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11 Attorneys for Court-Appointed Receiver
12 KRISTA L. FREITAG

13 UNITED STATES DISTRICT COURT
14 CENTRAL DISTRICT OF CALIFORNIA

15
16 SECURITIES AND EXCHANGE
COMMISSION,

17 Plaintiff,

18 vs.

19 INTEGRATED NATIONAL
20 RESOURCES, INC. dba
WEEDGENICS, ROLF MAX
21 HIRSCHMANN aka "MAX
BERGMANN," PATRICK EARL
22 WILLIAMS,

23 Defendants, and

24 WEST COAST DEVELOPMENT LLC,
INR CONSULTING LLC (WYOMING
25 ENTITY), OCEANS 19 INC.,
AUTOBAHN PERFORMANCE LLC,
26 ONE CLICK GENERAL MEDIA INC.,
OPUS COLLECTIVE, JOHN ERIC
27 FRANCOM, INR-CA INVESTMENT
HOLDINGS, LLC, MICHAEL
28 DELGADO, TOTAL SOLUTION
CONSTRUCTION LLC, BAGPIPE

Case No. 8:23-cv-00855-JWH-KES

DECLARATION OF KRISTA L. FREITAG IN SUPPORT OF RECEIVER'S MOTION FOR AUTHORITY TO (A) ENGAGE LICENSED AUCTIONEERS AND DEALERS TO ASSIST IN SELLING PERSONAL PROPERTY, (B) SELL AUTOMOBILES, JEWELRY, AND OTHER PERSONAL PROPERTY OF THE RECEIVERSHIP ENTITIES, AND (C) ENGAGE BROKERS TO LIST REAL PROPERTIES FOR SALE

Date: October 27, 2023
Time: 9:00 a.m.
Ctm: 9D
Judge: Hon. John W. Holcomb

1 HOLDINGS LLC, BAGPIPE
2 MULTIMEDIA LLC, TYLER
3 CAMPBELL, INR CONSULTING LLC
4 (CALIFORNIA ENTITY), HIDDEN
5 SPRINGS HOLDINGS GROUP LLC,
6 and ALEXANDRIA PORTER BOVEE
7 aka "AIA MONTGOMERY",

8 Relief Defendants.

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1 I, Krista L. Freitag, declare as follows:

2 1. I am the permanent receiver for Defendant Integrated National
3 Resources, Inc. d/b/a WeedGenics (“INR”), and Relief Defendants West Coast
4 Development LLC, INR Consulting LLC (Wyoming entity), Oceans 19 Inc.,
5 Autobahn Performance LLC, One Click General Media Inc., Opus Collective, INR
6 Consulting LLC (California entity), Hidden Springs Holdings Group LLC, Total
7 Solution Construction LLC, Bagpipe Holdings LLC, Bagpipe Multimedia LLC, and
8 INR-CA Investment Holdings, LLC, and their subsidiaries and affiliates
9 (collectively, the “Receivership Entities”). I make this declaration in support of my
10 Motion for Authority to (A) Engage Licensed Auctioneers and Dealers to Assist in
11 Selling Personal Property, (B) Sell Automobiles, Jewelry, and Other Personal
12 Property of the Receivership Entities, and (C) Engage Brokers to List Real
13 Properties for Sale. I have personal knowledge of the facts set forth herein (or
14 information and belief in certain instances noted below) and, if called as a witness,
15 could and would competently testify to such facts under oath.

16 2. I have identified and asserted control of six (6) real properties owned
17 by the Receivership Entities, three (3) of which I have possession of, two (2) of
18 which are occupied by Hirschmann and his family, and one (1) of which is occupied
19 by a purported tenant and “family friend” of Hirschmann named Loretta Cruz. With
20 respect to personal property, I have thus far recovered 12 vehicles (all but two (2) of
21 which are luxury vehicles and sportscars) and 13 watches and pieces of expensive
22 jewelry. Two (2) additional luxury BMW vehicles (along with the two (2) real
23 properties occupied by Hirschmann and his family) were required to be turned over
24 by Hirschmann on or before September 20, 2023.¹ Other vehicles and pieces of
25 jewelry have been identified and were purchased by Defendant Hirschmann and

26 _____
27 ¹ Hirschmann filed an ex parte application to extend the September 20, 2023
28 deadline, which application was opposed by the SEC and me, and was denied by
the Court on September 25, 2023. Dkt. 160.

