

**UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION**

FEDERAL TRADE COMMISSION, and)	
)	Case No. 6:20-cv-01192-WWB-DCI
OFFICE OF THE ATTORNEY GENERAL, STATE OF FLORIDA, DEPARTMENT OF LEGAL AFFAIRS,)	
)	
Plaintiffs,)	
)	
v.)	
)	
GDP NETWORK LLC, G & G SUCCESS LLC, G & N SQUARED LLC, GINO DE PAZ, GRACE DE PAZ, and SHABANA KHUBLAL,)	
)	
Defendants.)	

**NOTICE OF FILING INFORMATION REQUIRED IN
ADVANCE OF PRELIMINARY INJUNCTION HEARING
IN ACCORDANCE WITH THE COURT’S JULY 30, 2020 ORDER**

Plaintiffs, the Federal Trade Commission and the Office of the Attorney General, State of Florida, Department of Legal Affairs, provide the following information pursuant to the Court’s July 30, 2020 Order (Dkt. 27).

I. IDENTIFY WITH PARTICULARITY ALL DISPUTED ISSUES OF MATERIAL FACT OR CREDIBILITY DETERMINATIONS THAT ARE EXPECTED TO IMPACT THE REQUEST FOR A PRELIMINARY INJUNCTION

There are no disputed issues of material fact or credibility determinations that are relevant to our request for a preliminary injunction. As discussed further in Plaintiffs’ Reply in Support of Their Motion For a Preliminary Injunction With Asset Freeze and Other Equitable Relief (Dkt. No. 35) (“Plaintiffs’ Reply”), Defendants have not disputed Plaintiffs’ evidence. Defendant Shabana Khublal submitted a single piece of new evidence: a declaration from her

sister, Ushana Khublal, that says only that Grace de Paz runs the day-to-day operations of G & N Squared LLC, that Shabana Khublal lives in St. Croix, and that she has never met or spoken to most of the G & N Squared employees. As explained in Plaintiffs' Reply, even if true, this declaration does not create a disputed issue of material fact because it does not refute Plaintiffs' evidence that Shabana Khublal has the authority to control G & N Squared and that she has directly participated in the scheme.

II. IDENTIFY THE NAMES OF ANY WITNESSES THAT THE PARTY ANTICIPATES CALLING AT THE HEARING

Because neither Defendant Khublal nor any of the Corporate Defendants have produced any evidence creating a disputed issue of material fact, Plaintiffs do not plan on calling any witnesses at the hearing. Plaintiffs submit that the Court's decision on the preliminary injunction should be based on the documentary record and on the arguments of counsel. Local Rule 4.06(b) contemplates that preliminary injunction motions typically will be decided on the written record and oral argument alone "unless the Court grants express leave to the contrary in advance of the hearing pursuant to Rule 43(e) Fed. R. Civ. P." L.R. 4.06(b). The language of the TRO, entered on this matter on July 10, 2020, echoes this default standard: "The hearing shall be limited to argument of counsel unless the Court grants express leave to the contrary in advance of the hearing."

Given the undisputed facts on the current record, the Court need not entertain live testimony at the hearing. The Eleventh Circuit has determined that "[a]n evidentiary hearing is required for entry of a preliminary injunction only where facts are bitterly contested and credibility determinations must be made to decide whether injunctive relief should issue." *Cumulus Media, Inc. v. Clear Channel Commc'ns*, 304 F.3d 1167, 1178 (11th Cir. 2002)

(internal quotations omitted); *see also McDonald's Corp. v. Robertson*, 147 F.3d 1301, 1310-14 (11th Cir. 1998) (district court did not err in issuing a preliminary injunction without a hearing where material facts were not in dispute). That determination typically is made based on the evidence the parties have presented to the Court in advance of the hearing.

Here, Defendant Khublal did not submit a declaration along with her opposition to Plaintiffs' motion; instead, as described above, she presented only a declaration from her sister that does not present a material factual dispute. Because Defendant Khublal did not file with the Clerk's Office, and deliver to Plaintiffs, "not later than at least seven days before the hearing (Local Rule 4.06(b)(3) (citing Rule 6(c), Fed. R. Civ. P.), a declaration or other evidence creating a material factual dispute, she should not be permitted to testify at the preliminary injunction hearing. On the current record, there simply are no "bitterly contested" facts that require credibility determinations by the Court for resolution. But if the Court is inclined to entertain Defendant Khublal's testimony, it should order her to provide a declaration in advance of the hearing outlining her proposed testimony "[i]n order to develop a record and the positions of the parties in advance of the hearing...." Local Rule 4.06(b).

