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6 Attorneys for Permanent Receiver ROBB  
EVANS & ASSOCIATES LLC  
7

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

11 FEDERAL TRADE COMMISSION,  
12 Plaintiff,

13 v.

14 SALE SLASH LLC, a California  
limited liability company; PURISTS  
15 CHOICE LLC, a California limited  
liability company; APEX CUSTOMER  
16 CARE LLC, a California limited  
liability company; PENWAY LLC, a  
17 California limited liability company;  
RENVEE LLC, a California limited  
18 liability company; OPTIM PRODUCTS  
LLC, a California limited liability  
19 company; EDGAR BABAYAN,  
individually; ARTUR BABAYAN,  
20 individually and as an owner and  
manager of SALE SLASH LLC and  
21 PURISTS CHOICE LLC; and VAHE  
HAROUTOUNIAN, also known as  
22 VAHEH HAROUTOUNIAN, also  
doing business as PRISMA PROFITS,  
23 individually and as manager of SALE  
SLASH LLC, and owner of OPTIM  
24 PRODUCTS LLC,

25 Defendants.  
26  
27  
28

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

**NOTICE OF MOTION AND  
MOTION FOR AN ORDER  
APPROVING THE RECEIVER'S  
FINAL REPORT AND GRANTING  
RELATED RELIEF;  
MEMORANDUM OF POINTS AND  
AUTHORITIES AND  
DECLARATIONS OF BRICK  
KANE, CRAIG A. WELIN, AND  
HAL D. GOLDFLAM**

Date: April 10, 2017  
Time: 1:30 p.m.  
Place: Courtroom 9A, First Street  
Courthouse  
Judge: Hon. Percy Anderson

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

4 PLEASE TAKE NOTICE that on April 10, 2017, commencing at 1:30 p.m., or  
5 as soon thereafter as the parties may be heard in Courtroom 9A of the above-entitled  
6 Court located at First Street Courthouse, 350 W. 1st Street, 9th Floor, Los Angeles,  
7 California 90012, Robb Evans & Associates LLC, the Permanent Receiver in the  
8 above-entitled action ("Receiver"), will and hereby does move the Court for an order:

9 1. Approving the Receivership Administration Expenses and Fund Balance  
10 From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close ("Final  
11 Report"), a copy of which is attached as Exhibit 1 to the accompanying Declaration of  
12 Brick Kane ("Kane Decl."), and otherwise approving and confirming all of the actions  
13 taken by the Receiver and its accountants, attorneys, employees, and agents in  
14 connection with the Receiver's administration of the receivership estate;

15 2. Approving and authorizing the Receiver to pay from receivership funds the  
16 fees and expenses of the Receiver in the amount of \$26,439.77 (fees in the amount of  
17 \$10,572.30, plus expenses in the amount of \$15,867.47), and the fees and expenses of  
18 its counsel Frandzel Robins Bloom & Csato, L.C. ("Frandzel"), in the amount of  
19 \$27,014.25 (fees in the amount of \$26,888.74, plus expenses in the amount of \$125.51)  
20 for the period August 1, 2016 through November 30, 2016 ("Final Period"), and  
21 authorizing the Receiver to pay estimated closing fees and expenses of the Receiver and  
22 Frandzel in the total sum not to exceed \$26,670.65, with any unused portion of the  
23 estimated closing fees and expenses to be distributed to Plaintiff Federal Trade  
24 Commission;

25 3. Authorizing and directing the Receiver, pursuant to Section X.B.9 of the  
26 Court's Preliminary Injunction entered May 12, 2015. (Dkt. No. 33), to make a *pro*  
27 *rata* distribution to certain pre-receivership creditors of one or more of the Receivership  
28 Defendants as specified in the Receiver's Proposed Creditor Distributions (Kane Decl.,

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1 Exh. 2);

2 4. Authorizing and directing the Receiver to pay the remaining funds of the  
3 receivership estate in the amount of \$2,993,714.66 (plus any unused portion of the  
4 estimated closing fees and expenses of the Receiver and Frandzel) to Plaintiff Federal  
5 Trade Commission;

6 5. Authorizing the Receiver and its professionals to abandon and/or destroy,  
7 at the expense of the receivership estate, any and all records relating to the receivership,  
8 or to this action, in the Receiver’s possession, custody, or control, if not claimed by a  
9 party entitled thereto, in writing, within thirty (30) days of entry of the order; provided,  
10 however, that any party claiming such records must pay all costs of taking possession  
11 and delivery of such records, and provided, further, that if conflicting claims are made  
12 to such records within said thirty (30) days, then the Receiver will hold the records as to  
13 which such conflicting claims have been made until the claims are resolved by the  
14 Court and shall then dispose of such records as directed by the Court<sup>1</sup>;

15 6. Terminating the receivership, discharging Robb Evans & Associates LLC  
16 from its duties as Receiver, and releasing Robb Evans & Associates LLC, its deputies,  
17 members, officers, agents, employees, attorneys, accountants and representatives from  
18 any and all duties, responsibilities, and liabilities in connection with the receivership  
19 estate and this action, including liabilities that were asserted and/or could have been  
20 asserted in the receivership estate and in connection with the Receiver’s administration  
21 of the receivership estate effective upon the Receiver’s distribution of the net fund  
22 balance of the receivership estate in the manner ordered by the Court; and

23 7. Providing for such other and further relief as this Court may deem just and  
24 proper

25 \_\_\_\_\_  
26 <sup>1</sup> Counsel for the Receivership Defendants has already notified that the  
27 Receivership Defendants will pick up their files, including the cabinets, from the  
28 Receiver.

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1 PLEASE TAKE FURTHER NOTICE that this Motion is made pursuant to Local  
2 Rules 66-7 and 66-8 and is based upon this Notice of Motion, the accompanying  
3 Memorandum of Points and Authorities and Declarations of Brick Kane, Craig A.  
4 Welin, and Hal D. Goldflam (and Exhibits thereto), the pleadings, records and files of  
5 this case of which the Receiver requests the Court take judicial notice; and all further  
6 pleadings, oral and documentary evidence and arguments of counsel as may be  
7 presented by the Receiver at or before the time of the hearing on the Motion.

8 PLEASE TAKE FURTHER NOTICE that, while a copy of this Notice of Motion  
9 and Motion, the accompanying Memorandum of Points and Authorities and  
10 Declarations of Brick Kane, Craig A. Welin, and Hal D. Goldflam (and Exhibits  
11 thereto) are posted and may be reviewed on the Receiver’s website at  
12 <http://www.robbevans.com/find-a-case/casepage/sale-slash-LLC-et-al-receiver>, each  
13 party herein and all known creditors of one or more of the receivership defendants is  
14 being served with a copy of same as reflected in the accompanying Proof of Service.

15 PLEASE TAKE FURTHER NOTICE that this Motion is made following the  
16 conference of counsel pursuant to Local Rule 7-3. Based on the conference of counsel,  
17 the Receiver is informed that none of the parties to this action intends to oppose this  
18 Motion.

19  
20 DATED: March 9, 2017

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

21  
22  
23 By: /s/ Craig A. Welin  
CRAIG A. WELIN  
24 Attorneys for Permanent Receiver ROBB  
25 EVANS & ASSOCIATES LLC  
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**MEMORANDUM OF POINTS AND AUTHORITIES**

Robb Evans & Associates LLC, the Permanent Receiver in the above-entitled action (“Receiver”), submits its Memorandum of Points and Authorities in Support of its Motion for an Order Approving the Receiver’s Final Report and Granting Related Relief.

