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13 Attorneys for Court-appointed Receiver
14 KRISTA L. FREITAG

15 UNITED STATES DISTRICT COURT
16 CENTRAL DISTRICT OF CALIFORNIA
17 WESTERN DIVISION

18 SECURITIES AND EXCHANGE
19 COMMISSION,

20 Plaintiff,

21 v.

22 WORLD CAPITAL MARKET INC.;
23 WCM777 INC.; WCM777 LTD. d/b/a
24 WCM777 ENTERPRISES, INC.; and
25 MING XU a/k/a PHIL MING XU,

26 Defendants,

27 KINGDOM CAPITAL MARKET, LLC;
28 MANNA HOLDING GROUP, LLC;
29 MANNA SOURCE INTERNATIONAL,
30 INC.; WCM RESOURCES, INC.;
31 AEON OPERATING, INC.; PMX
32 JEWELS, LTD.; TOPACIFIC INC.;
33 TO PACIFIC INC.; VINCENT J.
34 MESSINA; and INTERNATIONAL
35 MARKET VENTURES,

36 Relief Defendants.

Case No. CV-14-2334-JFW-MRW

DECLARATION OF RECEIVER
KRISTA L. FREITAG IN SUPPORT OF
MOTION FOR APPROVAL OF
STIPULATION FOR ENTRY OF
JUDGMENT WITH ROBERT SENSI,
A.K.A. ROBERT MARIO SENSI,
A.K.A. BOB SENSI

Date: September 14, 2015
Time: 1:30 p.m.
Ctm: 16
Judge: Hon. John F. Walter

DECLARATION OF KRISTA L. FREITAG

I, Krista L. Freitag, declare:

1. I am the permanent receiver for Defendants World Capital Market Inc., WCM777 Inc., and WCM777 Ltd. d/b/a WCM777 Enterprises, Inc., Relief Defendants Kingdom Capital Market, LLC; Manna Holding Group, LLC; Manna Source International, Inc.; WCM Resources, Inc.; ToPacific Inc.; To Pacific Inc.; and their subsidiaries and affiliates (collectively, "Receivership Entities").

2. This declaration is made in support of my Motion for Approval of Stipulation for Entry of Judgment ("Motion") with Robert Sensi, a.k.a. Robert Mario Sensi, a.k.a. Bob Sensi ("Sensi"). I have personal knowledge of the facts set forth herein and, if called as a witness, could and would testify to such facts under oath.

3. Pursuant to the terms of this Court's Temporary Restraining Order and the laws governing federal equity receiverships, promptly upon my appointment as Receiver, I commenced my investigation to locate, secure and preserve the assets of the Receivership Entities.

4. Through my investigation, I discovered that between January and March 2014, a total of \$403,000 had been transferred from the Receivership Entities to Sensi in connection with a Consulting Agreement, dated January 29, 2014 (the "Consulting Agreement"), pursuant to which Sensi agreed to provide purported consulting services for Ming Xu and/or his affiliated entities. Specifically, the Receivership Entities made the following transfers to Sensi:

| Date | Payor | Amount |
|---------|-----------------|-----------|
| 1/30/14 | ToPacific, Inc. | \$15,000 |
| 2/3/14 | ToPacific, Inc. | \$35,000 |
| 2/12/14 | ToPacific, Inc. | \$40,000 |
| 2/20/14 | ToPacific, Inc. | \$100,000 |
| 2/27/14 | ToPacific, Inc. | \$120,000 |

| | | | |
|---|-----------|----------------------------|------------------|
| 1 | 3/10/14 | To Pacific, Inc. | \$25,000 |
| 2 | 3/25/2014 | World Capital Market, Inc. | \$68,000 |
| 3 | Total | | \$403,000 |

