UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

OTA FRANCHISE CORPORATION, a Nevada Corporation; NEWPORT EXCHANGE HOLDINGS, INC., a California corporation; NEH SERVICES, INC., a California corporation; EYAL SHACHAR, also known as Eyal Shahar, individually and as an officer of OTA Franchise Corporation, Newport Exchange Holdings, Inc., and NEH Services, Inc.; SAMUEL R. SEIDEN, individually and as an officer of OTA Franchise Corporation; and DARREN KIMOTO, individually,

Defendants.

Case No. 8:20-cv-00287-JVS (KESx)

ORDER GRANTING MONITOR'S SECOND INTERIM FEE APPLICATION

Thomas W. McNamara, as Court-appointed monitor ("Monitor"), has applied to the Court for approval to pay invoices for fees and expenses of the Monitor and his professionals for the monitorship.

Thomas W. McNamara was appointed monitor of the Monitored Entities by the Preliminary Injunction entered April 2, 2020 ("PI," ECF No. 130).

The Preliminary Injunction authorizes the Monitor to "choose, engage, and employ attorneys, investigators, and other independent contractors and technical specialists, as the Monitor deems advisable or necessary in the performance of duties and responsibilities under the authority granted by this Order." PI, Section XIII.C.

The Preliminary Injunction also provides that the "Monitor and all personnel hired by the Monitor as herein authorized, including counsel to the Monitor and accountants, are entitled to reasonable compensation for the performance of duties pursuant to this Order and for the cost of actual out-of-pocket expenses incurred by them, from the assets now held by, in the possession or control of, or which may be received by, the Monitored Entities or otherwise frozen pursuant to this Order." PI, Section XVII.

The Court has reviewed the Monitor's Declaration and supporting documents and the parties' responses, if any, and is satisfied with the Monitor's application and approves payment of the following requested amounts for fees and expenses for the period May 1, 2020 through May 24, 2020: $59,622.00 fees and $121.20 expenses of the Monitor and staff to be paid to TWM Receiverships, Inc. dba Regulatory Resolutions; $45,738.50 fees and $139.30 expenses of the Monitor's counsel, McNamara Smith LLP; and $3,025.00 fees of Alliance Turnaround Management, Inc., an accounting firm that the Monitor consulted during the review of OTA's business plan.

The July 6, 2020 hearing vacated.

IT IS SO ORDERED.

Dated: July 01, 2020

Hon. James V. Selna
United States District Judge