**A. Relevant Background**

Plaintiff Federal Trade Commission (“FTC”) commenced this case by filing its Complaint for Permanent Injunction and Other Equitable Relief on April 27, 2015. (Dkt. No. 3.) On the same day, the Court entered its *Ex Parte* Temporary Restraining Order with an Asset Freeze, and Other Equitable Relief, and Order to Show Cause Why a Preliminary Injunction Should Not Issue, whereby (among other things) the Receiver was appointed as temporary receiver over Defendants Sale Slash, LLC, a California limited liability company (“Sale Slash”), Purists Choice LLC, a California limited liability company (“Purists Choice”), their successors and assigns, their subsidiaries, and any fictitious business entities or business names created or used by these entities. (Dkt. No. 13.)

The Receiver was appointed as Permanent Receiver over Sale Slash, Purists Choice, their successors and assigns, any subsidiaries, affiliates, divisions, or sales or customer service operations, and any fictitious business entities or business names created or used by these entities (individually and collectively, “Receivership Defendants”) pursuant to the Preliminary Injunction entered May 12, 2015. (Dkt. No. 33.) The Preliminary Injunction authorized the Receiver (among other things) to take exclusive control and possession of all assets of the Receivership Defendants with full powers of an equity receiver.

On February 2, 2016, the Court entered its Stipulated Order for Permanent Injunction and Monetary Judgment (Dkt. No. 171) (“Stipulated Judgment”) against Defendants Sale Slash LLC, Purists Choice LLC, Optim Products LLC, Edgar Babayan, Artur Babayan, and Vahe Haroutounian.

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1 The Receiver's tasks under the Stipulated Judgment consist of (1) completing the  
2 process of taking custody, control, and possession of all assets of the Receivership  
3 Defendants pursuant to the Preliminary Injunction Order (as the Stipulated Judgment  
4 defines such terms); (2) negotiating and making payments necessary to resolve amounts  
5 owed to American Express Bank, FSB ("American Express"), related to certain credit  
6 card accounts; (3) liquidating all assets of the Receivership Defendants other than Apex  
7 Customer Care LLC, Penway LLC, and Renvee LLC (individually and collectively,  
8 "Defaulting Defendants"), including the interests in real property described in  
9 paragraphs A-E of Schedule A to the Stipulated Judgment; (4) filing a report describing  
10 the Receiver's activities pursuant to the Stipulated Judgment and a final fee application;  
11 and (5) distributing to the FTC any remaining liquid assets.

12 Paragraphs A-E of Schedule A to the Stipulated Judgment lists 10 separate real  
13 properties. The Receivership Defendants either owned these properties in fee simple or  
14 were the beneficiaries of deeds of trust on the properties securing promissory notes.  
15 The Stipulated Judgment permitted the Receiver to liquidate these real property  
16 interests without further Court order after obtaining an appraisal of the applicable asset.  
17 Upon completion of the enumerated tasks in the Stipulated Judgment, the Receiver's  
18 duties as to the Receivership Defendants were to terminate, except as to the Defaulting  
19 Defendants.

20 On April 12, 2016, the Court entered its Default Judgment against the Defaulting  
21 Defendants (Dkt. No. 179) ("Default Judgment"). The Default Judgment, Section XI,  
22 directs and authorizes the Receiver to accomplish certain enumerated tasks within 90  
23 days after entry of the Default Judgment (i.e., by July 11, 2016), but provides that any  
24 party or the Receiver may request that the Court extend the Receiver's term for good  
25 cause. The Receiver's task under the Default Judgment consisted of (1) completing the  
26 process of taking custody, control, and possession of all assets of the Defaulting  
27 Defendants pursuant to the Preliminary Injunction; (2) liquidating all assets of the  
28 Defaulting Defendants; (3) filing a report describing the Receiver's activities pursuant

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1 to the Default Judgment and a final fee application; and (4) distributing to the FTC any  
2 remaining liquid assets. Upon completion of all the enumerated tasks, the Receiver’s  
3 duties as to the Defaulting Defendants was to terminate.

4 On May 2, 2016, the Receiver filed its Motion for an Order (1) Extending the  
5 Receiver’s Term; (2) Authorizing the Receiver to Abandon Certain Real Property; and  
6 (3) Excusing the Receiver From Taking Title to Real Property Assets of the  
7 Receivership Defendants and Granting Related Relief (Dkt. No. 181) (“Term Extension  
8 Motion”). On June 2, 2016, the Court entered its Order granting the Term Extension  
9 Motion and extending the Receiver’s term under the Stipulated Judgment and the  
10 Default Judgment through August 31, 2016. (Dkt. No. 191.)

11 On October 31, 2016, the Receiver filed its Status Report and Declaration of  
12 Brick Kane (Dkt. No. 205) updating the Court and interested parties and regarding the  
13 Receiver’s progress in completing its administration of the receivership estate.

14 On December 5, 2016, the Receiver filed Further Status Report and Declaration  
15 of Brick Kane (Dkt. No. 206) further updating the Court and interested parties  
16 regarding the Receiver’s progress in completing its administration of the receivership  
17 estate. On January 17, 2017, the Receiver filed another Further Status Report and  
18 Declaration of Brick Kane (Dkt. No. 207) providing a further update on the status to the  
19 Court and interested parties.

20 **B. Prior Fee Applications, This Motion, Estimate Closing Fees and Expenses,**  
21 **and Funds Collected**

22 Since receivership inception in late April 2015, the Receiver and its counsel,  
23 Frandzel Robins Bloom & Csato, L.C. (“Frandzel”), have filed seven prior motions for  
24 allowance and payment of fees and expenses (Dkt. Nos. 65, 71, 94, 146, 167, 188, 199)  
25 and the Court has allowed and authorized the payment of \$306,403.51 to the Receiver  
26 and \$300,085.13 to Frandzel, for a total of \$606,488.64 through July 31, 2016 (Dkt.  
27 Nos. 86, 88, 119, 163, 173, 193, 204).

28 This Motion seeks allowance and payment of \$10,572.30 in fees and

1 \$15,867.47 in expenses (mostly for tax return preparation), totaling \$26,439.77 for  
 2 the Receiver, and \$26,888.74 in fees and \$125.51 in expenses, totaling \$27,014.25  
 3 for Frandzel for the period August 1, 2016 through November 30, 2016 (“Final  
 4 Period”). In addition, as reflected in the Receivership Administration Expenses and  
 5 Fund Balance From Inception (April 27, 2015) to November 30, 2016 and Estimate  
 6 to Close (*see* Kane Decl., Exh. 1), the Receiver has estimated expenses to close the  
 7 receivership estate will be \$26,670.65, which primarily are for the Receiver’s  
 8 processing the distributions to creditors and the FTC as may be approved by this  
 9 Motion, responding as may be appropriate to any objections to the proposed  
 10 distributions, and legal fees and costs (including costs of copying and mailing this  
 11 Motion to each known creditor of the receivership estate). (*See* Kane Decl. and  
 12 Welin Decl.”) The Receiver seeks an order authorizing payment of the estimated  
 13 closing fees and expenses, without further involvement of the Court. The Receiver  
 14 will turn over any unused amounts of the projected closing expenses to the FTC.

