

## CIVIL ACTION COVER SHEET

DOCKET NUMBER

20CV1566 E

Trial Court of Massachusetts  
The Superior Court

PLAINTIFF(S): Commonwealth of Massachusetts

ADDRESS: Office of the Attorney General

One Ashburton Place, 18th Floor

Boston, MA 02108

ATTORNEY: Lilia Volynkova Dubois

ADDRESS: Office of the Attorney General

One Ashburton Place, 18th Floor

Boston, MA 02108

BBO: 688848

COUNTY  
Suffolk

DEFENDANT(S): OTA Real Estate

RECEIVED

JUL 20 2020

ADDRESS: 24 Superior Drive, Suite 501

Natick, MA 01760

SUPERIOR COURT-CIVIL  
MICHAEL JOSEPH DONOVAN  
CLERK/MAGISTRATE

## TYPE OF ACTION AND TRACK DESIGNATION (see reverse side)

CODE NO.

TYPE OF ACTION (specify)

TRACK

HAS A JURY CLAIM BEEN MADE?

E99

Other Administrative Action

X

☒ YES ☐ NO

\*If "Other" please describe:

Is there a claim under G.L. c. 93A?

☒ YES ☐ NO

Is this a class action under Mass. R. Civ. P. 23?

☐ YES ☒ NO

## STATEMENT OF DAMAGES PURSUANT TO G.L. c. 212, § 3A

The following is a full, itemized and detailed statement of the facts on which the undersigned plaintiff or plaintiffs's counsel relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

## TORT CLAIMS

(attach additional sheets as necessary)

A. Documented medical expenses to date:

1. Total hospital expenses .....
2. Total doctor expenses .....
3. Total chiropractic expenses .....
4. Total physical therapy expenses .....
5. Total other expenses (describe below) .....

Subtotal (A):

- B. Documented lost wages and compensation to date .....
- C. Documented property damages to date .....
- D. Reasonably anticipated future medical and hospital expenses .....
- E. Reasonably anticipated lost wages .....
- F. Other documented items of damages (describe below) .....

G. Briefly describe plaintiff's injury, including the nature and extent of injury:

TOTAL (A-F): \$n/a

## CONTRACT CLAIMS

(attach additional sheets as necessary)

☐ This action includes a claim involving collection of a debt incurred pursuant to a revolving credit agreement. Mass. R. Civ. P. 8.1(a).  
Provide a detailed description of claim(s):

TOTAL: \$ n/a

Signature of Attorney/ Unrepresented Plaintiff: X

Date: 7/20/20

RELATED ACTIONS: Please provide the case number, case name, and county of any related actions pending in the Superior Court.

## CERTIFICATION PURSUANT TO SJC RULE 1:18

I hereby certify that I have complied with requirements of Rule 5 of the Supreme Judicial Court Uniform Rules on Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods of dispute resolution.

Signature of Attorney of Record: X

Date: 7/20/20

COMMONWEALTH OF MASSACHUSETTS

SUFFOLK, SS.

SUPERIOR COURT  
CIVIL ACTION NO.

20 cv/566 E

RECEIVED

JUL 20 2020

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IN THE MATTER OF OTA  
REAL ESTATE,  
\_\_\_\_\_

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**ASSURANCE OF DISCONTINUANCE  
PURSUANT TO M.G.L. CHAPTER 93A, § 5**

SUPERIOR COURT-CIVIL  
MICHAEL JOSEPH DONOVAN  
CLERK/MAGISTRATE

**I. INTRODUCTION**

1. The Commonwealth of Massachusetts ("Commonwealth"), by and through the Office of Attorney General Maura Healey ("AGO"), and OTA Real Estate ("OTA"), enter into this Assurance of Discontinuance ("AOD") pursuant to M.G.L. c. 93A, § 5.

2. OTA is a California corporation with its principal place of business at 17780 Fitch Avenue, Irvine, California 92614. OTA's affiliate, OTA Franchise Corporation ("OTAF"), transacts business in Massachusetts and throughout the United States. OTAF's Massachusetts branch is located at 24 Superior Drive, Suite 501, Natick, MA 01760. The primary focus of OTAF's programs is teaching stock market trading skills; however, in the past it had offered programs that teach real estate investing skills. OTA and OTAF discontinued all real estate education sales in Massachusetts in 2018.

3. Pursuant to M.G.L. c. 93A, § 6, the AGO conducted an investigation of OTA's marketing practices related to its real estate courses, *i.e.*, "Fix & Flip," "Commercial," "Wholesaler," and "Rental" (the "Investigation").

