

ROBB EVANS & ASSOCIATES LLC

Receiver of

Universal Premium Services, Inc. AKA Premier Benefits, Inc.

Consumer Reward Network, Inc.

Star Communications LLC

Membership Services Direct, Inc. AKA Continuity Partners Inc.

Connect2USA, Inc., et al.

11450 Sheldon Street

Sun Valley, California 91352-1121

Telephone No.: (818) 768-8100

Facsimile No.: (818) 768-8802

**Federal Trade Commission v. Universal Premium Services, Inc, et al.
CASE No. CV06-0849 SJO (OPx)**

**Notice of Motion and Motion for Order Approving Sale of Personal
Property Pursuant to Modified Sales Procedures and for Relief from
Local Rule 66-7 Pertaining to Notice to Creditors;
Memorandum of Points and Authorities;
Declaration of M. Val Miller in Support Thereof**

Filed May 11, 2006

1 GARY OWEN CARIS (SBN 088918)
E-mail: gcaris@mckennalong.com
2 LESLEY ANNE HAWES (SBN 117101)
E-mail: lhawes@mckennalong.com
3 ERIN M. JACKSON (SBN 240395)
E-MAIL: ejackson@mckennalong.com
4 MCKENNA LONG & ALDRIDGE LLP
444 South Flower Street, 8th Floor
5 Los Angeles, CA 90071
Telephone: (213) 688-1000
6 Facsimile: (213) 243-6330

7 Attorneys for Receiver
ROBB EVANS & ASSOCIATES LLC

8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

CLERK U.S. DIST
CENTRAL DIST
LOS ANG
2006 MAY 11

FILED

11 FEDERAL TRADE COMMISSION,

12 Plaintiff,

13 v.

14 UNIVERSAL PREMIUM SERVICES,
15 INC., a California corporation (also
known as Premier Benefits, Inc.), et al.,

16 Defendants.

CASE NO. CV06-0849 SJO (OPx)

**NOTICE OF MOTION AND
MOTION FOR ORDER
APPROVING SALE OF PERSONAL
PROPERTY PURSUANT TO
MODIFIED SALES PROCEDURES
AND FOR RELIEF FROM LOCAL
RULE 66-7 PERTAINING TO
NOTICE TO CREDITORS;
MEMORANDUM OF POINTS AND
AUTHORITIES; DECLARATION
OF M. VAL MILLER IN SUPPORT
THEREOF**

Date: June 5, 2006

Time: 10:00 a.m.

Courtroom: 16

Judge: Honorable S. James Otero

22 TO THE HONORABLE S. JAMES OTERO, UNITED STATES DISTRICT
23 JUDGE, AND TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

24 PLEASE TAKE NOTICE that on June 5, 2006, commencing at 10:00 a.m. or
25 as soon as thereafter as counsel may be heard in Courtroom 16 of the above entitled
26 Court located at 312 North Spring Street, Los Angeles, California 90012, Robb
27 Evans & Associates LLC the permanent receiver ("Receiver") over the assets of
28 Universal Premium Services, Inc. aka Premier Benefits, Inc., Consumer Reward

1 Network, Inc., Star Communications, LLC, Membership Direct Services, Inc. aka
2 Continuity Partners, Inc., Connect2USA, Inc. and their subsidiaries and affiliates
3 (collectively, the "Receivership Defendants"), will and does hereby move the Court
4 for an order:

5 1. Approving the sale of Receivership Defendants' office furniture and
6 equipment, which consists of couches, desks, chairs, filing cabinets, copy machines,
7 computers, and phones, among other items, and are set forth in the "photo
8 inventory" of items attached hereto as Exhibit 1, and modifying the sales
9 procedures set forth in 28 U.S.C. §§ 2201 and 2004, as more fully set forth herein.
10 Under the proposed sales procedures, the Receiver will employ Diero & Associates,
11 Inc. ("Diero"), a professional auctioneer and liquidator, to place the office furniture
12 and equipment on its showroom floor for standard retail sale for forty-five to sixty-
13 five days prior to a public auction of the remaining items and to sell all items in
14 reliance on Diero's reasonable business judgment in consultation with the Receiver
15 as may be appropriate without the need for formal Court confirmation or other
16 procedures set forth in § 2001, and such sales will be deemed confirmed by the
17 Court.