15 Thus, the Receiver’s and Frandzel’s total fees and expenses from receivership  
 16 inception through the Final Period, plus the maximum estimated fees and expenses for  
 17 the closing period, represent approximately seven percent of the total funds of  
 18 \$9,550,542.53 the Receiver has collected. (*See* Kane Decl., Exh. 1.)

19 **C. Status of Asset Liquidation and Receivership Administration, and**  
 20 **Receiver’s Activities During the Final Period**

21 The Receiver’s and Frandzel’s activities during the Final Period have primarily  
 22 focused on completing the Receiver’s tasks under the Stipulated Judgment and the  
 23 Default Judgment.<sup>2</sup> During the Final Period, among other tasks, the Receiver: (1)  
 24 \_\_\_\_\_

25 <sup>2</sup> Prior reports of the Receiver’s and Frandzel’s activities are contained in,  
 26 among other filings, the Receiver’s motions for allowance and payment of fees and  
 27 expenses, the Term Extension Motion, and the October 31, 2016, December 5, 2016,  
 28 and January 17, 2017 Status Reports.



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1 finalized its negotiations with American Express and submitted the Stipulation  
 2 Regarding Claims of American Express Bank, FSB, which the Court approved on  
 3 September 6, 2016 (Dkt. No. 203) (“American Express Settlement”); (2) prepared and  
 4 filed a motion for allowance and payment of fees and expenses for the period of  
 5 January 1, 2016, through March 31, 2016 (Dkt. No. 188); (3) prepared a stipulation,  
 6 which the Court approved, authorizing the Receiver to employ and pay tax accountants  
 7 (Dkt. Nos. 192 and 194); and (f) completed and filed required 2015 and 2016 tax  
 8 returns.

9 Moreover, as previously reported, regarding 141 San Pascual Avenue, Los  
 10 Angeles, California 90042, the Receiver entered into a stipulation with David A. Gill,  
 11 chapter 7 trustee of the bankruptcy estate of Oscar Trujillo Serratos, providing for the  
 12 Trustee to sell this property and pay the Receiver \$461,500.00 (“Bankruptcy  
 13 Stipulation”). This Court entered its order approving a separate stipulation between the  
 14 Receiver and the parties to this action authorizing the Receiver to enter into the  
 15 Bankruptcy Stipulation (Dkt. Nos. 176 and 180). The bankruptcy judge presiding over  
 16 the Serratos bankruptcy case entered his order approving the Trustee’s sale of the  
 17 property on July 28, 2016. Close of escrow occurred in September 2016, and the  
 18 receivership estate received \$461,500.00 in proceeds from the sale during the Final  
 19 Period. (*See Kane Decl., Exh. 1. at p. 2.*)

20 **D. Proposed Distributions of Net Fund Balance of The Receivership**  
 21 **Estate to the FTC and Certain Creditors**

22 The fund balance of the receivership, after payment of the Receiver’s and  
 23 Frandzel’s fees and expenses (including estimated closing fees and costs), is  
 24 \$3,261,050.00. Of this total amount, the Receiver proposes the Court authorize and  
 25 direct it to pay \$2,993,714.66 to the FTC and, pursuant to pursuant to Section X.B.9 of  
 26 the Court’s Preliminary Injunction (Dkt. No. 33), the remaining \$267,335.34 to certain  
 27 known pre-receivership creditors of the Receivership Defendants in the amounts listed  
 28 on the Receiver’s Proposed Creditor Distributions, attached to the Kane Decl. as

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1 Exhibit 2.

2 The grounds for the Receiver’s proposed distributions is as follows. The  
3 Stipulated Judgment at § VIII awards judgment in the amount of \$43,379,253.50 in  
4 favor of the FTC against Stipulated Individual Defendants and Stipulated Corporate  
5 Defendants, jointly and severally, as equitable monetary relief, and the claims by  
6 known pre-receivership creditors (excluding the previously paid American Express  
7 Settlement) total \$1,450,740.75.

8 The monetary judgment and creditor claims total \$44,829,994.25. The creditors’  
9 claims total 3.24% of the 44,829,994.25, which amount is \$267,335.34. The Receiver  
10 proposes that the creditors who have claims exceeding \$50.00 (which claims total  
11 \$1,449,732.18 after deducting \$1,008.57 (which is comprised of multiple claims that  
12 each would be paid out at less than \$50.00) from the \$1,450,740.75 in total creditor  
13 claims), receive a pro-rata share of the \$267,335.34 based on the amount of each known  
14 creditor’s Claim Amount. The Receiver proposes that the Court disallow all known  
15 creditor claims that would be paid at an amount of less than \$50.00 each based on the  
16 administrative burden and costs in paying these claims. (See Kane Decl.)

17 The Receiver would turn over any unused amounts of the estimated closing costs  
18 to the FTC.

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1 **E. Conclusion**

2 The Receiver and The Receiver submits that in light of the work performed  
3 during the Final Period, the fees and costs of the Receiver and its professionals are  
4 reasonable and should be approved and authorized for payment in their entirety. The  
5 Receiver also believes that it satisfactorily completed all of it duties and responsibilities  
6 specified in the Preliminary Injunction, Stipulated Judgment and all other Orders and  
7 directives of the Court. It is therefore respectfully requested that the Court grant all of  
8 the requests specified herein.

9  
10 DATED: March 9, 2017

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

11  
12  
13  
14 By: /s/ Craig A. Welin  
15 CRAIG A. WELIN  
16 Attorneys for Permanent Receiver ROBB  
17 EVANS & ASSOCIATES LLC  
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**DECLARATION OF BRICK KANE**

I, Brick Kane, declare as follows:

1. I am a deputy to the Permanent 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. All capitalized terms not defined herein have the meanings ascribed to them by the Memorandum of Points and Authorities in Support of the Receiver’s 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 April 1, 2016, Through July 31, 2016 (“Motion”).

2. Since the April 27, 2015, inception of the receivership through estimated closing of the receivership estate, the Receiver will have collected \$9,550,542.53 in receivership funds, and already distributed \$5,000,000.00 to Plaintiff Federal Trade Commission in February 2016, as reflected in the Receivership Administration Expenses and Fund Balance From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close, which is attached hereto as Exhibit 1.

3. During the period of August 1, 2016, through November 30, 2016 (“Final Period”), the Receiver’s fees totaled \$10,572.30 and the Receiver’s expenses totaled \$15,867.47, for a total of \$26,439.77, as reflected on the itemized invoices for August 2016, September 2016, October 2016, and November 2016, collectively attached hereto as Exhibit 3. The Receiver’s invoices are task-coded, with “B110” referring to “Case Administration,” “B120” referring to “Asset Analysis and Recovery,” “B130” referring to “Asset Disposition,” “B160” referring to “Fee/Employment Applications,” “B240” referring to “Tax Issues,” and B310 referring to “Claims Administration and Objections.”

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1           4. I am familiar with the methods and procedures used to create, record, and  
2 maintain the Receiver's billing records. The invoices attached hereto collectively as  
3 Exhibits 3 are prepared from computerized time records prepared contemporaneously  
4 with the services rendered by each professional billing time to this matter. These  
5 computerized records are prepared in the ordinary course of business by the Receiver's  
6 professionals who have a business duty to accurately record their time spent and  
7 services rendered on the matters on which they perform work. The time records are  
8 transferred into a computerized billing program which generates monthly invoices. In  
9 my experience, the Receiver's methods and procedures for recording and accounting  
10 for time and services have proven to be reliable and accurate.