1 Relief Defendant Michael Delgado (“Delgado”) using funds raised from investors
2 and have not yet been recovered. Hirschmann has stated that he gave some of these
3 vehicles and pieces of jewelry to various women. Thus far, Delgado has not
4 responded to inquiries relating to any vehicles or jewelry purchases.

5 3. The costs to hold, insure, and maintain the real properties are
6 significant, as are the costs to securely store and insure the personal property.
7 Therefore, for the real properties, I propose to have the properties listed for sale and
8 marketed by licensed real estate brokers with relevant experience in the respective
9 markets in which the properties are located. Then, as required by statute, I will seek
10 Court approval of each sale, including the fees and commissions to be paid to the
11 broker in connection with such sale. And for the personal property, I propose to
12 have the assets sold by licensed, qualified auctioneers and/or dealers with fee
13 structures or commission rates that are competitive in their respective industries. It
14 may be necessary to engage more than one dealer and/or auctioneers to sell the cars
15 and more than one to sell the watches and jewelry, depending on the nature of the
16 assets, their potential value, and the market for them.

17 4. With more than 20 years in the receivership industry, I have extensive
18 experience in selling personal property and real property assets of all kinds. I also
19 have a California-licensed real estate broker on my staff with extensive knowledge
20 regarding real property sales.

21 5. With respect to the automobiles, I, with assistance from my staff, have
22 already gathered information on sales approaches, including live auctions, online
23 auctions, and private sales, from four different luxury and exotic dealers and
24 auctioneers. I, with assistance from my staff, have also gathered information from
25 these dealers and auctioneers about their fees and commissions. I will use my
26 business judgment to select the best sale option(s) and negotiate the best rates in
27 terms of dealer/auctioneer fees and commissions.

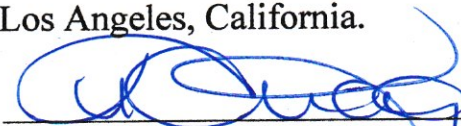
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1 6. Similarly, with respect to the watches and jewelry, I, with assistance
2 from my staff, have already gathered information on various sales approaches,
3 including live auctions, online auctions, and private sales. With assistance from my
4 staff, I am in the process of gathering information from multiple dealers and
5 auctioneers about their fees and commissions. As with the automobiles, I will use
6 my business judgment to select the best sale option(s) and negotiate the best rates in
7 terms of dealer/auctioneer fees and commissions.

8 7. With respect to personal property sales, I will likewise use my business
9 judgment to carefully consider all offers, negotiate sale prices, and finalize sale
10 terms. Having these sales authorized by the Court in advance (as opposed to
11 returning to Court for approval of each sale) is critically important because delaying
12 sales of cars, jewelry, and other personal property for 45-60 days in order to seek
13 Court approval of each sale could significantly impair the sale process for the assets
14 (particularly if an auction method is used) and could substantially impair sale prices.

15 8. The real properties are located in the Boise, Idaho area, Las Vegas,
16 Nevada, and Fort Lauderdale, Florida. I, with assistance from my staff, have been
17 and will continue to gather information about the market for each property,
18 comparable sales and other market data, and will consult with multiple licensed
19 brokers with knowledge and experience in each specific market. As noted above, I
20 will use my business judgment in selecting the broker for each real property and in
21 negotiating the sales, and the broker fees and commissions. As required by statute
22 (28 U.S.C. § 2001), I will seek Court approval of each real property sale, including
23 the fees and commissions to be paid to the broker in connection with such sale.

24 I declare under penalty of perjury that the foregoing is true and correct.
25 Executed on September 29, 2023, at Los Angeles, California.

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27 _____
28 Krista L. Freitag