18 2. Granting relief from the provisions of Local Rule 66-7 which
19 ordinarily require that Notice of this Motion and the Court's order thereon be given
20 to all known creditors of the receivership estate.


21 PLEASE TAKE FURTHER NOTICE that this Motion is made pursuant to
22 28 U.S.C. §§ 2001 and 2004, and Local Rule 66-7(b) and (d), and is based upon
23 this Notice of Motion and Motion, the accompanying Memorandum of Points and
24 Authorities, the Declaration of M. Val Miller attached hereto and served and filed
25 herewith, and upon all other further pleadings, oral and documentary evidence as
26 may be presented at or before the time of the hearing on the Motion.

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PLEASE TAKE FURTHER NOTICE that this Motion is posted on the Receiver's website at www.robbevans.com/html/univprem.html, where it may be reviewed in its entirety. Copies of this Motion will be provided to any interested party upon receipt of a written request which may be sent to: Robb Evans & Associates LLC, Attn: Cherrie Eustaquio, 11450 Sheldon Street, Sun Valley, CA 91352-1121; Telephone (818) 768-8100; Facsimile: (818) 768-8802.

Dated: May 11, 2006

McKenna Long & Aldridge LLP
Gary Owen Caris
Lesley Anne Hawes
Erin M. Jackson

By: 

Gary Owen Caris
Attorneys for Permanent Receiver
ROBB EVANS & ASSOCIATES
LLC

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **INTRODUCTION**

4 The Federal Trade Commission commenced an action in the United States
5 District Court for the Central District of California, entitled Federal Trade
6 Commission v. Universal Premium Services, Inc., et al., Case No. CV 06-0849 (the
7 “FTC Action”). The Receiver was appointed pursuant to a Temporary Restraining
8 Order entered February 21, 2006. Thereafter, on March 21, 2006, the Court issued
9 multiple injunctions and orders: (1) Freezing Assets; (2) Appointing a Permanent
10 Receiver; and (3) Granting Other Equitable Relief (the “Receivership Orders”).
11 The Receivership Orders continued in effect the Receiver’s broad powers,
12 authorities and duties to collect and preserve the receivership estate. The duties of
13 the Receiver under the Receivership Orders include not only general powers of an
14 equity receiver, but under Section IX, Subsections B and D, the duties to take
15 exclusive custody, control and possession of all assets of the Receivership
16 Defendants with the power to perform all acts necessary or advisable to preserve
17 the value of the assets.

18 The Receiver has determined that the receivership estate has office furniture
19 and equipment, which consists of couches, desks, chairs, filing cabinets, copy
20 machines, computers, and phones, among other items (collectively referred to as the
21 “Office Furniture and Equipment”) originally located at the premises of the
22 Receivership Defendants in Las Vegas, Nevada at 3800 Howard Hughes Parkway,
23 Suite #500; 2800 West Sahara Blvd., Suite #7C; 4340 South Valley View Blvd,
24 Suite 224; and 2700 East Flamingo, Unit #301, with a total gross value of
25 approximately \$25,000 to \$35,000. The Receiver believes that it is in the best
26 interests of the receivership estate in carrying out its responsibilities and
27 maximizing the value of the estate to liquidate the Receivership Defendants’ Office
28 Furniture and Equipment, in that the Receivership Defendants are no longer

1 conducting business, the leasehold premises have been vacated and the personal
2 property assets continue to diminish in value over time. As set forth in more detail
3 below, the Receiver has determined that placing the Office Furniture and
4 Equipment on a showroom floor for standard retail sale for forty-five to sixty-five
5 days followed by an auction of the remaining items will result in the highest net
6 return to the receivership estate. Accordingly, the Receiver brings this Motion for
7 an order modifying the procedures for the sale of the Office Furniture and
8 Equipment in order to liquidate it as efficiently and cost effectively as possible.

9 In addition, Local Rule 66-7 requires that the Receiver give notice of this
10 Motion to all potential creditors, which would be prohibitively expensive.
11 Accordingly, the Receiver also requests permission to bring this Motion on limited
12 notice, without requiring the Receiver to comply with the notice requirements of
13 Local Rule 66-7. Specifically, and as discussed in more detail below, the Receiver
14 seeks to limit notice of this Motion to parties to this action and creditors of the
15 receivership estate who have served upon the Receiver a written request for notice
16 as provided herein. In addition, the Receiver will post this Motion on the
17 Receiver's website, allowing all interested parties an opportunity to review the
18 Motion and will provide copies upon written request.