11           5. During the Final Period, the fees of the Receiver's counsel, Frandzel  
12 Robins Bloom & Csato, L.C. ("Frandzel"), totaled \$26,888.74, and Frandzel's  
13 expenses totaled \$125.51, for a total of \$27,014.25. Invoices itemizing Frandzel's fees  
14 and expenses of the Receiver's counsel Frandzel are collectively attached as Exhibit 4  
15 to the Declaration of Craig A. Welin filed herewith.

16           6. The Receiver's and Frandzel's activities during the Final Period have  
17 primarily focused on completing the Receiver's tasks under the Stipulated Judgment  
18 and the Default Judgment. During the Final Period, among other task, the Receiver: (1)  
19 finalized its negotiations with American Express and submitted the Stipulation  
20 Regarding Claims of American Express Bank, FSB, which the Court approved on  
21 September 6, 2016 (Dkt. No. 203) ("American Express Settlement"); (2) prepared and  
22 filed a motion for allowance and payment of fees and expenses for the period of  
23 January 1, 2016, through March 31, 2016 (Dkt. No. 188); (3) prepared a stipulation,  
24 which the Court approved, authorizing the Receiver to employ and pay tax accountants  
25 (Dkt. Nos. 192 and 194); and (f) completed and filed required 2015 and 2016 tax  
26 returns. Moreover, the receivership estate received \$461,500.00 in proceeds from the  
27 sale of 141 San Pascual Avenue, Los Angeles, California 90042.

28           7. The Receiver has estimated fees and expenses to close the receivership

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1 estate in an amount not to exceed \$26,670.65. This amount is comprised of estimated  
2 fees of the Receiver in the amount of \$7,727.00 and estimated Receiver expenses in the  
3 amount of \$943.65, plus Frandzel’s estimated fees in the amount of \$13,000.00 and  
4 \$5,000.00 in estimated expenses. The estimated fees and costs of the Receiver are  
5 primarily for the work the Receiver has incurred in preparing the Final Report, working  
6 with Frandzel in preparing this Motion, plus fees and expenses for work in responding  
7 as may be appropriate to any objections to the proposed distributions, and fees and  
8 expenses it will incur in processing the distributions to creditors and the FTC as may be  
9 approved by this Motion. As specified in the Welin Decl., Frandzel’s estimated fees  
10 are primarily for preparing this Motion, assisting the Receiver in responding as may be  
11 appropriate to any objections to the proposed distributions, attending any hearing on the  
12 Motion, and assisting the Receiver on any legal issues that may arise during the closing  
13 period. Frandzel’s estimated costs include copying and mailing this Motion to each  
14 known creditor of the receivership estate.

15 The Receiver’s Proposed Distributions:

16 8. The fund balance of the receivership, after payment of the Receiver’s and  
17 Frandzel’s fees and expenses (including estimated closing fees and costs), is  
18 \$3,261,050.00. Of this total amount, the Receiver proposes the Court authorize and  
19 direct it to pay \$2,993,714.66 to the FTC and the remaining \$267,335.34 to certain pre-  
20 receivership creditors in the amounts listed on the Receiver’s Proposed Creditor  
21 Distributions, attached hereto as Exhibit 2.

22 9. The Receiver’s basis for the proposed distributions is as follows:

23 a. The Stipulated Judgment at § VIII awards judgment in the amount  
24 of \$43,379,253.50 in favor of the FTC against Stipulated Individual Defendants and  
25 Stipulated Corporate Defendants, jointly and severally, as equitable monetary relief,  
26 and the claims by all known pre-receivership creditors of the Receivership Defendants  
27 (excluding the previously paid American Express Settlement) total \$1,450,740.75.

28 b. The monetary judgment and creditor claims total \$44,829,994.25.

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1 The creditors' claims total 3.24% of the 44,829,994.25, which amount is \$267,335.34.  
2 The Receiver proposes that the creditors who have claims exceeding \$50.00 (which  
3 claims total \$1,449,732.18 after deducting \$1,008.57 (which is comprised of multiple  
4 claims that each would be paid out at less than \$50.00) from the \$1,450,740.75 in total  
5 creditor claims), receive a pro-rata share of the \$267,335.34 based on the amount of  
6 each known creditor's Claim Amount. The Receiver proposes that the Court disallow  
7 all known creditor claims that would be paid at an amount of less than \$50.00 each  
8 based on the administrative burden and costs in paying these claims.

9 c. In connection with the Receiver's duties enumerated in Section X.  
10 of the Court's Preliminary Injunction entered May 12, 2015 (Dkt. No. 33), on June 23,  
11 2016, the Receiver mailed letters to the known creditors of one or more Receivership  
12 Defendants concerning obligations or debts incurred by the Receivership Defendants  
13 prior to the date of the Preliminary Injunction. By these letters, the Receiver notified  
14 each known creditor the amount the records of the Receivership Defendants reflected as  
15 being owed to the creditor as of May 12, 2015, or the "Claim Amount". If the creditor  
16 was in agreement with the Claim Amount, then the creditor was advised that it did  
17 not have to take further action and the Receiver would deem the Claim Amount as an  
18 allowed claim in the receivership estate for purposes of a potential distribution. If the  
19 Claim Amount was disputed, then the creditor was required to provide to the Receiver  
20 in writing by July 15, 2016, any documentation the creditor believed supports its  
21 alleged claim amount. Certain of the creditors disputed the Claim Amount and others  
22 did not. For any creditor who did dispute the Claim Amount specified in the Receiver's  
23 June 23, 2016 letter, the "final" Claim Amount specified on the Proposed Creditor  
24 Distributions (Exh. 2 hereto), reflects the Claim Amount after resolving the particular  
25 creditor's objection.


26 10. I submit that in light of the work performed by the Receiver, its deputies,  
27 staff, agents and professionals, during the Final Period, the fees and costs of the  
28 Receiver and its professionals are reasonable and should be approved and authorized

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for payment in their entirety. I also believes that the Receiver satisfactorily completed all of it duties and responsibilities specified in the Preliminary Injunction, Stipulated Judgment and all other Orders and directives of the Court. It is therefore respectfully requested that the Court grant all of the requests specified in the accompanying Motion.

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 March 6, 2017, 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 Permanent 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 the Memorandum of Points and Authorities filed herewith ascribes to them.

2. Frandzel’s invoices itemizing the services rendered, time spent, and costs incurred by Frandzel pertaining to this matter From August 1, 2016, through November 30, 2016 (“Final 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, are collectively attached hereto as Exhibit 4.

3. During the Final Period, Frandzel’s total fees were \$26,888.74 and Frandzel’s total expenses were \$125.51, for a total of \$27,014.25. As evidenced by the descriptions of work performed in the invoices, the bulk of Frandzel’s activities during the Final Period were directed toward assisting the Receiver in completing the tasks under the Stipulated Judgment and the Default Judgment, including without limitation, preparing the Receiver’s Motion for an Order Approving the Abandonment of the Real Property Known as 4579 Ron Ricardo Drive, Los Angeles, California 90008 (which the Court granted); preparing the Receiver’s Motion for An Order Approving and Authorizing Payment from Receivership Assets of Receiver’s and Receiver’s Counsel’s Fees and Expense for the Period of April 1, 2016, through July 31, 2016 and Status Report (which the Court granted); assisting the Receiver with matters related to the

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1 claims of American Express Bank and preparing the Stipulation Regarding Claims of  
2 American Express Bank, FSB (which the Court approved); assisting the Receiver with  
3 matters related to the closing of the Receiver’s sale of the real property commonly  
4 known as 141 San Pascual Avenue, Los Angeles, California 90042.

