

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**CIVIL MINUTES – GENERAL**

Case No. LA CV11-01315 JAK (CWx)

Date January 11, 2016

Title Kenneth Eade v. Investorshub.com, Inc., et al.

Present: The Honorable JOHN A. KRONSTADT, UNITED STATES DISTRICT JUDGE

Andrea Keifer

Alex Joko

Deputy Clerk

Court Reporter / Recorder

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Kenneth G. Eade

Christopher B. Good

Proceedings: STATUS CONFERENCE

The status conference is held. The Court states its concern that there has been no progress with respect to payment toward the attorney's fees owed to Defendant, and that there have been some inconsistent statements in the Plaintiff's filings. The Court confers with the parties regarding the status of the case in light of Plaintiff's most recent monthly report, which states that his income has increased and expenses have decreased.

Plaintiff reports that he believes it will take until late Spring 2016 to complete the eviction of his former spouse from the real property in France and a year from that time for the sale of the property to be completed. Plaintiff foresees a net payment of approximately €175,000 (euros) from the sale. Plaintiff indicates that he expects to pay Defendant from these proceeds. Defense counsel reports that he believes that the Security & Exchange Commission ("SEC") entered a judgment against Plaintiff in the amount of \$70,000 but is not able to determine whether such has been paid or is still pending. Plaintiff reports that the judgment is approximately \$55,000 and is still pending, and that he does not have the financial capability to pay it. Additionally, Plaintiff reports that he has a meeting with the Department of Justice ("DOJ") on January 14, 2016 with respect to another matter that could result in a required payment by Plaintiff. Further, Plaintiff presently has an outstanding obligation to the Internal Revenue Service ("IRS") of \$280,000. The two amounts presently due total \$335,000. This raises questions about whether Plaintiff's statement that he intends to make a payment of the \$75,000 due in this action from the sales proceeds is realistic or sincere. Defense counsel raises a further concern that Plaintiff will file bankruptcy again, which he contends is the reason for Plaintiff's delay in paying the fee award. See Dkt. 167, ¶ 5. Plaintiff claims that he does not know if he would even be eligible to do so given that he no longer resides in the United States. In response to the Court's question, Plaintiff states that he does maintain a law office in Los Angeles, but also states that he is no longer practicing. Instead, he states that his principal income is from the sale of novels that he has written. It is not made clear by Plaintiff why he maintains his law office in a country where he states that he does not reside and as to a business in which he states he no longer works, at a time that he states that he lacks the funds to make material payments on his \$75,000 obligation. The Court directs the parties to confer to see if any agreement can be reached as to Plaintiff's payment obligation. If not, the Court states that the collection of the outstanding amount and/or pursuit of appropriate remedies remains Defendant's responsibility.

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The Court directs Plaintiff to continue monthly income and expense reports which shall include the status of any pending matters, including, but not limited, to the matters pending before the SEC, DOJ and IRS.

IT IS SO ORDERED.

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Initials of Preparer ak