19 II.

20 THE RECEIVER REQUESTS MODIFICATION OF SALE 21 PROCEDURES SET FORTH IN 28 U.S.C. §§ 2001 AND 2004 22 WITH RESPECT TO SALE OF OFFICE FURNITURE AND 23 EQUIPMENT

24 Title 28 U.S.C. § 2001 provides the procedures pertaining to the sale of real
25 property by a receiver. Subsection (a) pertains to procedures for the public sale of
26 real property at the county courthouse steps. Subsection (b) pertains to the sale of
27 real property at private sale and states:

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After a hearing, of which notice to all interested parties shall be given by publication or otherwise as the court directs, the court may order the sale of such realty or interest or any part thereof at private sale for cash or other consideration and upon such terms and conditions as the court approves, if it finds that the best interest of the estate will be conserved thereby. Before confirmation of any private sale, the court shall appoint three disinterested persons to appraise such property or different groups of three appraisers each to appraise properties of different classes or situated in different localities. No private sale shall be confirmed at a price less than two-thirds of the appraised value. Before confirmation of any private sale, the terms thereof shall be published in such newspaper or newspapers of general circulation as the court directs at least ten days before confirmation. The private sale shall not be confirmed if a bona fide offer is made, under conditions prescribed by the court, which guarantees at least a ten percentum increase over the price offered in the private sale.

28 U.S.C. § 2001(b).

The code provides further in § 2004 that “Any personal property sold under order or decree of any court of the United States shall be sold in accordance with Section 2001 of this title, unless the court orders otherwise.” With respect to the sale of personal property items, § 2004 expressly states that the Court may modify the sale procedures set forth in § 2001.

If the Receiver were required to follow the exact requirements of §§ 2001 and 2004 with respect to the sale of the Office Furniture and Equipment at a private

1 sale, the receivership estate would be unnecessarily and excessively burdened with
2 the expense of (1) multiple hearings in which to first seek approval to sell the
3 personal property at private sales; (2) multiple applications seeking the appointment
4 of three court-appointed appraisers to appraise each of the items comprising the
5 Office Furniture and Equipment before a sale could be confirmed; (3) paying for
6 three court-appointed appraisers to appraise each of the items comprising the Office
7 Furniture and Equipment, which is particularly impractical here where the items to
8 be sold have small individual unit value; (4) advertising each proposed sale before
9 obtaining court confirmation; and (5) multiple hearings to obtain court
10 confirmation. Alternatively, the Receiver would be faced with selling the Office
11 Furniture and Equipment at a public sale on the county courthouse steps, thereby
12 increasing the likelihood that the items will be sold at distressed liquidation prices.

13 The Receiver suggests an alternative approach vesting the Receiver with the
14 automatic right to sell the Office Furniture and Equipment while on display on a
15 showroom floor for standard retail sale during a forty-five to sixty-five-day period
16 or thereafter by auction of the remaining items, eliminating the need for court-
17 appointed appraisers and newspaper publication as a condition to court
18 confirmation, precluding automatic overbidding, and creating a mechanism for
19 automatic court confirmation provided that another set of procedures are
20 implemented.

21 III.
22 **RECEIVER'S PROPOSED PROCEDURES FOR SALE OF**
23 **OFFICE FURNITURE AND EQUIPMENT**

24 The Receiver has determined it is in the best interests of the receivership
25 estate that the Office Furniture and Equipment be liquidated to conserve as much
26 value for the estate as possible.

27 The Receiver seeks permission to sell the Office Furniture and Equipment by
28 placing the items on a showroom floor for standard retail sale for forty-five to sixty-

1 five days followed by a public auction of the remaining items. The Receiver
2 requests that sales of the items sold through standard retail sale or by public auction
3 be automatically confirmed by the Court without the necessity of confirmation
4 motions and hearings. In the Receiver's experience, sale of office furniture and
5 equipment, generally low in value, by public auction is efficient and cost-effective.
6 Here, Diero's capacity to place the Office Furniture and Equipment on their
7 showroom floor for standard retail sale prior to the auction will serve to increase the
8 gross sales for the receivership estate. The specific procedures to be utilized by the
9 Receiver to sell the Office Furniture and Equipment are set forth in Exhibit 2 to the
10 Declaration of M. Val Miller ("Miller Decl."), and are summarized as follows:

11 A. Qualified Auctioneer and Liquidator

12 The Receiver will engage the services of Diero & Associates, Inc., ("Diero")
13 professional auctioneer and liquidator. Diero has over 30 years of experience in the
14 Las Vegas market.