5 4. I am familiar with the methods and procedures used to create, record, and  
6 maintain billing records for Frandzel’s clients. The invoices attached hereto  
7 collectively as Exhibit 4 are prepared from computerized time records prepared  
8 contemporaneously with the services rendered by each attorney and paralegal billing  
9 time to this matter. These computerized records are prepared in the ordinary course of  
10 business by the attorneys and paralegals employed by Frandzel who have a business  
11 duty to accurately record their time spent and services rendered on the matters on which  
12 they perform work. The time records are transferred into a computerized billing  
13 program which generates monthly invoices under the supervision of Frandzel’s  
14 accounting department. Based upon my experience at Frandzel, I believe Frandzel’s  
15 methods and procedures for recording and accounting for time and services for its  
16 clients are reliable and accurate.

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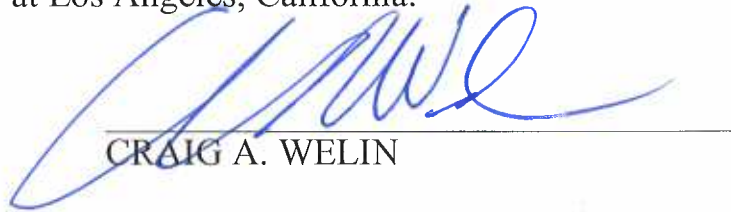
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1           5. I have estimated that Frandzel’s fees it will incur during the receivership  
2 closing period will not exceed \$13,000.00, and its costs will not exceed \$5,000.00.  
3 The estimated fees are primarily for work performed in preparing this Motion, work to  
4 be performed in assisting the Receiver in responding as may be appropriate to any  
5 objections to the proposed distributions, attending any hearing, and otherwise assisting  
6 the Receiver on any legal issues that may arise during the closing period. Frandzel’s  
7 estimated costs include copying and mailing this Motion, including copies of all  
8 Exhibits, to each of the more than 30 known pre-receivership creditors of the  
9 receivership estate.

10           I declare under penalty of perjury under the laws of the United States of America  
11 and the State of California that the foregoing is true and correct and that this declaration  
12 was executed on March 3, 2017, at Los Angeles, California.

  
CRAIG A. WELIN

28

**DECLARATION OF HAL D. GOLDFLAM**

I, Hal D. Goldflam declare:

1. I am an attorney licensed and admitted to practice before this Court and am a partner of Frandzel Robins Bloom & Csato, L.C. ("Frandzel"), attorneys for Robb Evans & Associates LLC ("Receiver"), the Permanent Receiver in this action. 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.

2. On February 6, 2017, I sent an e-mail to Matthew Wernz, who represents Plaintiff Federal Trade Commission in this action, and Karl Kronenberger and Ginny Sanderson, who represent the Defendants who have appeared in this action. I attached to the e-mail a draft of the instant Motion for Order Approving the Receiver's Final Report and Granting Related Relief, including copies of (a) the Receiver's and Frandzel's invoices for August 2016 through November 2016 (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), (b) the Receiver's Creditor List indicating the proposed payment amounts from funds of the receivership estate to the identified creditors of one or more of the receivership defendants as of May 12, 2015, and (c) the Receiver's letters dated June 23, 2016, to the creditors of the receivership estate indicating the Receiver's proposed distributions to the respective creditors.

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3. Mr. Wernz told me that the Federal Trade Commission does not have any opposition to Receiver’s Final Report or the relief the Receiver seeks by this Motion.

4. Ms. Sanderson relayed to me her clients’ questions about the Final Report and Motion. I believe that that the Receiver and my office have resolved most of the issues raised by her clients, but her clients have reserved the right to object to the Receiver’s Final Report and the Motion as they may deem appropriate.

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 March 8, 2017, at Los Angeles, California.

  
HAL D. GOLDFLAM

# EXHIBIT 1

Robb Evans & Associates LLC Receiver of Sales Slash LLC et al.  
**Receivership Administrative Expenses by Month and Fund Balance**  
 From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close

	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~ 11/30/16	4/27/15~ 11/30/16	Estimate to close	Total
<b>Receivership Funds Collected</b>									
BMO Harris Bank N.A.	49,620.02	0.00	0.00	0.00	0.00	0.00	49,620.02	0.00	49,620.02
Cash Collected on Premises ePay Data	1,640.00	0.00	0.00	0.00	0.00	0.00	1,640.00	0.00	1,640.00
Sales Slash LLC	31,979.15	0.00	0.00	0.00	0.00	0.00	31,979.15	0.00	31,979.15
<b>Total ePay Data</b>	<b>31,979.15</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31,979.15</b>	<b>0.00</b>	<b>31,979.15</b>
EVO Merchant Services LLC	2,326,073.40	0.00	0.00	0.00	0.00	0.00	2,326,073.40	0.00	2,326,073.40
<b>EVO Payments International</b>									
Purist Choice LLC	25,139.21	0.00	0.00	0.00	0.00	0.00	25,139.21	0.00	25,139.21
Sales Slash LLC	21,210.45	0.00	0.00	0.00	0.00	0.00	21,210.45	0.00	21,210.45
<b>Total EVO Payments International</b>	<b>46,349.66</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>46,349.66</b>	<b>0.00</b>	<b>46,349.66</b>
FDMS 51808999041217304272015	50,000.00	0.00	0.00	0.00	0.00	0.00	50,000.00	0.00	50,000.00
<b>Global Merchant Advisors</b>									
Renvee LLC	97,614.55	0.00	0.00	0.00	0.00	0.00	97,614.55	0.00	97,614.55
Sales Slash LLC	132,280.73	0.00	0.00	0.00	0.00	0.00	132,280.73	0.00	132,280.73
<b>Total Global Merchant Advisors</b>	<b>229,895.28</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>229,895.28</b>	<b>0.00</b>	<b>229,895.28</b>
Merchants Bancard Network Inc.									
Optim Products LLC	229,654.04	0.00	0.00	0.00	0.00	0.00	229,654.04	0.00	229,654.04
Penway LLC	344,959.16	0.00	0.00	0.00	0.00	0.00	344,959.16	0.00	344,959.16
Renvee LLC	203,122.50	0.00	0.00	0.00	0.00	0.00	203,122.50	0.00	203,122.50
Sales Slash LLC	725,119.61	0.00	0.00	0.00	0.00	0.00	725,119.61	0.00	725,119.61
<b>Total Merchants Bancard Network Inc.</b>	<b>1,502,855.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,502,855.31</b>	<b>0.00</b>	<b>1,502,855.31</b>
Meritus Payment Solutions									
Renvee LLC	462.71	0.00	0.00	0.00	0.00	0.00	462.71	0.00	462.71
<b>Total Meritus Payment Solutions</b>	<b>462.71</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>462.71</b>	<b>0.00</b>	<b>462.71</b>
Mission Valley Bank	2,717,318.51	0.00	0.00	0.00	0.00	0.00	2,717,318.51	0.00	2,717,318.51
Moneris Solutions, Inc.	0.00	57,614.77	0.00	0.00	0.00	57,614.77	57,614.77	0.00	57,614.77
Secure Bancard	3,135.91	0.00	0.00	0.00	0.00	0.00	3,135.91	0.00	3,135.91
Wells Fargo Bank									
Apex Customer Care LLC	8,364.92	0.00	0.00	0.00	0.00	0.00	8,364.92	0.00	8,364.92
E-Level Marketing Inc.	3,171.83	0.00	0.00	0.00	0.00	0.00	3,171.83	0.00	3,171.83
Future DNA LLC	99,435.16	0.00	0.00	0.00	0.00	0.00	99,435.16	0.00	99,435.16