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5 5. Based on the above, through counsel, I contacted Sensi and caused my
6 counsel to issue a subpoena to him for records relating to the Consulting Agreement
7 and above-payments. In response, Sensi engaged counsel, a former Assistant United
8 States Attorney, who indicated that Sensi claims he was hired to handle complaints
9 about the Ponzi-scheme from authorities in Peru, Taiwan, and Dubai, and further
10 claims that he used to work for the Central Intelligence Agency and thus had
11 contacts in these locations. Sensi initially produced some documents in response to
12 my subpoena, including e-mail communications and bank statements, but failed to
13 provide any records to substantiate the expenses he claims he incurred in connection
14 with his engagement, or additional bank documentation to support: (a) numerous
15 transfers made to other bank accounts and/or (b) checks written on the account into
16 which the ToPacific and WCM funds were wired.

17 6. Through counsel, I also contacted counsel for Defendant Ming Xu to
18 discuss the transfers to Sensi. Xu stated, through counsel, that Sensi knew the
19 Receivership Entities were operating a Ponzi-scheme and was engaged to handle
20 complaints received from foreign authorities.

21 7. Based on the above, on or about October 31, 2014, I filed a motion with
22 this Court seeking approval to file an action against Sensi to seek disgorgement of
23 \$403,000 (the "Disgorgement Action"). After obtaining this Court's approval, I filed
24 the Disgorgement Action against Sensi on November 24, 2014. I subsequently
25 learned of an additional transfer of funds to Sensi that was not included in my
26 original complaint, and thus filed an amended complaint on March 12, 2015.

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1 8. Based on my review of the Receivership Entities' records relating to the
2 above-transfers to Sensi, and records obtained from Sensi through correspondences
3 and discovery, there are no documents or records to show that any reasonably
4 equivalent value was provided to the Receivership Entities in exchange for the
5 \$403,000 transferred to Sensi.

6 9. Through counsel, and after weighing the anticipated costs of continued
7 litigation, I negotiated an agreement, subject to Court-approval, for the entry of a
8 stipulated judgement against Sensi on all claims alleged in the Disgorgement Action
9 in the amount of \$325,000 ("Stipulation for Entry of Judgment"). A true and correct
10 copy of the Stipulation for Entry of Judgment along with the accompanying
11 Proposed Judgment is attached hereto as Exhibit A.

12 10. I believe that the receivership estate's claims for disgorgement against
13 Sensi are meritorious and supported by the evidence obtained in discovery. I am
14 also aware, however, that additional litigation would be expensive and time
15 consuming. In evaluating the compromise with Sensi by way of the Stipulation for
16 Entry of Judgment, I have reviewed files and records concerning Sensi's financials,
17 including a report from a private investigator and Sensi's bank records. My
18 evaluation included consideration of the cost, timing and ability to collect a
19 judgment obtained against Sensi. Based on my evaluation, collection of any
20 judgment against Sensi remains an issue. Thus, I believe that continuing to incur
21 litigation expenses (in the Disgorgement Action and possibly on appeal) would only
22 serve to increase the costs to the receivership without leading to any greater
23 recovery, and would serve no purpose in light of the limited prospects for collection.

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EXHIBIT A

1 DAVID R. ZARO (BAR NO. 124334)
TED FATES (BAR NO. 227809)
2 TIM C. HSU (BAR NO. 279208)
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8 Attorneys for Court-appointed Receiver
KRISTA L. FREITAG

9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11 WESTERN DIVISION

12 KRISTA L. FREITAG, Court-Appointed
Permanent Receiver for World Capital
13 Market Inc.; WCM777 Inc.; WCM777
Ltd. d/b/a WCM777 Enterprises, Inc.;
14 Kingdom Capital Market, LLC; Manna
Holding Group, LLC; Manna Source
15 International, Inc.; WCM Resources,
Inc.; ToPacific Inc.; To Pacific Inc.; and
16 their subsidiaries and affiliates,

17 Plaintiff,

18 v.