15 B. Compensation of Auctioneer and Liquidator

16 For the items sold during the showroom floor sale prior to the auction, Diero
17 will receive a commission of ten percent (10%) of gross sales receipts. For the
18 remaining items sold at the auction, Diero will charge a ten percent (10%) "Buyer's
19 Premium" on all purchases, also providing a ten percent (10%) commission to
20 Diero equal to the Buyer's Premium. The Buyer's Premium is a standard charge
21 that has become customary at auction sales, and buyers will be aware that the
22 premium is to be paid. In addition, Diero will be paid for the costs associated with
23 the pick-up, storage and sale of the items to be sold. Labor for packing and
24 shipping items to Diero's warehouse is estimated to be approximately \$1,700 and
25 advertising and expenses for conducting the auction will not exceed \$650.

26 C. Advertising of the Showroom Floor Sale and Public Auction

27 Diero will notify buyers by placing an advertisement in the Las Vegas
28 Review Journal and/or the Las Vegas Sun. Diero will also create a photographic

1 inventory and catalog of all items for sale and contact prospective buyers as
2 determined by Diero. All advertising will indicate that the items are available for
3 purchase prior to the auction.

4 D. Conduct of Showroom Floor Sale

5 The Office Furniture and Equipment will be on display at Diero's showroom
6 floor for standard retail sale for a period of forty-five to sixty-five days. The items
7 will be priced in accordance with furniture and equipment of the same style and
8 condition.

9 E. Conduct of Auction

10 Remaining items will be placed in one of Diero's Metro Police auctions, one
11 of its biggest auctions drawing the largest amount of individuals, and will be
12 conducted at 4050 W. Harmon Avenue, Las Vegas, Nevada on a date to be
13 determined. The Office Furniture and Equipment will be sold individually or in
14 lots at the discretion of the auctioneer. Buyers will be required to pay for the items
15 on the day of the auction sale.

16 F. Automatic Confirmation of Sale

17 The Receiver suggests that any item of the Office Furniture and Equipment
18 may be sold by the Receiver at the showroom floor sale prior to the auction or at the
19 auction, pursuant to these modified procedures, in reliance on Diero's reasonable
20 business judgment in consultation with the Receiver as may be appropriate and
21 without the need for formal Court confirmation or other procedures set forth in
22 § 2001, and such sales will be deemed confirmed by the Court.

23 The procedures outlined above will provide the Receiver the flexibility
24 needed to expeditiously sell the Office Furniture and Equipment for fair value
25 under the circumstances. Provided that there is a mechanism whereby a sale is
26 confirmed, the District Court has wide latitude in adopting a procedure for the sale
27 of personal property. Except in cases of abuse, appellate courts will not disturb the
28 exercise of the District Court's discretion in setting the terms and conditions for a

1 judicial sale or the confirmation thereof. See United States v. Branch Coal Corp.,
2 390 F.2d 7 (3rd Cir. 1968) *cert. den.* Sun Protection Co. v. U.S., 391 U.S. 966, 88
3 S. Ct. 2034, 20 L. Ed. 2d 878 (1968). It is appropriate to vest the Receiver with the
4 discretion suggested by these alternative procedures to minimize expense to the
5 estate while protecting the assets from unreasonably low liquidation and
6 streamlining the procedures for sale confirmation.

7 IV.

8 **THE RECEIVER REQUESTS THAT THIS MOTION BE**
9 **GRANTED WITHOUT REQUIRING THE RECEIVER TO**
10 **GIVE WRITTEN NOTICE TO ALL CREDITORS**

11 The Receiver requests that this Motion be granted without requiring the
12 Receiver to give written notice to all creditors pursuant to Local Rule 66-7. Local
13 Rule 66-7 applies to the following: (a) petitions for payment of dividends to
14 creditors; (b) petitions for confirmation of sales of real property and personal
15 property; (c) reports of the Receiver; (d) applications for instructions concerning
16 administration of the estate; (e) applications for discharge of the Receiver; and (f)
17 applications for fees and expenses of the Receiver, the attorney for the Receiver and
18 any other person appointed to aid the Receiver (collectively referred to as “Rule 66-
19 7 Motions”).