Robb Evans & Associates LLC Receiver of Sales Slash LLC et al.  
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 From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close

	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~ 11/30/16	4/27/15~ 11/30/16	Estimate to close	Total
Geneva Shox LLC	2,464.97	0.00	0.00	0.00	0.00	0.00	2,464.97	0.00	2,464.97
Lead Kings LLC	11.38	0.00	0.00	0.00	0.00	0.00	11.38	0.00	11.38
Optim Products LLC	85,054.86	0.00	0.00	0.00	0.00	0.00	85,054.86	0.00	85,054.86
Penway LLC	388,815.44	0.00	0.00	0.00	0.00	0.00	388,815.44	0.00	388,815.44
Prisma Ventures LLC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purepoint Marketing LLC	22,269.89	0.00	0.00	0.00	0.00	0.00	22,269.89	0.00	22,269.89
Purists Choice LLC	104,945.87	0.00	0.00	0.00	0.00	0.00	104,945.87	0.00	104,945.87
Renvee LLC	88,146.77	0.00	0.00	0.00	0.00	0.00	88,146.77	0.00	88,146.77
Sales Slash LLC	301,159.19	0.00	0.00	0.00	0.00	0.00	301,159.19	0.00	301,159.19
Vision Geneva LLC	239.06	0.00	0.00	0.00	0.00	0.00	239.06	0.00	239.06
Vira Fuse LLC	167,200.79	0.00	0.00	0.00	0.00	0.00	167,200.79	0.00	167,200.79
<b>Total Wells Fargo Bank</b>	<b>1,271,280.13</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,271,280.13</b>	<b>0.00</b>	<b>1,271,280.13</b>
<b>Total Receivership Funds Collected</b>	<b>8,230,610.08</b>	<b>57,614.77</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>57,614.77</b>	<b>8,288,224.85</b>	<b>0.00</b>	<b>8,288,224.85</b>
<b>Asset &amp; Settlement Collections</b>									
222 Monterey Rd. Payoff	115,222.43	0.00	0.00	0.00	0.00	0.00	115,222.43	0.00	115,222.43
Artur Ambarachyan Wire	45,000.00	0.00	0.00	0.00	0.00	0.00	45,000.00	0.00	45,000.00
Inventory Auction Proceeds	58,221.85	0.00	0.00	0.00	0.00	0.00	58,221.85	0.00	58,221.85
Optim Products Loan P O-Fresno	101,855.00	0.00	0.00	10,000.00	0.00	10,000.00	111,855.00	0.00	111,855.00
Renvee LLC Loan Payoff	222,888.89	0.00	0.00	0.00	0.00	0.00	222,888.89	0.00	222,888.89
<b>Total Asset &amp; Settlement Collections</b>	<b>543,188.17</b>	<b>0.00</b>	<b>0.00</b>	<b>10,000.00</b>	<b>0.00</b>	<b>10,000.00</b>	<b>553,188.17</b>	<b>0.00</b>	<b>553,188.17</b>
<b>Proceeds from Property Sale</b>									
Sale - 141 San Pascual Ave.	0.00	0.00	461,500.00	0.00	0.00	461,500.00	461,500.00	0.00	461,500.00
Sale - 343 Pioneer	118,377.09	2,274.64	0.00	0.00	0.00	2,274.64	120,651.73	0.00	120,651.73
Sale - 13909 Yellowstone Dr.	96,242.10	0.00	0.00	0.00	0.00	0.00	96,242.10	0.00	96,242.10
<b>Total Proceeds from Property Sale</b>	<b>214,619.19</b>	<b>2,274.64</b>	<b>461,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>463,774.64</b>	<b>678,393.83</b>	<b>0.00</b>	<b>678,393.83</b>
<b>Rents Collected</b>									
141 San Pascual Ave	975.32	0.00	0.00	0.00	0.00	0.00	975.32	0.00	975.32
343 Pioneer Dr. Rent Collection	11,331.01	0.00	0.00	0.00	0.00	0.00	11,331.01	0.00	11,331.01
4579 Don Ricardo Dr. Rent Colle	6,000.00	0.00	0.00	0.00	0.00	0.00	6,000.00	0.00	6,000.00
<b>Total Rents Collected</b>	<b>18,306.33</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>18,306.33</b>	<b>0.00</b>	<b>18,306.33</b>
<b>Miscellaneous Income</b>									
Income Tax Refund	0.00	0.00	0.00	6,000.00	0.00	6,000.00	6,000.00	5,400.00	11,400.00



**Robb Evans & Associates LLC Receiver of Sales Slash LLC et al.**  
**Receiver Administrative Expenses by Month and Fund Balance**  
 From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close

	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~ 11/30/16	4/27/15~ 11/30/16	Estimate to close	Total
Interest Income	821.82	29.62	27.94	27.96	27.01	112.53	934.35	0.00	934.35
Other	95.00	0.00	0.00	0.00	0.00	0.00	95.00	0.00	95.00
<b>Total Miscellaneous Income</b>	<b>916.82</b>	<b>29.62</b>	<b>27.94</b>	<b>6,027.96</b>	<b>27.01</b>	<b>6,112.53</b>	<b>7,029.35</b>	<b>5,400.00</b>	<b>12,429.35</b>
<b>Total Funds Collected</b>	<b>9,007,640.59</b>	<b>59,919.03</b>	<b>461,527.94</b>	<b>16,027.96</b>	<b>27.01</b>	<b>537,501.94</b>	<b>9,545,142.53</b>	<b>5,400.00</b>	<b>9,550,542.53</b>
<b>Expenses</b>									
<b>Real Property Expenses</b>									
180 Aspen Oak Lane									
Appraisal Fees	400.00	0.00	0.00	0.00	0.00	0.00	400.00	0.00	400.00
Insurance Premiums	526.46	0.00	0.00	0.00	0.00	0.00	526.46	0.00	526.46
<b>Total 180 Aspen Oak Lane</b>	<b>926.46</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>926.46</b>	<b>0.00</b>	<b>926.46</b>
<b>343 Pioneer Dr. Glendale, CA</b>									
Appraisal Fees	475.00	0.00	0.00	0.00	0.00	0.00	475.00	0.00	475.00
HOA Dues	4,217.23	0.00	0.00	0.00	0.00	0.00	4,217.23	0.00	4,217.23
Insurance Premiums	538.85	0.00	0.00	0.00	0.00	0.00	538.85	0.00	538.85
Mortgage	8,408.58	0.00	0.00	0.00	0.00	0.00	8,408.58	0.00	8,408.58
Property Taxes	10,731.26	0.00	0.00	0.00	0.00	0.00	10,731.26	0.00	10,731.26
<b>Total 343 Pioneer Dr. Glendale, CA</b>	<b>24,370.92</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>24,370.92</b>	<b>0.00</b>	<b>24,370.92</b>
<b>915 N. Santa Anita Ave.</b>									
Appraisal Fees	300.00	0.00	0.00	0.00	0.00	0.00	300.00	0.00	300.00
<b>Total 915 N. Santa Anita Ave.</b>	<b>300.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>300.00</b>	<b>0.00</b>	<b>300.00</b>
<b>3352 Brandon St.</b>									
Appraisal Fees	300.00	0.00	0.00	0.00	0.00	0.00	300.00	0.00	300.00
<b>Total 3352 Brandon St.</b>	<b>300.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>300.00</b>	<b>0.00</b>	<b>300.00</b>
<b>4440 Sandy River #43</b>									
Appraisal Fees	350.00	0.00	0.00	0.00	0.00	0.00	350.00	0.00	350.00
HOA Fees	1,759.00	0.00	0.00	0.00	0.00	0.00	1,759.00	0.00	1,759.00
Insurance Premiums	96.23	0.00	0.00	0.00	0.00	0.00	96.23	0.00	96.23
Locksmith Services	191.08	0.00	0.00	0.00	0.00	0.00	191.08	0.00	191.08
Mortgage Payments	5,299.18	0.00	0.00	0.00	0.00	0.00	5,299.18	0.00	5,299.18
<b>Total 4440 Sandy River #43</b>	<b>7,695.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,695.49</b>	<b>0.00</b>	<b>7,695.49</b>

