

1 DAVID R. ZARO (BAR NO. 124334)  
 MATTHEW D. PHAM (BAR NO. 287704)  
 2 ALLEN MATKINS LECK GAMBLE  
 MALLORY & NATSIS LLP  
 3 865 South Figueroa Street, Suite 2800  
 Los Angeles, California 90017-2543  
 4 Phone: (213) 622-5555  
 Fax: (213) 620-8816  
 5 E-Mail: dzaro@allenmatkins.com  
 mpham@allenmatkins.com

6 EDWARD G. FATES (BAR NO. 227809)  
 7 ALLEN MATKINS LECK GAMBLE  
 MALLORY & NATSIS LLP  
 8 One American Plaza  
 600 West Broadway, 27th Floor  
 9 San Diego, California 92101-0903  
 Phone: (619) 233-1155  
 10 Fax: (619) 233-1158  
 E-Mail: tfates@allenmatkins.com

11 Attorneys for Receiver  
 12 KRISTA FREITAG

13 UNITED STATES DISTRICT COURT  
 14 SOUTHERN DISTRICT OF CALIFORNIA

15  
 16 SECURITIES AND EXCHANGE  
 COMMISSION,  
 17 Plaintiff,  
 18 v.  
 19 GINA CHAMPION-CAIN and ANI  
 20 DEVELOPMENT, LLC,  
 21 Defendants.  
 22 AMERICAN NATIONAL  
 INVESTMENTS, INC.,  
 23 Relief Defendant.  
 24  
 25  
 26  
 27  
 28

Case No. 3:19-cv-01628-LAB-AHG  
**DECLARATION OF KRISTA L.  
 FREITAG IN SUPPORT OF JOINT  
 MOTION FOR APPROVAL OF  
 SETTLEMENT BETWEEN  
 RECEIVER AND CALPRIVATE  
 BANK**

Courtroom: 14A  
 Judge: Hon. Larry Alan Burns

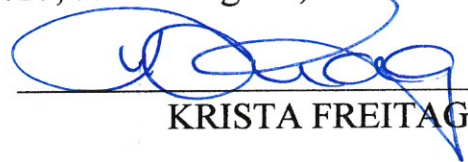
1 I, Krista Freitag, declare:

2 1. I am the Court-appointed permanent receiver for Defendant ANI  
3 Development, LLC, Relief Defendant American National Investments, Inc., and  
4 their subsidiaries and affiliates (“Receivership Entities”). I make this declaration in  
5 support of the Joint Motion for Approval of Settlement Between Receiver and  
6 CalPrivate Bank (“Joint Motion”). I have personal knowledge of the facts stated  
7 herein, and if called upon to do so, I could and would personally and competently  
8 testify to them.

9 2. I participated in a Settlement Conference with Magistrate Judge Allison  
10 Goddard and CalPrivate Bank on January 13, 2023, which was followed by further  
11 mediated settlement discussions over the last few weeks. Ultimately, Judge  
12 Goddard issued a detailed Mediator’s Proposal laying out all of the settlement terms,  
13 which both sides accepted (“Settlement Agreement”). Having considered the issues,  
14 I believe the Settlement Agreement is in the best interests of the receivership estate  
15 and that the benefits of the settlement, both in terms of (a) eliminating risk, cost and  
16 delay associated with the pending disputes with CalPrivate Bank, and (b) enhancing  
17 the receivership estate’s prospective recovery from Kim Peterson and the entities  
18 and trusts he controls, are likely to materially outweigh the amounts the estate will  
19 pay under the settlement.

20  
21 I declare under penalty of perjury under the laws of the United States of  
22 America that the foregoing is true and correct.

23 Executed this 24th day of February 2023, at Los Angeles, California.

24  
25   
26 KRISTA FREITAG