20 Local Rule 66-7 requires that all “known” creditors of the Receivership
21 Defendants receive notice by mail of all Rule 66-7 Motions. In this case, there are
22 hundreds of thousands of consumers, if not more, who are potential creditors in this
23 case¹ and there are also over 60 vendor creditors. Providing notice of this Motion
24 by mail to all such creditors and potential creditors would be burdensome, time
25 consuming and expensive for the receivership estate. The value of the Office

26
27 ¹ Receivership Defendants sold over 1.6 million discount packages for various
28 products and services to consumers. While it is believed that many consumers
bought more than one package, the body of consumer creditors would still number
in the hundreds of thousands.

1 Furniture and Equipment does not warrant the estate incurring substantial
2 photocopying and mailing expenses for service of notice to hundreds of thousands
3 of creditors.

4 Based on the foregoing, the Receiver seeks an order providing that the notice
5 requirement for the hearing on this Motion shall be deemed satisfied if notice is
6 given by serving copies of such Motion on: (a) all parties to this action; (b) all
7 parties who have served the Receiver with a written request for notice; and (c) all
8 parties who have requested a copy of the Motion in writing directed to: Robb
9 Evans & Associates LLC, Attn: Cherrie Eustaquio, 11450 Sheldon Street, Sun
10 Valley, CA 91352-1121; Telephone: (818) 768-8100; Facsimile: (818) 768-8802.
11 The Receiver will post this Motion on the receivership website at
12 www.robbevans.com/html/univprem.html, allowing all interested parties an
13 opportunity to review the Motion and to submit to a written request for service
14 thereof. This procedure for limited notice is reasonable in light of the large number
15 of potential consumers and the limited value of assets being sold, and provides
16 adequate notice while allowing for efficient, cost-effective administration of the
17 receivership estate.

18 There is ample authority for approval of the scope and method of limited
19 notice as set forth above. Local Rule 66-7 provides that the provisions of Local
20 Rule 6-1 apply to notice of Rule 66-7 Motions. Local Rule 6-1 in turn provides for
21 the filing and service of written notices of motion “unless otherwise provided by
22 rule or ordered by the Court.” This Court, as a court of equity supervising the
23 receivership estate, may make appropriate administrative orders governing the
24 receivership, including limitations on and changes in notice and other procedures.
25 See F.R. Civ. P. 5(a) and (c) (authorizing the court to modify service procedures
26 when numerous defendants are involved in litigation). Pursuant to Local Rules 66-
27 8, a receiver is directed to administer receivership estates “as nearly as possible in
28 accordance with the practice in administration of estates of bankruptcy.” Orders

1 limiting notice when the Bankruptcy Code or Rules would otherwise require notice
2 to all creditors are routinely granted in bankruptcy cases to promote the expeditious
3 and economical administration of bankruptcy estates. See In re First Alliance
4 Mortgage Co., 269 B.R. 428, 442 (C.D. Cal. 2001) (referencing in dicta in the
5 court’s recitation of facts the bankruptcy court’s order limiting notice issued in that
6 case); 11 U.S.C. § 102(1)(A) (defining the phrase “after notice and a hearing” to
7 mean “after such notice as is appropriate in the particular circumstances, and such
8 opportunity for hearing as is appropriate in the particular circumstances”);
9 11.U.S.C. § 105(a) and (s) (granting broad equitable powers to the court to issue
10 orders “necessary or appropriate to carry out the provisions” of title 11 including
11 “prescribing such limitations and conditions as the court deems appropriate to
12 ensure the case is handled expeditiously and economically”); and F.R. Bankr. P.
13 2002(m) (authorizing the court to enter “orders designating the matters in respect to
14 which, the entity to whom, and the form and manner in which notices shall be sent
15 except as otherwise provided by these rules”).

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V.

CONCLUSION

For the foregoing reasons, it is respectfully requested that the Court issue an order: (1) approving the sale of the Office Furniture and Equipment on the terms described herein, without the need for the Receiver to strictly comply with the provisions set forth in 28 U.S.C. § 2001; and (2) approving limited notice of this Motion pursuant to the procedures outlined herein, without the need to provide all known creditors of the estate notice by mail as required by Local Rule 66-7.