4. Based on the Investigation, the AGO alleges that OTA's marketing and recruitment practices violated M.G.L. c. 93A, 940 C.M.R. 3.04, and 940 C.M.R. 3.13(2).

5. Specifically, the AGO alleges that:

- i. OTA made misleading representations to prospective students concerning the purported nature, character, value, and scope of its real estate programs;
- ii. OTA made misleading representations to prospective students concerning



the capabilities of its "Deal Board"<sup>1</sup>;

- iii. OTA made misleading representations to prospective students concerning the purported value of the real estate programs in violation of 940 C.M.R. 3.04;
- iv. OTA made misleading representations to prospective students that the real estate programs were being offered for a special or reduced price for a limited time only when such was not the case in violation of 940 C.M.R. 3.13(2);
- v. OTA made misleading representations to prospective students that the prices listed on the enrollment agreement reflected prices OTA typically charged students when it always charged less than the listed prices in violation of 940 C.M.R. 3.13(2).

6. OTA neither admits nor denies the AGO's allegations as contained in the foregoing paragraphs.

7. The parties are nevertheless desirous of resolving these matters and accordingly, the AGO and OTA both voluntarily enter into this AOD.

8. This AOD is made without any trial or adjudication of any issue of fact or law.

## **II. TERMS OF THIS ASSURANCE**

9. OTA agrees to pay to the AGO the sum of one hundred and forty-five thousand dollars (\$145,000), which shall be distributed by the AGO to or on behalf of students of OTA at the sole discretion of the AGO. No part of this payment is or shall be considered a penalty or fine. OTA shall make this payment within sixty (60) days of the entry of this AOD or pursuant to an alternative payment schedule agreed to by OTA and the AGO.

10. OTA also agrees to release the obligations of certain students enrolled in OTA's real estate programs, as identified by the AGO, to pay \$14,269 due to OTA that remain outstanding.

11. OTA has ceased offering real estate programs at its Massachusetts location; if OTA decides to resume offering real estate programs at its Massachusetts location, it will

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<sup>1</sup> "Deal Board" is OTA's proprietary real estate dashboard, which OTA marketed to allow students access to various real estate tools and databases, e.g., "Market Place" tool, "Pre-foreclosure," "Foreclosure," and "Find cash buyer" databases.

provide notice to the AGO sixty (60) days prior to the start date of any such program.

12. OTA will cooperate with the AGO during the implementation of this AOD and will provide all information not subject to applicable privileges that is reasonably requested by the AGO during the implementation of and related to this AOD.

13. The acceptance of this AOD by the AGO does not constitute acceptance or approval by the AGO of any of OTA's assertions of fact or past practices, and OTA will make no representation to that effect.

14. The AOD may be modified or supplemented only by a written document signed by both parties.

15. This AOD shall be binding upon OTA, its officers, directors, employees, agents, parents, subsidiaries, affiliates, subdivisions, successors, and assigns.

16. This AOD and its provisions shall be effective on the date that it is filed in Suffolk Superior Court.

17. Any payments under this AOD shall be made by check payable to the Office of the Attorney General, delivered by hand or certified mail to Chloe Williams, Insurance & Financial Services Division, Office of the Attorney General, One Ashburton Place, 18th Floor, Boston, MA 02108.

18. By signing below, the Attorney General releases OTA, its predecessors, successors, assigns, stockholders, officers, trustees, directors, parents, affiliates, subsidiaries, agents, insurers, and attorneys for OTA's practices listed in paragraph 5 above and agrees that this AOD shall be in lieu of a civil action or proceeding against OTA under M.G.L. c. 93A, section 4, 940 C.M.R. 3.04, and 940 C.M.R. 3.13(2), for acts or practices prior to the filing of this AOD related to the Investigation. Any alleged violation by OTA of this AOD may be pursued in a civil action or proceeding under M.G.L. c. 93A hereafter commenced by the AGO.

19. By signing below, the signatories represent that they are authorized to sign this document on behalf of their respective parties and the parties agree to comply with their respective undertakings contained in this AOD. To avoid the need for a physical hand-signed document, while signatures on this document may be handwritten, they may also be created and applied via DocuSign in PDF, manifested by application of an electronic pen, or applied via any



other electronic or electronic signature method.

**OTA REAL ESTATE**

By:



Eyal Shahar  
President and CEO  
17780 Fitch Avenue  
Irvine, California 92614  
Eyal@otahq.com  
Dated: 7/16/2020

**COMMONWEALTH OF MASSACHUSETTS  
MAURA HEALEY ATTORNEY GENERAL**

By:



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Dated: