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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

GINA CHAMPION-CAIN and ANI
DEVELOPMENT, LLC,

Defendants,

AMERICAN NATIONAL
INVESTMENTS, INC.,

Relief Defendant.

Case No. 3:19-cv-01628-LAB-AHG

**ORDER GRANTING JOINT
MOTION AND STIPULATED
REQUEST FOR ORDER GRANTING
DEFENDANT CHAMPION-CAIN
LIMITED RELIEF FROM
PRELIMINARY INJUNCTION**

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ORDER

The unopposed Joint Motion and Stipulated Request for Order Granting Defendant Champion-Cain Limited Relief from Preliminary Injunction [Dkt. 499] is **GRANTED.**

IT IS HEREBY ORDERED THAT:

1. Limited Relief from Appointment Order: Solely for the purpose of facilitating Mr. Steven Cain’s payments to First Choice Bank and the receivership estate, and to settle the SEC and the Receiver’s claims to Ms. Champion-Cain and Mr. Cain’s personal residence, located at 4014 Bandini Street, San Diego, CA 92103 (the “Bandini house”), so that Mr. Cain or his designee may obtain a 100% interest in and take sole legal title to the Bandini house, Ms. Champion-Cain and Mr. Cain are granted limited relief from the injunctions and prohibitions set forth in the Appointment Order [Dkt. 6] as to the following accounts, which are hereby unfrozen solely for the purpose of making the transfers to escrow described in Paragraph 3 below:

- (a) Ms. Champion-Cain’s Rollover Individual Retirement Arrangement, Account Number XXXX-5789 (the “IRA account”), held at Charles Schwab & Co., Inc. Ms. Champion-Cain shall instruct Charles Schwab & Co., Inc. to withhold in the IRA account any prepayment penalties due to both the IRS and California Franchise Tax Board and to keep the account open with the withheld funds in the account until such time as the transactions contemplated in Paragraphs 2-4 have been completed.

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1 (b) Mr. Cain and Ms. Champion-Cain's jointly held bank
2 account at Wells Fargo, Account Number XXXX-0198 (the
3 "Wells Fargo joint account").

4 Charles Schwab & Co., Inc. and Wells Fargo Bank shall not unfreeze the
5 accounts or allow the transfers to escrow contemplated in Paragraph 3 below to be
6 made until such time as they have received escrow instructions signed by the
7 Receiver, counsel for the Securities and Exchange Commission, Ms. Champion-Cain,
8 and Mr. Cain. Wells Fargo Bank shall retain a nominal balance as required to keep
9 the bank account open such that the funds transferred from the account can be returned
10 to the account if any of the transactions contemplated in Paragraphs 2-4 cannot be
11 completed for any reason.

12 **2. Payment of the Surf Rider loan:** The Receiver shall pay off the balance
13 of the loan obtained by 2163 Abbott Street, LP and GCC II, LLC through the Gina
14 Champion-Cain Revocable Trust on June 26, 2012, from First Choice Bank (the "Surf
15 Rider loan"), which amount is estimated to be \$475,000, using the net proceeds of the
16 transaction related to the Mission Beach Surf Rider personal property [Dkt. 488] and
17 the transaction related to the real property located at 4364 Valle Vista, San Diego,
18 CA, subject to Court approval [Dkt. 478], as necessary. Ms. Champion-Cain shall
19 sign any and all documents as may be requested to assist the Receiver in completing
20 the sale of the Valle Vista property, title to which is held in The Joseph Alex
21 Himmelberg and Gina Champion-Cain Living Trust, for which Ms. Champion-Cain
22 is Trustee.

23 **3. Payment of the Fireside loan:** After completion of the Receiver's pay
24 off of the Surf Rider loan, the parties shall provide signed escrow instructions to
25 Charles Schwab & Co, Inc. and Wells Fargo Bank to allow for the transfer of funds
26 held in the IRA account, less the amount withheld for prepayment penalties due to
27 both the IRS and California Franchise Tax Board, and the Wells Fargo joint account
28 into the escrow account agreed upon by the parties. Mr. Cain will also deposit into

1 that same escrow account funds secured from traditional financing and/or personal
2 loans from his family members. The total balance of funds held in the escrow account
3 will be used for the exclusive and limited purpose to pay to the receivership estate, as
4 directed by the Receiver, the sum of \$1.3 million to settle the SEC and the Receiver's
5 claims to the Bandini house and to pay off the balance of the Fireside loan owed to
6 First Choice Bank. Any funds obtained by traditional financing or personal loans
7 from family members shall not have any connection to Ms. Champion-Cain (aside
8 from any familial connection through Mr. Cain) and Mr. Cain is hereby ordered to
9 provide a Declaration to the SEC and the Receiver to that effect.

10 **4. Completion of the Transaction:** Once the mutually-agreeable escrow
11 account has been fully funded in the manner described in Paragraph 3, the parties shall
12 direct that funds in the escrow account be disbursed to pay off the Fireside loan with
13 First Choice Bank and the \$1.3 million settlement to the Receiver. Mr. Cain shall be
14 responsible for all escrow costs. Any remaining funds in the escrow account shall be
15 returned to Mr. Cain after full payment to First Choice Bank and the Receiver. If any
16 of the transactions contemplated in Paragraphs 2-3 cannot be completed for any
17 reason within the timeframe specified in the escrow instructions, the parties shall
18 instruct that the funds in the escrow account be returned to the accounts/sources from
19 which they came, in which event the IRA account and Wells Fargo joint account shall
20 immediately be refrozen.

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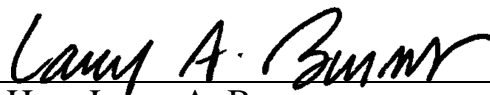
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5. Further Limited Relief from Appointment Order: In the event that the parties accomplish the transactions and transfers as provided in Paragraphs 1-4, and further detailed in the parties' Joint Motion [Dkt. 499], the Bandini house may be transferred to Mr. Cain or to individuals, entities, or trusts that Mr. Cain designates.

IT IS SO ORDERED.

Dated: November 12, 2020



Hon. Larry A. Burns
Chief United States District Judge