If Defendant Khublal is permitted to testify, then Plaintiffs reserve the right to also call the Court-appointed Temporary Receiver as a rebuttal witness.

III. THE ESTIMATED LENGTH OF TIME REQUESTED FOR THE HEARING

Our expectation is that the hearing will consist of argument by counsel based on the briefs and evidence before the court. With that expectation, we estimate that we will need approximately one hour for the hearing on the preliminary injunction. If live testimony is permitted, then we estimate needing two hours.

Dated: August 6, 2020

Respectfully submitted,

ALDEN F. ABBOTT
General Counsel

/s/Samantha Gordon
SAMANTHA GORDON, Trial Counsel
AUDREY AUSTIN
WILLIAM J. HODOR
Federal Trade Commission
Midwest Region
230 South Dearborn Street, Room 3030
Chicago, Illinois 60604
(312) 960-5634 [telephone]
(312) 960-5600 [facsimile]
sgordon@ftc.gov [Gordon]
aaustin2@ftc.gov [Austin]
whodor@ftc.gov [Hodor]
Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

ASHLEY MOODY
Attorney General, State of Florida

PAUL ERIC COURTRIGHT, FL Bar 507741
PATRICK CHRISTOPHER CROTTY, FL Bar 108541
DONNA CECILIA VALIN, FL Bar 96687
Office of the Attorney General
Consumer Protection Division
135 W. Central Boulevard, Suite 1000
Orlando, Florida 32801
(407) 316-4840 [telephone]
(407) 245-0365 [facsimile]
Paul.Courtright@myfloridalegal.com [Courtright]
Patrick.Crotty@myfloridalegal.com [Crotty]
Donna.Valin@myfloridalegal.com [Valin]
Attorneys for Plaintiff
OFFICE OF THE ATTORNEY GENERAL
STATE OF FLORIDA
DEPARTMENT OF LEGAL AFFAIRS

CERTIFICATE OF SERVICE

I hereby certify that on August 6, 2020, a true and correct copy of Plaintiffs' Notice of Filing Information Required in Advance of Preliminary Injunction Hearing in Accordance with the Court's July 30, 2020 Order was filed with the Court's electronic filing system. I further certify that notice of the filing was sent either via transmission of Notices of Electronic Filing generated by CM/ECF or by electronic mail to the parties listed below:

PAUL ERIC COURTRIGHT
PATRICK CHRISTOPHER CROTTY
DONNA CECILIA VALIN
Office of the Florida Attorney General
Consumer Protection Division
135 W. Central Boulevard, Suite 1000
Orlando, Florida 32801
Paul.Courtright@myfloridalegal.com
Patrick.Crotty@myfloridalegal.com
Donna.Valin@myfloridalegal.com
Plaintiff, State of Florida

ANDREW N. COVE
Cove Law, P.A.
633 SE 3rd Avenue, Suite 4R
Fort Lauderdale, Florida 33301
anc@covelaw.com
Counsel for Individual Defendants
Gino de Paz and Grace de Paz

MATTHEW ANTHONY LEIBERT
Law Office Matthew A. Leibert
5782A S. Semoran Boulevard
Orlando, Florida 32822-4819
200 S. Orange Ave., Suite 2000
Orlando, Florida 32801
leibert@urbanthier.com
Counsel for Individual Defendant Shabana Khublal
JONATHAN E. PERLMAN
Genovese Joblove & Battista, P.A.
100 S.E. Second Street, Suite 4400
Miami, Florida 33131

iperlman@gjb-law.com

Receiver

ERIC JACOBS

Genovese Joblove & Battista, P.A.

100 S.E. Second Street, Suite 4400

Miami, Florida 33131

ejacobs@gjb-law.com

Attorney for Receiver

LOWNDES, DROSDICK, DOSTER, KANTOR & REED, P.A.

Richard S. Dellinger, Esq.

James S. Toscano

P.O. Box 2809

Orlando, Florida 32802

richard.dellinger@lowndes-law.com

james.toscano@lowndes-law.com

Attorneys for Receiver

Respectfully Submitted,

/s/ Samantha Gordon

Samantha Gordon

Federal Trade Commission

230 South Dearborn Street

Chicago, Illinois 60604