UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES - GENERAL

Case No.	SACV 20-00287JVS(KESx)	Date	May 11, 2020
Title	Federal Trade Commission v. OTA Franchise Corporation		

Present: The Honorable	**James V. Selna, U.S. District Court Judge**

Lisa Bredahl	Not Present
Deputy Clerk	Court Reporter
Attorneys Present for Plaintiffs:	Attorneys Present for Defendants:
Not Present	Not Present

Proceedings: **[IN CHAMBERS] ORDER TO SHOW CAUSE RE RECEIVER**

On April 30, 2020, the Court ordered defendants OTA Franchise Corporation *et al.* (collectively "OTA") "to submit a business plan for each of the next six months showing in detail projected income and expenses." (Docket No. 169.) OTA responded. (Docket No. 189-2.) At the Court's direction and request (Docket No. 195), the Federal Trade Commission ("FTC") and the Monitor Thomas W. McNamara ("Monitor"), respectively, provided their views. (Docket No. 197, 205.)

Having reviewed and carefully considered the parties' submissions, the Court no longer believes that the business can be run in an economically viable manner consistent with the law.

OTA is ordered to show cause in writing within seven days why the Court should not impose a receiver in order to preserve the assets of defendant entities and terminate all payments authorized under Preliminary injunction, except household expenses. The FTC and Monitor may file a response within three days thereafter.

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