Dated: May 11, 2006

McKenna Long & Aldridge LLP
Gary Owen Caris
Lesley Anne Hawes
Erin M. Jackson

By: 

Gary Owen Caris
Attorneys for Permanent Receiver
ROBB EVANS & ASSOCIATES
LLC

DECLARATION

//

1 **DECLARATION OF M. VAL MILLER**

2 I, M. Val Miller, declare:

3 1. I am a member of Robb Evans & Associates, LLC, the Receiver in this
4 matter. I am one of the persons responsible for the day-to-day management and
5 supervision of receivership activities associated with the Receiver's role as
6 permanent receiver in this action. If called upon to testify as to the facts set forth in
7 this declaration, I could and would testify competently thereto as the facts are true
8 and within my personal knowledge.

9 2. I have reviewed the receivership records and have determined that the
10 Receivership Defendants sold over 1.6 million discount packages for various
11 products and services to consumers. While it is believed that many consumers
12 bought more than one package, the total number of consumers who are potential
13 creditors is in the hundreds of thousands, if not more. There are also over 60
14 vendor creditors. It is not economically feasible to serve all creditors in connection
15 with this Motion.

16 3. The Receiver believes that it is in the best interests of the receivership
17 estate in carrying out its responsibilities and maximizing the value of the estate to
18 liquidate the Receivership Defendants' office furniture and equipment consisting of
19 couches, desks, chairs, filing cabinets, copy machines, computers, and phones,
20 among other items ("Office Furniture and Equipment") in that the Receivership
21 Defendants are no longer conducting business, the leasehold premises have been
22 vacated and the personal property assets continue to diminish in value over time. I
23 have been advised by Diero & Associates, Inc, ("Diero"), whom I know to be a
24 qualified auctioneer and liquidator with 30 years of experience in the Las Vegas
25 market, that the approximate gross liquidation value of the Office Furniture and
26 Equipment originally located at the premises of the Receivership Defendants in Las
27 Vegas, Nevada at 3800 Howard Hughes Parkway, Suite #500; 2800 West Sahara
28 Blvd., Suite #7C; 4340 South Valley View Blvd, Suite 224; and 2700 East

1 Flamingo, Unit #301 is between \$25,000 and \$35,000. Attached hereto as Exhibit
2 1 and incorporated herein by reference is a true and correct copy of a “photo
3 inventory” of these items.

4 4. The Motion filed concurrently with this declaration sets forth in detail
5 the proposed procedures to sell the Office Furniture and Equipment, including
6 displaying the items on a showroom floor for standard retail sale followed by an
7 auction of the remaining items, to be conducted by Diero. Attached hereto as
8 Exhibit 2, is a true and correct copy of the contract with Diero subject to the Court’s
9 approval, which explains the services Diero will perform in connection with the
10 sale of the Office Furniture and Equipment by displaying the items on a showroom
11 floor for standard retail sale followed by an auction of the remaining items as
12 proposed by the Receiver.

13 5. The Receiver suggests that this approach to selling the Office
14 Furniture and Equipment is efficient, economical and appropriate, which vests the
15 Receiver with the automatic right to sell the property without need for Court-
16 appointed appraisers and newspaper publication as a condition to Court
17 confirmation, while creating a mechanism for automatic Court confirmation
18 provided that the procedures outlined in the Motion and Exhibit 2 are implemented.

19 6. Based upon my experience in liquidating personal property of these
20 types, I believe that this alternative approach will provide the Receiver with the
21 flexibility he needs to expeditiously sell the Office Furniture and Equipment, while
22 maximizing the recovery of equity in these items for the receivership estate. I
23 believe that it is appropriate to vest the Receiver with the discretion suggested by
24 these alternative procedures to minimize expense to the receivership estate while
25 protecting the assets from unreasonably low liquidation and streamlining
26 procedures for sale confirmation. Based upon my experience, I also believe that the
27 proposed sale methods are the most efficient and cost-effective for the receivership
28 estate.

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I declare under penalty of perjury that the foregoing is true and correct and
this declaration was executed on this 11 day of May 2006 at Las Vegas, Nevada.



