UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF FLORIDA

FEDERAL TRADE COMMISSION,)
TEDERAL TRADE COMMISSION,) Case No. 1:14-cv-23109-CIV-RNS
Plaintiff,	,)
) PLAINTIFF'S RESPONSE TO
v.) DEFENDANT GARY L. KIEPER'S
) PRO SE MOTION FOR
PARTNERS IN HEALTH CARE) CLARIFICATION
ASSOCIATION, INC., et al.,)
)
Defendants.)
)

Plaintiff, the Federal Trade Commission (the "FTC" or "Commission"), files this Response to Defendant Gary L. Kieper's *Pro Se* Motion for Clarification [ECF No. 102] concerning the Show Cause Hearing held on December 22, 2014, before Magistrate Judge Alicia M. Otazo-Reyes, and states:

- 1. Pro se defendant Kieper requests that Magistrate Judge Otazo-Reyes clarify the purpose of the Court's recommendation after the December 22, 2014 Show Cause Hearing, that the FTC and Kieper file a stipulated motion seeking permission from Judge Scola for a limited lift of the asset freeze [ECF No. 99]. In addition, Kieper sets forth his own understanding of the purpose of the limited lift of the asset freeze, which includes allowing him to use proceeds from an asset sale to pay for his own living expenses [ECF No. 102]. Kieper's understanding, however, fails to accurately characterize the more limited purpose articulated by this Court.
- 2. As this Court noted during the Show Cause Hearing, the question of whether Kieper would be granted limited relief from the asset freeze for his living

expenses was already settled by Judge Scola [ECF No. 94]. Indeed, the Transcript of the Show Cause Hearing states:

- 12 MR. IVENS: Even if you purge yourself of contempt,
- 13 there still should be some sanctions for it. So that is my
- 14 first thing.
- 15 The second thing is, yes, the Federal Trade
- 16 Commission, the staff of the Federal Trade Commission, in
- 17 consultation with our managers, almost always allow or
- 18 stipulate to some limited lift of the asset freeze to pay
- 19 attorneys' fees or to pay for living expenses.
- 20 Mr. Kieper's expense motion is currently before Judge
- 21 Scola.
- 22 THE COURT: Well, Judge Scola denied the motion this
- 23 morning.

(Transcript at 32, lines 12-23).

3. Notwithstanding the clear language above, Kieper appears to suggest that somehow Magistrate Judge Otazo-Reyes overturned Judge's Scola's Order Denying Motion for Limited Relief from Asset Freeze for Payment of Living Expenses. Nowhere does the Transcript of the Show Cause Hearing support such a position. Rather, the Transcript repeatedly supports the position that the limited lift of the asset freeze was solely for the limited purpose of permitting Kieper to use proceeds from the sale of a boat in order to comply with this Court's Turnover Orders [ECF Nos. 57, 65] (Tr. at 30, lines 8-16; 33, lines 7-16).

4. For the foregoing reasons, the FTC requests that the Court deny the

Motion for Clarification.

Respectfully submitted,

s/ Christopher E. Brown
Gary L. Ivens (Special Bar No. A5500671)
Christopher E. Brown (Special Bar No. A5501993)
FEDERAL TRADE COMMISSION
600 Pennsylvania Avenue, NW, CC-8528
Washington, DC 20580
(202) 326-2330, givens@ftc.gov (Ivens)
(202) 326-2825, cbrown3@ftc.gov (Brown)
(202) 326-3395 (Fax)

CERTIFICATE OF SERVICE

I hereby certify that on February 3, 2015, I electronically filed the foregoing document with the Clerk of the Court using CM/ECF, which will send a notice of electronic filing to the following:

KEITH T. GRUMER
MAIDENLY MACALUSO
Grumer & Macaluso PA
1 East Broward Blvd., Suite 1501
Fort Lauderdale, FL 33301
Email: korrumar@grumarlaw.com

Email: kgrumer@grumerlaw.com Email: mmacaluso@grumerlaw.com

LAWRENCE E. PECAN Meland Russin & Budwick, P.A. 200 South Biscayne Blvd., Suite 3200 Miami, FL 33131 Email: lpecan@melandrussin.com BRUCE S. ROGOW
TARA A. CAMPION
Bruce A. Rogow PA
500 East Broward Blvd., Suite 1930
Fort Lauderdale, FL 33394
Email: brogow@rogowlaw.com

Email: tcampion@rogowlaw.com

and that I served the following defendant in the manner noted:

BY FIRST-CLASS MAIL, POSTAGE PREPAID:

PARTNERS IN HEALTH CARE ASS'N, INC. GARY KIEPER 1519 Oshkosh Ave. Oshkosh, WI 54902

> <u>s/ Christopher E. Brown</u> Christopher E. Brown