

Dockets.Justia.com

## 1    **II.    DISCUSSION**

2            Whether to freeze a party's assets is a matter for the Court's discretion. See *Reebok Int'l,*  
3   *Ltd. v. Marnatech Enters., Inc.*, 970 F.2d 552, 562–63 (9th Cir. 1992) (district court had  
4   discretion to impose asset freeze). Likewise, whether to an asset freeze is also subject to the  
5   Court's discretion. See *F.T.C. v. Trek All., Inc.*, 81 Fed. Appx. 118, 119 (9th Cir. 2003) (“[T]he  
6   district court did not abuse its discretion in deciding that modification of the [asset freeze] order  
7   was not warranted in the circumstances”). Here, Defendants seek modification of the Court's  
8   Asset Freeze Order “to pay for necessities such as food, clothing, utilities, medical treatment,  
9   medicine, and gasoline.” (Mot. 3:25–4:1).

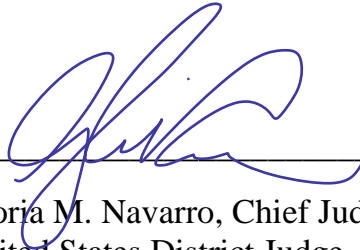
10           The FTC points out that “Scott Tucker and Kim Tucker have benefitted from a generous  
11   \$99,000 living allowance over five months.” (Resp. 2:2–3, ECF No. 1037). Further, the FTC  
12   has submitted evidence demonstrating that since the Court entered its asset freeze Order,  
13   Defendants have “continued their profligate lifestyle including spa, steakhouse, country club,  
14   and liquor purchases.” (Id. 2:4–5). In addition, “[d]uring this time period [Defendants] also  
15   spent \$10,000 on private school tuition for their 15-year old daughter” and, shortly before the  
16   Asset Freeze Order took effect, “prepaid four years of college tuition for [their] other  
17   daughter.” (Id. 4:3–5). Defendants have also withdrawn more than \$27,000 in cash without  
18   providing any evidence that the money was used for reasonable living expenses. (Id. 4:6–18).

19           The Court agrees with the FTC that “Scott Tucker and Kim Tucker have not submitted  
20   to the Court adequate rationale or documentation supporting the continuation of an \$8,000  
21   monthly allowance,” particularly in light of the fact that Defendants own their homes and cars  
22   outright. (Id. 8:12–21). Accordingly, the Court finds that modification is not appropriate  
23   because Defendants have not established that they lack income or assets necessary to pay their  
24   living expenses. Unless Defendants correct these deficiencies, the Court refuses to modify the  
25   Asset Freeze Order as Defendants request.

1 **III. CONCLUSION**

2 **IT IS HEREBY ORDERED** that Defendants' Motion to Modify the Court's Asset  
3 Freeze Order, (ECF No. 1029), is **DENIED**.

4  
5 **DATED** this 31 day of August, 2016.

6  
7  
8   
9 Gloria M. Navarro, Chief Judge  
10 United States District Judge  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25