19 ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, BOB SENSI and
20 STEFANO ROBERT SENSI
DAVENPORT,

21 Defendant.
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Case No. 14-cv-9069-JFW(MRWx)
ASSIGNED FOR ALL PURPOSES TO
Judge John F. Walter
STIPULATION FOR ENTRY OF
JUDGMENT
Complaint Filed: November 24, 2014

1 (4) Granting Expedited Discovery; (5) Repatriating Assets; and (6) Appointing a
2 Receiver Over Relief Defendants ToPacific Inc., a Delaware Corporation and To
3 Pacific Inc., a California Corporation, which appointed the Receiver as permanent-
4 receiver over ToPacific Inc., To Pacific Inc. and their subsidiaries and affiliates.

5 **WHEREAS**, pursuant to her Court-appointed duties as permanent-receiver,
6 the Receiver filed this action against Sensi, alleging claims of Fraudulent Transfer
7 under California's Uniform Fraudulent Transfer Act, Unjust Enrichment, and
8 Constructive Trust, seeking to recover a total of \$403,000 that was fraudulently
9 transferred to Sensi from the Receivership Entities.

10 **WHEREAS**, pursuant to settlement discussions between the Receiver and
11 Sensi through their respective counsel, the Receiver and Sensi wish to avoid the
12 expense and uncertainty associated with further litigation and to resolve all claims
13 and causes of action alleged in this action by way of entry of a stipulated judgment
14 against Sensi in the amount of \$325,000, subject to Court-approval.

15 **THEREFORE, IT IS HEREBY STIPULATED AND AGREED**, by and
16 between the Receiver and Sensi, as follows:

17 1. Subject to Court-approval of this Stipulation for Entry of Judgment,
18 judgment shall be entered against Sensi and in favor of the Receiver on the alleged
19 claims of Fraudulent Transfer under California's Uniform Fraudulent Transfer Act,
20 Unjust Enrichment, and Constructive Trust, in the amount of \$325,000, with interest
21 thereon to accrue pursuant to statute from the date of the entry of judgment;

22 2. Within ten (10) days of the full-execution of this Stipulation For Entry
23 of Judgment, the Receiver shall file a Motion in the SEC Action seeking Court-
24 approval of this Stipulation For Entry of Judgment pursuant to the terms outlined
25 herein;

26 3. Upon Court-approval, the Receiver shall promptly file this Stipulation
27 For Entry of Judgment and lodge therewith a proposed judgment for the Court's
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1 approval and entry, a form of which the Receiver and Sensi have agreed upon and is
2 attached hereto as Exhibit 1;

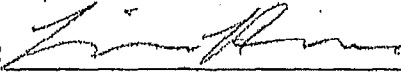
3 4. Sensi hereby waives notice of entry of judgment, any right to contest
4 entry and enforcement of the stipulated judgment, and any notice of motion or
5 application for issuance of writs of execution pursuant to said judgment. Sensi
6 stipulates that execution may issue immediately upon entry of judgment and waives
7 any stay including any stay under FRCP Rule 62. Sensi further waives any right to
8 request a statement of decision and waives any and all rights he may have to appeal
9 any judgment pursuant to this Stipulation and/or to obtain any other kind of judicial
10 review of or relief from any judgment entered pursuant to this Stipulation including
11 without limitation under FRCP 60; and

12 5. The undersigned Parties to this Stipulation have read the foregoing
13 terms and provisions, and hereby acknowledge and certify that they understand the
14 foregoing terms and provisions of the Stipulation, have been advised by counsel of
15 their respective rights thereunder and that the foregoing terms and provisions are
16 hereby agreed to and accepted.

17 **IT IS SO STIPULATED.**

18
19 Dated: August 24, 2015

ALLEN MATKINS LECK GAMBLE
MALLORY & NATSIS LLP
DAVID R. ZARO
TED FATES
TIM C. HSU

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22 By: 

TIM C. HSU
Attorneys for Court-appointed
Receiver
KRISTA L. FREITAG

1 Dated: 08/17/ , 2015

BRUCE THABIT
ATTORNEY AT LAW

2
3 By: Bruce Thabit

BRUCE THABIT
Attorneys for Defendant
ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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6 Approved as to form and content.

