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10 Attorneys for Receiver
KRISTA L. FREITAG

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12 **UNITED STATES DISTRICT COURT**
13 **CENTRAL DISTRICT OF CALIFORNIA**
14 **WESTERN DIVISION**

15 SECURITIES AND EXCHANGE
COMMISSION,

16 Plaintiff,

17 v.

18 WORLD CAPITAL MARKET INC.;
19 WCM777 INC.; WCM777 LTD. d/b/a
WCM777 ENTERPRISES, INC.; and
20 MING XU a/k/a PHIL MING XU,

21 Defendants,

22 KINGDOM CAPITAL MARKET, LLC;
MANNA HOLDING GROUP, LLC;
23 MANNA SOURCE
INTERNATIONAL, INC.;
24 WCM RESOURCES, INC.; AEON
OPERATING, INC.; PMX
25 JEWELS, LTD. TOPACIFIC INC.;
TO PACIFIC INC.; VINCENT J.
26 MESSINA; and INTERNATIONAL
MARKET VENTURES,

27 Relief Defendants.
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Case No. CV-14-2334-JFW-MRW

**SUPPLEMENTAL DECLARATION
OF KRISTA L. FREITAG IN
SUPPORT OF MOTION FOR
ORDER:**

**(A) SUSTAINING OMNIBUS AND
SPECIFIC OBJECTIONS TO
CLAIMS;**

**(B) APPROVING PROPOSED
ALLOWED AMOUNTS OF CLAIMS;**

**(C) APPROVING DISTRIBUTION
PLAN AND AUTHORIZING
RECEIVER TO MAKE INTERIM
DISTRIBUTIONS**

Date: November 28, 2016
Time: 1:30 p.m.
Ctm: 7A – 1st Street Courthouse
Judge: Hon. John F. Walter

1 I, Krista L. Freitag, declare:

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

9 2. This supplemental declaration is made in support of my Motion for
10 Order: (A) Sustaining Omnibus and Specific Objections to Claims; (B) Approving
11 Proposed Allowed Amounts of Claims; and (C) Approving Distribution Plan and
12 Authorizing Receiver to Make Interim Distributions ("Motion"). I have personal
13 knowledge of the facts set forth herein and, if called as a witness, could and would
14 testify to such facts under oath.

15 3. As stated in my omnibus reply to oppositions to the Motion, Epiq, my
16 staff, and I have received hundreds of telephone calls and emails from investor
17 claimants in response to the Motion. With respect to those calls and emails received
18 prior to the November 7, 2016 deadline to respond to the Motion, my staff and I
19 have reviewed any and all new information provided and in many cases have
20 communicated with investor claimants by telephone and email regarding the
21 additional information provided. Some of these investor claimants have provided
22 sufficient additional documentation and information for me to be able to verify their
23 claims. Accordingly, I have made adjustments to the schedules of Allowed,
24 Partially Allowed, and Disallowed investor claims filed with the Motion.

25 4. More than 200 claimed investments and approximately 100 claimants
26 are positively impacted by the adjustments. Furthermore, the net effect of the
27 adjustments is to increase Allowed investor claims by \$1,280,027 and increase
28

1 Partially Allowed investor claims by \$182,387, which is a reduction of Disallowed
 2 investor claims in the amount of \$1,462,414. The revised totals are as follows:

<u>INVESTOR CLAIMS:</u>	Number of Claimed Investments	% of Total Claimed Investments	Total Dollar Value of Claimed Investments	% of Total Claimed Investments
Allowed	4,105	5.6%	\$25,987,345	6.3%
Partially Allowed	7,278	10.0%	\$26,083,297	6.3%
Total Allowed	11,383	15.6%	\$52,070,642	12.6%
Disallowed (includes Disallowed portion of Partially Allowed)	61,370	84.4%	\$360,289,060	87.4%
Total Claimed Investments	72,753	100.0%	\$412,359,702	100.0%

12 5. The revised schedules of Allowed, Partially Allowed, and Disallowed
 13 investor claims are attached hereto as Exhibits A, B, and C, respectively. I have
 14 lodged with the Court an amended proposed order granting the Motion. I
 15 respectfully request that the Court approve the revised investor claim schedules
 16 attached hereto, the original schedule of trade and personnel claims, and the
 17 Distribution Plan. The original schedule of trade and personnel claims and the
 18 Distribution Plan are attached as Exhibits D and E, respectively, to my declaration
 19 in support of the Motion filed on October 14, 2016 (Dkt. No. 477-1).

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

22 Executed this 21st day of November 2016, at Los Angeles, California.

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