Andrew Hudson (DC Bar No. 996294)
(202) 326-2213 / ahudson@ftc.gov
Karen Hobbs (DC Bar No. 469817)
(202) 326-3587 / khobbs@ftc.gov
600 Pennsylvania Ave., NW, CC-8528
Washington, DC 20580

Local Counsel
Delilah Vinzon (CA Bar No. 222681)
(310) 824-4328 / dvinzon@ftc.gov
10990 Wilshire Boulevard, Suite 400
Los Angeles, California 90024

Attorneys for Plaintiff
Federal Trade Commission

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

Federal Trade Commission, Plaintiff, vs. **AlliedWallet, Inc., et al.**, Defendants.	No. 2:19-CV-4355 APPLICATION FOR LEAVE TO FILE THE UNREDACTED COMPLAINT UNDER SEAL TEMPORARILY

Plaintiff Federal Trade Commission ("FTC"), pursuant to Local Rule 79-5.2.2, respectfully moves this Court to direct the Clerk to file the unredacted Complaint (filed concurrently, and a redacted version of which has been filed and is attached hereto as Exhibit A) under temporary seal, allowing defendant Ahmad ("Andy") Khawaja and the corporate defendants to file a declaration or application in support of continued sealing of certain names in the unredacted Complaint.

The Complaint contains information that defendant Khawaja and the corporate defendants claim is confidential and should not be publicly disclosed.

The FTC disagrees with their position. Temporarily sealing the unredacted Complaint will allow the Court to hear and adjudicate this dispute.

Concurrently with this filing, the FTC is filing applications seeking entry of proposed stipulated final orders as to all defendants in this matter.

FACTS

Corporate defendant AlliedWallet, Inc. and its subsidiaries and affiliates ("Allied") produced documents to the FTC in response to a Civil Investigative Demand ("CID"). Allied designated virtually every document "confidential."

On November 20, 2018, the FTC sent Allied a copy of the draft complaint. On April 22, 2019, the FTC sent a letter to Allied to provide notice, pursuant to 16 C.F.R. § 4.10(g), that the FTC intended to file a complaint in federal court including information Allied had submitted to the FTC in response to the CID.[1]

On May 14, 2019, in a telephone call, counsel for Allied requested that certain names be removed from the complaint, citing the confidential designation of the documents. Counsel further discussed the matter by telephone and via email, as set out in the declaration of counsel filed concurrently with this Application, but have failed to reach an agreement. At no time during those discussions did Allied identify the specific authority that they believe warrants withholding the names from the public, much less facts sufficient to establish that the (as-yet unidentified) applicable legal test is met.

LAW

Local Rule 79-5.2.2 (b) provides a procedure for situations where a party wishes to file documents or information that another party has designated as confidential pursuant to a protective order. Local Rule 79-5.2.2 (b) provides that the filing party file an application for leave to file under seal, per Local Rule 79-

[1] Although the FTC has made revisions since November 20, 2018, the revised sections are not implicated by the issues addressed in this Application.

5.2.2 (a), and that the designating party thereafter has four (4) days to file a declaration in support of the claimed confidentiality.

ARGUMENT

Although there has been no protective order entered in this matter, the situation is analogous, as the FTC wishes to file certain information that another party, Allied, has designated as confidential. Accordingly, the same or similar procedure is likely appropriate.[2]

CONCLUSION

For the above reasons, the FTC respectfully requests that the Court enter the attached proposed order, granting the FTC leave to file the unredacted Complaint under seal, ordering Defendants to file a declaration as described in Local Rule 79-5.2.2 (b)(i) within four (4) days of the filing of this Application, and directing that the seal be lifted if no supporting filing is made within four (4) days of the filing of this Application.

No party opposes the filing of the unredacted Complaint under seal temporarily. Defendants AlliedWallet, Inc., Allied Wallet, Ltd., GTBill, LLC, GTBill Ltd., and Ahmad ("Andy") Khawaja have represented to the FTC that they reserve their right to request additional time to respond to the Application.

[2] As noted above, the FTC believes that the factual allegations in the Complaint should be available to the public. The FTC does not know what evidence or authorities Defendants may cite to support their view that the information at issue here may be withheld from the public, and is not aware of a valid legal basis for such a request. It may be appropriate for the FTC to file an opposition or response to Defendants' filing, in light of this circumstance. The FTC would be prepared to file such a response very shortly after any filing by the Defendants.

Respectfully submitted,

ALDEN ABBOTT
General Counsel

Dated: May 20, 2019



Andrew Hudson
Karen Hobbs
Federal Trade Commission
600 Pennsylvania Ave., NW
Mailstop CC-8528
Washington, DC 20580
(202) 326-2213 / ahudson@ftc.gov
(202) 326-3587 / khobbs@ftc.gov

Delilah Vinzon
Federal Trade Commission
10990 Wilshire Boulevard, Suite 400
Los Angeles, California 90024
(310) 824-4328 / dvinzon@ftc.gov

Attorneys for Plaintiff
FEDERAL TRADE COMMISSION

PROOF OF SERVICE

Per Local Rules 5-3.2.1 and 5-3.1.2, I, Andrew Hudson, hereby declare that on May 20, 2019, I served the foregoing Application for Leave to File the Unredacted Complaint Under Seal Temporarily on all parties in the manner specified below:

Via Email

Jeffrey D. Knowles
Roger Colaizzi
Venable LLP
600 Massachusetts Ave NW
Washington, DC 20001
(202) 344-4860 /
jdknowles@venable.com
(202) 344-8051 /
rcolaizzi@venable.com

Michael Thurman
Thurman Legal
1055 E. Colorado Blvd., 5th Floor
Pasadena, CA 91106
(626) 399-6205 / michael@thurman-legal.com

Counsel for Defendant Mohammad Diab

Matthew M. Gurvitz
Venable LLP
2049 Century Park East
Suite 2300
Los Angeles, CA 90067
(310) 299-9930 /
mmgurvitz@venable.com

Counsel for Defendants AlliedWallet, Inc., Allied Wallet, Ltd., GTBill, LLC, GTBill, Ltd., and Ahmad Khawaja

David P. Steiner, Esq.
David Steiner & Associates
1801 Century Park East, Suite 1600
Los Angeles, CA 90067
(310) 557-8422 /
dpsartnetlaw@gmail.com

Counsel for Defendant Amy Rountree

I declare under penalty of perjury that the foregoing is true and correct. Executed on May 20, 2019 in Washington, DC.

Andrew Hudson