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8 Dated: _____, 2015

9
10 By: _____
KRISTA L. FREITAG, solely in her
capacity as Court-appointed Receiver

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12 Dated: _____, 2015

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14 By: _____
ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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1 Dated: _____, 2015

BRUCE THABIT
ATTORNEY AT LAW

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By: _____

4

BRUCE THABIT
Attorneys for Defendant
ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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Approved as to form and content.


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Dated: August 20, 2015

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By: _____


KRISTA L. FREITAG, solely in her
capacity as Court-appointed Receiver

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Dated: _____, 2015

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By: _____

ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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1 Dated: _____, 2015

BRUCE THABIT
ATTORNEY AT LAW

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By: _____

4

BRUCE THABIT
Attorneys for Defendant
ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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Approved as to form and content.

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Dated: _____, 2015

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By: _____

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KRISTA L. FREITAG, solely in her
capacity as Court-appointed Receiver

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Dated: AUGUST 19th, 2015

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By: 

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ROBERT SENSI a.k.a. ROBERT
MARIO SENSI, a.k.a. BOB SENSI

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13 Attorneys for Court-appointed Receiver
14 KRISTA L. FREITAG

15 UNITED STATES DISTRICT COURT
16 CENTRAL DISTRICT OF CALIFORNIA
17 WESTERN DIVISION

18 KRISTA L. FREITAG, Court-Appointed
19 Permanent Receiver for World Capital
20 Market Inc.; WCM777 Inc.; WCM777
21 Ltd. d/b/a WCM777 Enterprises, Inc.;
22 Kingdom Capital Market, LLC; Manna
23 Holding Group, LLC; Manna Source
24 International, Inc.; WCM Resources,
25 Inc.; ToPacific Inc.; To Pacific Inc.; and
26 their subsidiaries and affiliates ,

27 Plaintiff,

28 v.

29 ROBERT SENSI a.k.a. ROBERT
30 MARIO SENSI, BOB SENSI and
31 STEFANO ROBERT SENSI
32 DAVENPORT,

33 Defendant.

Case No. 14-cv-9069-JFW(MRWx)

ASSIGNED FOR ALL PURPOSES TO
Judge John F. Walter

[PROPOSED] JUDGMENT

Complaint Filed: November 24, 2014

[PROPOSED] JUDGMENT

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Pursuant to the Stipulation for Entry of Judgment by plaintiff Krista L. Freitag (the "Receiver"), Court-appointed permanent-receiver for World Capital Market Inc.; WCM777 Inc.; WCM777 Ltd. d/b/a WCM777 Enterprises, Inc.; Kingdom Capital Market, LLC; Manna Holding Group, LLC; Manna Source International, Inc.; WCM Resources, Inc.; ToPacific Inc.; To Pacific Inc.; and their subsidiaries and affiliates ("Receivership Entities"), and Defendant Robert Sensi, a.k.a. Robert Mario Sensi, a.k.a. Bob Sensi ("Sensi"), and good cause appearing therefor, the Court hereby enters judgment against Sensi and in favor of the Receiver as follows:

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. Judgment is entered in favor of the Receiver and against Robert Sensi, a.k.a. Robert Mario Sensi, a.k.a. Bob Sensi, in the amount of \$325,000, on the alleged claims of Fraudulent Transfer under California's Uniform Fraudulent Transfer Act, Unjust Enrichment, and Constructive Trust;
2. Execution on this judgment may issue immediately notwithstanding the provisions of FRCP Rule 62 or any other similar provision of law; and
3. Judgment to bear interest at the statutory rate.

Dated: _____
John F. Walter
Judge, United States District Court