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**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA**

FEDERAL TRADE COMMISSION
Plaintiff,
v.
AUTOMATORS LLC, *et al.*,
Defendants,
PEREGRINE WORLDWIDE, LLC,
Relief Defendant.

Case No. 23-cv-1444-BAS-LSC

**ORDER GRANTING JOINT
MOTION TO EXTEND THE
TEMPORARY RESTRAINING
ORDER**

(ECF No. 33)

20 The Federal Trade Commission (“FTC”) filed an Ex Parte Motion for a Temporary
21 Restraining Order (“TRO”), with an asset freeze, appointment of a temporary receiver, and
22 other equitable relief, on August 8, 2023. It submitted its TRO Application under seal and
23 asked that the Court issue an order granting its Application under seal for five business
24 days or until service, whichever occurred first. (TRO App., ECF No. 5.) The Court issued
25 the TRO on August 11, 2023; the Clerk of Court unsealed the TRO five business days later,
26 on August 21. (TRO, ECF No. 8.)

27 In accordance with Federal Rule of Civil Procedure (“Rule”) 65(b)(2), the TRO
28 expires 14 days after its issuance—today, August 25, 2023. On August 22, 2023, the FTC

1 moved, *ex parte*, for an extension of the TRO. (Ex Parte App. to Extend, ECF No. 9.) It
2 notified counsel for Defendants and Relief Defendants twice of its intention to move for
3 an extension before so moving. (*See id.* at 2:6–18.) On August 25, 2023, the parties filed
4 a Joint Motion to extend the TRO through September 19, 2023. (Joint Mot., ECF No. 33.)

5 Rule 65(b)(2) provides, “Every temporary restraining order issued without notice . . .
6 . expires at the time after entry—not to exceed 14 days—that the court sets, unless before
7 that time the court, for good cause, extends it for a like period or the adverse party consents
8 to a longer extension.” Fed. R. Civ. P. 65(b)(2). Courts routinely find that good cause
9 exists for an extension if the circumstances that supported the initial grant of the temporary
10 restraining order have not meaningfully changed so as to justify a refusal to extend. *See,*
11 *e.g., Stryker Empl’t Co., LLC v. Abbas*, No. 1:22-cv-531, 2022 WL 20515026, at *1 (W.D.
12 Mich. June 14, 2022) (extending emergency temporary restraining order on the basis that
13 plaintiffs “demonstrated that the circumstances justifying entry of the TRO in the first
14 instance have not changed”); *Solis v. Hutcheson*, No. 1:12-cv-236-EJL, 2012 WL
15 12899086, at *2 (D. Idaho May 30, 2012) (“The Court finds based on the circumstances
16 supporting the temporary restraining order still existing . . . [that] the temporary restraining
17 order should be extended for good cause[.]”); *RA Glob. Servs., Inc. v. Apps*, No. 3:07-CV-
18 1562-L, 2007 WL 9717686, at *1 (N.D. Tex. Sept. 20, 2007) (similar); *SEC v. One or More*
19 *Purchasers of Call Options for Common Stock of CNS, Inc.*, Civ. No. 06-4540, 2006 WL
20 3004875, at *1 (E.D. Pa. Oct. 20, 2006) (similar).

21 The FTC has shown—and the Defendants and Relief Defendants concede through
22 the Joint Motion—that there have been no factual developments since the Court issued the
23 TRO that diminish the justifications underpinning entry of the TRO in the first instance.
24 (*See Ex Parte App. to Extend TRO*, ECF No. 9; Status Report of Temporary Receiver
25 (“Status Report”), ECF No. 29.) There are no new facts that alter this Court’s initial finding
26 that the FTC has a strong likelihood of succeeding on the merits of its case. Nor does it
27 appear Defendants’ customers—who are the victims of the scheme alleged in the
28 Complaint—are any less likely to suffer irreparable harm absent the TRO now than on the

1 day the TRO entered. Moreover, evidence proffered by the FTC demonstrates several
2 Defendants’ noncompliance with the TRO’s mandatory discovery provisions, which
3 further highlights the need for an extension. (See Status Report at 5:11–16 (stating
4 Defendants have, to “varying degrees,” failed to comply with the TRO, namely by failing
5 to produce any or all (1) “financial disclosures, business records, Documents and Assets”
6 and (2) “access to logins, passcodes, [and] online accounts”).) Accordingly, good cause
7 justifies an extension of the TRO.

8 Furthermore, although the requested extended TRO will span beyond the 14-day
9 time limitation codified in Rule 65(b)(2), the Court still is within the bounds of that Rule
10 65(b)(2) to grant a lengthier extension because Defendants and Relief Defendants consent
11 to it. (See Joint Mot.); see Fed. R. Civ. P. 65(b)(2).

12 Accordingly, the Court **GRANTS** the Joint Motion (ECF No. 33), **EXTENDS** the
13 TRO until **September 19, 2023**, and **TERMINATES AS MOOT** the FTC’s Ex Parte
14 Application (ECF No. 9) .

15 **IT IS SO ORDERED.**

16 **DATED: August 25, 2023**


Hon. Cynthia Bashant
United States District Judge