices. On July 24, 2015, Mr. Wernz indicated by e-mail that the

1 Plaintiff had no objection to the fees and costs that are the subject of this Motion. On  
2 July 29, 2015, Mr. Kronenberger's colleague Ginny Sanderson indicated by e-mail that  
3 the Defendants reserve the right to oppose the Motion.

4 I declare under penalty of perjury under the laws of the United States of America  
5 and the State of California that the foregoing is true and correct and that this declaration  
6 was executed on July 31, 2015, at Los Angeles, California.

7  
8 /s/ Craig A. Welin  
9 CRAIG A. WELIN

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5 Telephone: (323) 852-1000  
Facsimile: (323) 651-2577

6 Attorneys for Permanent Receiver, ROBB  
7 EVANS & ASSOCIATES LLC

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

11  
12 FEDERAL TRADE COMMISSION,  
13 Plaintiff,

14 v.

15 SALE SLASH LLC, a California  
limited liability company; PURISTS  
16 CHOICE LLC, a California limited  
liability company; ARTUR  
17 BABAYAN, individually and as an  
owner and manager of SALE SLASH  
18 LLC and PURISTS CHOICE LLC; and  
VAHE HAROUTOUNIAN,  
19 individually and doing business as  
PRISMA PROFITS,

20 Defendants.  
21

Case No. 2:15-cv-03107-PA-AJW

**NOTICE OF HEARING ON  
MOTION FOR AN ORDER  
APPROVING AND AUTHORIZING  
PAYMENT FROM RECEIVERSHIP  
ASSETS OF RECEIVER'S AND  
RECEIVER'S COUNSEL'S FEES  
AND EXPENSES FOR THE  
PERIOD OF JUNE 1, 2015,  
THROUGH JUNE 30, 2015**

[Honorable District Court Judge Percy  
Anderson]

Date: August 31, 2015

Time: 1:30 p.m.

Place: Courtroom 15, Spring Street

22 PLEASE TAKE NOTICE that on August 31, 2015, commencing at 1:30 p.m., or  
23 as soon thereafter as the parties may be heard in Courtroom 15 of the above-entitled  
24 Court located at 312 North Spring Street, Los Angeles, California 90012, Robb Evans  
25 & Associates LLC, the Receiver in the above-entitled action ("Receiver"), will move  
26 the Court for an order approving the reasonableness and authorizing the payment from  
27 receivership assets of compensation and expenses for the Receiver and the Receiver's  
28 counsel Frandzel Robins Bloom & Csato, L.C. ("Frandzel") for the period of June 1,

FRANZEL ROBINS BLOOM & CSATO, L.C.  
6500 WILSHIRE BOULEVARD, 17TH FLOOR  
LOS ANGELES, CALIFORNIA 90048-4920  
(323) 852-1000

1 2015, through June 30, 2015 ("Second Period"). During the Second Period, the  
2 Receiver's fees totaled \$18,751.65 and the Receiver's expenses totaled \$515.01, for a  
3 total of \$19,266.66. During the Second Period, Frandzel's fees totaled \$23,479.50 and  
4 Frandzel's expenses totaled \$461.41, for a total of \$23,940.91.<sup>1</sup>

5 PLEASE TAKE FURTHER NOTICE that the Motion is based upon the Notice  
6 of Motion and Motion; the accompanying memorandum of points and authorities and  
7 declarations of Brick Kane and Craig A. Welin; the pleadings, records and files of this  
8 case of which the Receiver requests the Court take judicial notice; this Notice of  
9 Hearing; and all other further pleadings, oral and documentary evidence and arguments  
10 of counsel as may be presented by the Receiver at or before the time of the hearing on  
11 the Motion.

12 PLEASE TAKE FURTHER NOTICE that a copy of the Notice of Motion and  
13 Motion, the accompanying memorandum of points and authorities and declarations of  
14 Brick Kane and Craig A Welin (without exhibits) are posted and may be reviewed on  
15 the Receiver's website at <http://www.robbevans.com/find-a-case/casepage/sale-slash-LLC-et-al-receiver>. Copies will be provided to any interested party upon receipt of a  
16 written request sent to Robb Evans & Associates LLC, 11450 Sheldon Street, Sun  
17 Valley, California 91352; Telephone: (818) 768-8100; Facsimile: (818) 768-8802.

18 PLEASE TAKE FURTHER NOTICE that this Motion is made following the  
19 conference of counsel pursuant to Local Rule 7-3. On July 21, 2015, the Receiver's  
20 counsel sent an e-mail to Matthew Wernz, who represents the Plaintiff in this action,  
21 and Karl Kronenberger, who represents the Defendants in this action. The e-mail  
22 attached copies of the Receiver's and Frandzel's invoices for the Second Period  
23

24  
25 <sup>1</sup> On May 27, 2015, pursuant to the Court's Minute Order entered May 13, 2015  
26 (Dkt. No. 34), the Receiver filed its Quarterly Task-Based Budget for the Months of  
27 June, July, and August 2015 (Dkt. No. 50) ("Budget"). For June 2015, the Budget  
28 budgets \$55,836.20 in fees for the Receiver and \$38,007.50 in fees for Frandzel. Thus,  
the fees that are the subject of this Motion are substantially less than the budgeted fees.



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1 (redacted where appropriate to preserve the attorney-client and attorney work product  
2 privileges or to otherwise protect the Receiver and the estate from inappropriate  
3 disclosures) and requested that Messrs. Wernz and Kronenberger contact the Receiver's  
4 counsel with any questions or comments on the invoices.

5 On July 24, 2015, Mr. Wernz indicated by e-mail that the Plaintiff has no  
6 objection to payment from receivership assets of the fees and costs that are the subject  
7 of this Motion. On July 29, 2015, Mr. Kronenberger's colleague Ginny Sanderson  
8 indicated by e-mail that the Defendants reserve the right to oppose payment of the fees  
9 and costs that are the subject of this Motion.

10 DATED: July 31, 2015

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

By: /s/ Craig A. Welin  
CRAIG A. WELIN  
Attorneys for Permanent Receiver, ROBB  
EVANS & ASSOCIATES LLC

28