

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CIVIL MINUTES – GENERAL

Case No. LA CV11-01315 JAK (CWx)

Date December 20, 2019

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

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

Andrea Keifer

Not Reported

Deputy Clerk

Court Reporter / Recorder

Attorneys Present for Plaintiffs:

Attorneys Present for Defendants:

Not Present

Not Present

Proceedings: (IN CHAMBERS) ORDER TO SHOW CAUSE RE CIVIL AND/OR CRIMINAL CONTEMPT AS TO KENNETH EADE;

ORDER RE REFERRAL OF KENNETH EADE TO THE CALIFORNIA STATE BAR AND CENTRAL DISTRICT OF CALIFORNIA'S STANDING COMMITTEE ON DISCIPLINE;

ORDER RE FURTHER AWARD OF ATTORNEY'S FEES AND INTEREST TO INVESTORSHUB.COM. INC.

Based on a review of the parties' Joint Report as to Further Proceedings ("Joint Report" (Dkt. 255)) and other previous filings in this matter, an Order to Show Cause ("OSC") is issued with respect to three matters that concern the conduct of Kenneth Eade ("Eade"):

1. Whether Eade should be found in civil and/or criminal contempt for non-compliance with previous orders requiring the payment of attorney's fees to Investorshub.com, Inc. ("Investorshub"), and because the required monthly financial reports he has filed, which are largely identical, do not appear to reflect accurate and consistent statements as to his financial condition;
2. Whether Eade's non-compliance with the prior orders, his reporting that does not appear to be complete and accurate, his statement that he intends to evade his indictment in the Northern District of Ohio for an alleged pump-and-dump scheme (Dkt. 256 at 2), and other materials in the record, warrant a referral of his conduct to the California State Bar and to the Central District of California Standing Committee on Discipline. Cal. R. Prof. Conduct 8.4 ("It is professional misconduct for a lawyer to . . . engage in conduct involving dishonesty, fraud, deceit, or reckless or intentional misrepresentation; . . . engage in conduct that is prejudicial to the administration of justice . . ."); L.R. 83-3.1.2 (State Bar Act and California Rules of Professional Conduct provide the standards of conduct in the Central District of California); see Cal. Bus. & Prof. Code § 6086.7 (requiring state courts to report certain dispositions and certain conduct to the California State Bar); and

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3. Whether an additional award of attorney's fees to Investorshub, and/or an award of interest on the outstanding fees, should not be made due to Eade's failure to satisfy his obligations to this party and the costs that it has incurred since the fees were awarded.

Eade and counsel for Investorshub shall file any response to this Order on or before January 21, 2020. A hearing on this OSC is set for March 2, 2020 at 11:00 a.m. Although in-person appearances are preferred, Eade and counsel for Investorshub may request to appear telephonically. Any request for a telephonic appearance at a motion hearing must be made in writing and electronically filed on or before February 24, 2020, and shall include a declaration setting forth the basis for the request with a proposed order. The Court does not use Court Call. If the request is granted, the order will include the information for the call. Cell phones and speaker phones are not permitted for any telephonic appearance.

IT IS SO ORDERED.

Initials of Preparer _____ : _____
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