M. VAL MILLER

1 **PROOF OF SERVICE BY MAIL**

2
3 **STATE OF CALIFORNIA, COUNTY OF LOS ANGELES**

4 I am employed in the aforesaid county, State of California; I am over the age
5 of 18 years and not a party to the within action; my business address is **444 South
Flower Street, Los Angeles, California 90071.**

6 On May 11, 2006, I served the **NOTICE OF MOTION AND MOTION
7 FOR ORDER APPROVING SALE OF PERSONAL PROPERTY
8 PURSUANT TO MODIFIED SALES PROCEDURES AND FOR RELIEF
9 FROM LOCAL RULE 66-7 PERTAINING TO NOTICE TO CREDITORS;
MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF
10 M. VAL MILLER IN SUPPORT THEREOF** on the interested parties in this
action by placing the **true copy**/original thereof, enclosed in a sealed envelope,
postage prepaid, addressed as follows:

11 ***SEE ATTACHED SERVICE LIST.***

12 I am readily familiar with the business practice of my place of employment
in respect to the collection and processing of correspondence, pleadings and notices
13 for mailing with United States Postal Service.
The foregoing sealed envelope was placed for collection and mailing this date
14 consistent with the ordinary business practice of my place of employment, so that it
will be picked up this date with postage thereon fully prepaid at Los Angeles,
15 California, in the ordinary course of such business.

16 **(STATE)** I declare under penalty of perjury under the laws of the
State of California that the foregoing is true and correct.

17 **(FEDERAL)** I declare under penalty of perjury that the foregoing is true
18 and correct, and that I am employed at the office of a
member of the bar of this Court at whose direction the
19 service was made.

20 Executed on May 11, 2006, at Los Angeles, California.

21
22 
Signature

23
24
25 Mary Jean Delaney
Print Name

**DATA FILE for Master Service List:
Federal Trade Commission v. Universal Premium Services, Inc., et al. (USDC Case No. CV 06-0849-SJO)**

Address	Phone	Fax	E-mail	Attorneys For
Jason D. Kogan, Esq. John M. McCoy III, Esq. BIRD, MARELLA, BOXER, WOLPERT, NESSIM, DROOKS & LINCENBERG, P.C. 1875 Century Park East, 23rd Floor Los Angeles, CA 90067-2561	(310)201-2100	(310)201-2110	jdk@birdmarella.com jimm@birdmarella.com	Third Parties: Christine MacGregor; Midwest Properties, Inc.
Faye Chen Barnouw, Esq. Jennifer M. Brennan, Esq. FEDERAL TRADE COMMISSION 10877 Wilshire Blvd., Suite 700 Los Angeles, CA 90024	(310)824-4343	(310)824-4380	fbarnouw@ftc.gov jmbrennan@ftc.gov	Plaintiff: Federal Trade Commission <i>Via E-mail by consent of the recipient</i>
Tom Brown, Esq. BROWN & WHITE LLP 333 South Hope Street, 36 th Floor Los Angeles, CA 90071			tbrown@brownwhitelaw.com	Defendants: Brian MacGregor and Membership Services Direct, Inc. (aka Continuity Partners, Inc.) <i>Via E-mail by consent of the recipient</i>
Jeffrey K. Riffer, Esq. Brian Yates, Esq. JEFFER, MANGELS, BUTLER & MARMARO LLP 1900 Avenue of the Stars, Seventh Floor Los Angeles, CA 90067	(310)203-8080	(310)203-0567	jriffer@jmbm.com	Defendant: Harjinder Sidhu <i>Via E-mail by consent of the recipient</i>

DATA FILE for Master Service List:
Federal Trade Commission v. Universal Premium Services, Inc., et al. (USDC Case No. CV 06-0849-SJO)

Address	Phone	Fax	E-mail	AttorneysFor
John M. Genga, Esq. Don C. Moody, Esq. GENGA & ASSOCIATES, P.C. 15260 Ventura Blvd., 20 th floor Sherman Oaks, CA 91403	(818)444-4582	(818)444-4585	jgenga@gengalaw.com domm@gengalaw.com	Defendants Joseph LaRosa, Jr.; Pranut Sangprasit; William Thomas Heichert Michael Howard Cushing Paul P. Tosi; and Manh Cao <i>Via E-mail by consent of the recipient</i>