Robb Evans & Associates LLC Receiver of Sales Slash LLC et al.  
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 From Inception (April 27, 2015) to November 30, 2016 and Estimate to Close

	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~11/30/16	4/27/15~11/30/16	Estimate to close	Total
<b>4579 Don Ricardo Dr. Glendale</b>									
Appraisal Fees	475.00	0.00	0.00	0.00	0.00	0.00	475.00	0.00	475.00
HOA Dues	1,710.20	0.00	0.00	0.00	0.00	0.00	1,710.20	0.00	1,710.20
Insurance Premiums	296.35	0.00	0.00	0.00	0.00	0.00	296.35	0.00	296.35
Mortgage	8,333.32	0.00	0.00	0.00	0.00	0.00	8,333.32	0.00	8,333.32
Repairs & Maintenance	288.64	0.00	0.00	0.00	0.00	0.00	288.64	0.00	288.64
<b>Total 4579 Don Ricardo Dr. Glendale</b>	<b>11,103.51</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>11,103.51</b>	<b>0.00</b>	<b>11,103.51</b>
<b>13909 Yellowstone Dr.</b>									
Appraisal Fees	650.00	0.00	0.00	0.00	0.00	0.00	650.00	0.00	650.00
Electricity	47.03	0.00	0.00	0.00	0.00	0.00	47.03	0.00	47.03
Fire Prevention Fees	117.33	0.00	0.00	0.00	0.00	0.00	117.33	0.00	117.33
Insurance Premiums	282.03	0.00	0.00	0.00	0.00	0.00	282.03	0.00	282.03
Maintenance & Repairs	1,150.00	0.00	0.00	0.00	0.00	0.00	1,150.00	0.00	1,150.00
Property Taxes	410.04	0.00	0.00	0.00	0.00	0.00	410.04	0.00	410.04
Water	275.63	0.00	0.00	0.00	0.00	0.00	275.63	0.00	275.63
<b>Total 13909 Yellowstone Dr.</b>	<b>2,932.06</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,932.06</b>	<b>0.00</b>	<b>2,932.06</b>
<b>14839 Sherman Way Unit 3</b>									
Appraisal Fees	350.00	0.00	0.00	0.00	0.00	0.00	350.00	0.00	350.00
Insurance Premiums	211.68	0.00	0.00	0.00	0.00	0.00	211.68	0.00	211.68
<b>Total 14839 Sherman Way Unit 3</b>	<b>561.68</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>561.68</b>	<b>0.00</b>	<b>561.68</b>
<b>Property Value Reports</b>	<b>180.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>180.00</b>	<b>0.00</b>	<b>180.00</b>
<b>Total Real Property Expenses</b>	<b>48,370.12</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>48,370.12</b>	<b>0.00</b>	<b>48,370.12</b>
<b>Business Operation Expenses</b>									
Alarm & Fire Monitoring	468.00	0.00	0.00	0.00	0.00	0.00	468.00	0.00	468.00
Business Insurance Premiums	998.75	0.00	0.00	0.00	0.00	0.00	998.75	0.00	998.75
Business Taxes	7,200.00	0.00	0.00	0.00	0.00	0.00	7,200.00	0.00	7,200.00
Employer Payroll Taxes	6,624.32	0.00	0.00	0.00	0.00	0.00	6,624.32	0.00	6,624.32
Moving Services	360.00	0.00	0.00	0.00	0.00	0.00	360.00	0.00	360.00
Payroll Expense	33,166.24	0.00	0.00	0.00	0.00	0.00	33,166.24	0.00	33,166.24
Software License Fees	5,864.70	0.00	0.00	0.00	0.00	0.00	5,864.70	0.00	5,864.70
Utilities	794.96	0.00	0.00	0.00	0.00	0.00	794.96	0.00	794.96
Warehouse Rent	10,450.00	0.00	0.00	0.00	0.00	0.00	10,450.00	0.00	10,450.00
Worker Compensation Insurance	311.14	0.00	0.00	0.00	0.00	0.00	311.14	0.00	311.14

