

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

**CIVIL MINUTES - GENERAL**

Case No. CV 15-3107 PA (AJWx) Date June 2, 2016

Title Federal Trade Commission v. Sale Slash, LLC, et al.

Present: The Honorable PERCY ANDERSON, UNITED STATES DISTRICT JUDGE

Stephen Montes Kerr

Not Reported

N/A

Deputy Clerk

Court Reporter / Recorder

Tape No.

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

**Proceedings:** IN CHAMBERS ORDER

Before the Court is a Motion to Extend Term filed by the Receiver (“Motion”) (Docket No. 181). Pursuant to Rule 78 of the Federal Rules of Civil Procedure and Local Rule 7-15, the Court finds that this matter is appropriate for decision without oral argument. The hearing calendared for June 6, 2016, is vacated, and the matter taken off calendar.

The Court entered a Stipulated Order for Permanent Injunction and Monetary Judgment (“Stipulated Judgment”) on February 2, 2016, and a Default Judgment on April 12, 2016. Pursuant to the Stipulated Judgment and Default Judgment, the Court directed the Receiver to accomplish certain tasks within 90 days. These tasks included taking possession of assets of the Receivership Defendants (as that term is defined by the Stipulated Judgment), liquidating those assets, and distributing the resulting liquid assets to plaintiff Federal Trade Commission (“FTC”). Currently, the Receiver’s term expires on July 11, 2016. The Receiver now seeks to extend its term to August 31, 2016, so that it can complete those tasks. The Receiver also seeks: (1) authorization to abandon real property located at 4440 Sandy River Drive #43, in Las Vegas, Nevada; (2) permission not to take legal or equitable title to any real property assets of the Receivership Defendants; (3) authorization to execute documents or instruments necessary to transfer title to real property assets of the Receivership Defendants sold by the Receiver.

Neither defendants Sale Slash, LLC and Purists Choice LLC, Artur Babayan, Vahe Hartounian, Edgar Babayan, and Optim Products LLC (collectively “Defendants”), nor the FTC have filed an Opposition to the Receiver’s Motion.

The Court has reviewed the Motion and concludes that the Receiver’s term should be extended through August 31, 2016. The Court also authorizes the Receiver to: (1) abandon the real property at 4440 Sandy River Drive #43, Las Vegas, Nevada; (2) to execute any documents or instruments necessary to transfer title to the real property assets of the Receivership Defendants sold by the Receiver pursuant to the Stipulated Judgment and Default Judgment; and (3) avoid any obligation under the Stipulated Judgment, the Default Judgment, or otherwise to take legal or equitable title to any real property assets of the Receivership Defendants.

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In its Motion, the Receiver asks that the extension of its term be “without prejudice to any subsequent request for a further extension of the Receiver’s term.” As the Court has expressed before, it remains concerned that the Receiver and its counsel may incur fees and expenses for activities that the FTC could perform. At this stage, the FTC is in the same position as any prevailing plaintiff and would otherwise be expected to enforce the Judgment it has obtained without the assistance of a receiver. The continued involvement of the Receiver, and the associated costs the receiver and its counsel continue to incur, reduces the ultimate recovery of the consumers and burdens the Court with additional oversight responsibilities. The Court is therefore disinclined to continue the Receiver’s term beyond August 31, 2016. Nor is the Court inclined to award additional fees to the Receiver or its counsel for expenses incurred in bringing a further Motion to Extend Term. If the Receiver needed more time than that requested in this Motion, it should have asked for it, rather than create the necessity in a matter of months of filing another motion and incurring the additional fees associated with bringing such a motion.

IT IS SO ORDERED.