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	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~ 11/30/16	4/27/15~ 11/30/16	Estimate to close	Total
<b>Total Business Operation Expenses</b>	66,238.11	0.00	0.00	0.00	0.00	0.00	66,238.11	0.00	66,238.11
<b>Receiver Fees &amp; Expenses</b>									
Receiver Fees									
Receiver									
R. Evans	38.25	0.00	0.00	0.00	0.00	0.00	38.25	0.00	38.25
B. Kane	33,345.90	512.55	241.20	150.75	90.45	994.95	34,340.85	904.50	35,245.35
K. Johnson	32,592.15	1,356.75	1,085.40	301.50	0.00	2,743.65	35,335.80	0.00	35,335.80
V. Miller	3,527.55	0.00	0.00	0.00	0.00	0.00	3,527.55	0.00	3,527.55
A. Jen	33,617.25	2,170.80	1,115.55	301.50	211.05	3,798.90	37,416.15	4,221.00	41,637.15
<b>Total Receiver</b>	103,121.10	4,040.10	2,442.15	753.75	301.50	7,537.50	110,658.60	5,125.50	115,784.10
<b>Senior &amp; Accounting Staff</b>									
C. Callahan	23,490.00	540.00	0.00	0.00	0.00	540.00	24,030.00	0.00	24,030.00
C. DeCius	11,133.00	1,728.00	144.00	261.00	36.00	2,169.00	13,302.00	1,800.00	15,102.00
E. Roop	6,952.50	0.00	0.00	0.00	0.00	0.00	6,952.50	0.00	6,952.50
F. Jen	81,314.55	0.00	0.00	0.00	0.00	0.00	81,314.55	301.50	81,616.05
J. Dadbin	8,305.00	44.00	0.00	66.00	0.00	110.00	8,415.00	0.00	8,415.00
L. Lee	21,346.20	0.00	0.00	0.00	0.00	0.00	21,346.20	0.00	21,346.20
N. Wolf	132.00	0.00	0.00	0.00	0.00	0.00	132.00	0.00	132.00
N. Nafpliotis	1,674.00	0.00	0.00	0.00	0.00	0.00	1,674.00	0.00	1,674.00
T. Chung	20,502.00	0.00	0.00	0.00	0.00	0.00	20,502.00	0.00	20,502.00
<b>Total Senior &amp; Accounting Staff</b>	174,849.25	2,312.00	144.00	327.00	36.00	2,819.00	177,668.25	2,101.50	179,769.75
<b>Support Staff</b>	5,530.60	72.40	90.80	39.80	12.80	215.80	5,746.40	500.00	6,246.40
<b>Total Receiver Fees</b>	283,500.95	6,424.50	2,676.95	1,120.55	350.30	10,572.30	294,073.25	7,727.00	301,800.25
<b>Receiver Expenses</b>									
Bonanza Investigations, Inc.	15,130.00	0.00	0.00	0.00	0.00	0.00	15,130.00	0.00	15,130.00
Computer Software & Hardware	663.45	0.00	0.00	0.00	0.00	0.00	663.45	0.00	663.45
Information Search Costs	1,375.70	3.52	0.00	0.00	0.00	3.52	1,379.22	0.00	1,379.22
Locksmith Services	1,449.60	0.00	0.00	0.00	0.00	0.00	1,449.60	0.00	1,449.60
Postage & Delivery	1,771.18	100.40	135.92	115.21	0.47	352.00	2,123.18	154.45	2,277.63
Record Destruction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	700.00	700.00
Tax Return Preparation	0.00	0.00	13,935.74	0.00	1,434.26	15,370.00	15,370.00	0.00	15,370.00
Travel Expenses	1,288.30	0.00	0.00	0.00	0.00	0.00	1,288.30	0.00	1,288.30
Website Support	1,224.33	0.00	141.95	0.00	0.00	141.95	1,366.28	89.20	1,455.48
<b>Total Receiver Expenses</b>	22,902.56	103.92	14,213.61	115.21	1,434.73	15,867.47	38,770.03	943.65	39,713.68

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	Previously Reported & Approved	Aug 16	Sep 16	Oct 16	Nov 16	8/1/16~ 11/30/16	4/27/15~ 11/30/16	Estimate to close	Total
<b>Legal Fees &amp; Costs</b>									
Legal Fees	295,075.00	13,585.50	11,095.50	947.74	1,260.00	26,888.74	321,963.74	13,000.00	334,963.74
Legal Costs	5,010.13	131.74	33.00	(58.43)	19.20	125.51	5,135.64	5,000.00	10,135.64
<b>Total Legal Fees &amp; Costs</b>	<u>300,085.13</u>	<u>13,717.24</u>	<u>11,128.50</u>	<u>889.31</u>	<u>1,279.20</u>	<u>27,014.25</u>	<u>327,099.38</u>	<u>18,000.00</u>	<u>345,099.38</u>
<b>Total Receiver Fees &amp; Expenses</b>	<u>606,488.64</u>	<u>20,245.66</u>	<u>28,019.06</u>	<u>2,125.07</u>	<u>3,064.23</u>	<u>53,454.02</u>	<u>659,942.66</u>	<u>26,670.65</u>	<u>686,613.31</u>
<b>Total Expenses</b>	<u>721,096.87</u>	<u>20,245.66</u>	<u>28,019.06</u>	<u>2,125.07</u>	<u>3,064.23</u>	<u>53,454.02</u>	<u>774,550.89</u>	<u>26,670.65</u>	<u>801,221.54</u>
<b>Other Expenses</b>									
AMEX Claim Settlement	0.00	0.00	488,270.99	0.00	0.00	488,270.99	488,270.99	0.00	488,270.99
Distribution to Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	267,335.34	267,335.34
Distribution to FTC	5,000,000.00	0.00	0.00	0.00	0.00	0.00	5,000,000.00	2,993,714.66	7,993,714.66
<b>Total Other Expenses</b>	<u>5,000,000.00</u>	<u>0.00</u>	<u>488,270.99</u>	<u>0.00</u>	<u>0.00</u>	<u>488,270.99</u>	<u>5,488,270.99</u>	<u>3,261,050.00</u>	<u>8,749,320.99</u>
<b>Fund Balance</b>	<u>3,286,543.72</u>	<u>39,673.37</u>	<u>(54,762.11)</u>	<u>13,902.89</u>	<u>(3,037.22)</u>	<u>(4,223.07)</u>	<u>3,282,320.65</u>	<u>(3,282,320.65)</u>	<u>0.00</u>

# EXHIBIT 2

Robb Evans Associates LLC, Receiver of Sales Slash et al.  
Proposed Creditor Distributions

Entity	Company Name	Address 1	Address 2	City	State	Zip Code	Amount	Claim Amount over \$50.00	Proposed Distribution
Apex Customer Care LLC	AT&T	P.O. Box 5025		Carol Stream	IL	60197-5025	279.85	\$279.85	\$51.61
Apex Customer Care LLC	Charter Communications	P.O. Box 60229		Los Angeles	CA	90060-0229	395.49	\$395.49	\$72.93
Apex Customer Care LLC	Five 9 Inc. c/o Law Offices of Kenneth Freed	14226 Ventura Blvd.		Sherman Oaks	CA	91413	4,011.09	\$4,011.09	\$739.66
Renvee LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	1,345.65	\$1,345.65	\$248.14
Penway LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	7,309.78	\$7,309.78	\$1,347.95
Purists Choice LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	10,441.25	\$10,441.25	\$1,925.40
Optim Products LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	5,330.96	\$5,330.96	\$983.05
Future DNA LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	4,232.54	\$4,232.54	\$780.49
Vita Fuse LLC	Franchise Tax Board	Special Procedures Section	P.O. Box 2952	Sacramento	CA	95812-2952	3,133.13	\$3,133.13	\$577.76
Optim Products LLC	JJ Legal Group, APC	101 N. Brand Blvd. #1920		Glendale	CA	91203	23,425.00	\$23,425.00	\$4,319.65
Apex Customer Care LLC	Lisa Cabrera	2731 7th Ave.		Los Angeles	CA	90018	700.00	\$700.00	\$129.08

Robb Evans Associates LLC, Receiver of Sales Slash et al.  
Proposed Creditor Distributions

Entity	Company Name	Address 1	Address 2	City	State	Zip Code	Amount	Claim Amount over \$50.00	Proposed Distribution
Sales Slash LLC	Nutri-Force Nutrition, Inc. c/o Kaplan Kravet & Vogel P.C.	630 Third Avenue		New York	NY	10017-6705	1,254,375.55	\$1,254,375.55	\$231,310.94
	Sobelman, Cohen, Moss & Assoc. LLP	21031 Ventura Blvd.	Suite 210	Woodland Hills	CA	91364	1,871.75	\$1,871.75	\$345.16
Apex Customer Care	The Gas Company	P.O. Box C		Monterey Park	CA	91756-5111	373.30	\$373.30	\$68.84
Optim Products LLC	Venable	P.O. Box 62727		Baltimore	MD	21264-2727	132,506.84	\$132,506.84	\$24,434.69
Total							1,450,740.75	\$1,449,732.18	\$267,335.34