

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF
CALIFORNIA

**Krista Freitag, Court-appointed Permanent Receiver for ANI
Development, LLC, American National Investments, Inc., and Their
Subsidiaries and Affiliates v. Sarah Christine Peterson, Claire
Laureen Peterson, Del Mar Capital Investors, LLC, and Does 1–10**

Freitag · No. 3:25-cv-02257-TWR-AHG · Decided October 29, 2025

SUMMARY

The United States District Court for the Southern District of California granted the parties’ joint motion to continue the early neutral evaluation and case management conference. The Court reset both proceedings for December 8, 2025, established deadlines for confidential settlement statements and initial disclosures, and set mandatory videoconference and settlement-authority requirements.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Allison H. Goddard
JURISDICTION	United States District Court for the Southern District of California
DECIDED	October 29, 2025
DOCKET	3:25-cv-02257-TWR-AHG
DISPOSITION	other
PROCEDURAL POSTURE	The parties jointly moved to continue the Early Neutral Evaluation and Case Management Conference scheduled for November 5, 2025.
STANDARD OF REVIEW	The court applied a good-cause standard and exercised broad discretion in determining whether to continue the ENE and CMC.
PRECEDENTIAL VALUE	Likely nonprecedential case-management order; no precedential designation appears in the opinion.
PARTIES	Krista Freitag, Court-appointed permanent receiver for ANI Development, LLC, American National Investments, Inc., and their subsidiaries and affiliates v. Sarah Christine Peterson, Claire Laureen Peterson, Del Mar Capital Investors, LLC, Does 1–10

TOPICS

mediation

sanctions

civil procedure

commercial litigation

PRACTICE AREAS

civil procedure

commercial litigation

QUESTIONS PRESENTED

1. Whether the parties demonstrated good cause to continue the Early Neutral Evaluation and Case Management Conference.
2. What procedures and deadlines should govern the continued Early Neutral Evaluation, Case Management Conference, settlement-authority requirements, ENE statements, initial disclosures, videoconference participation, and sanctions.

HOLDINGS

1. The parties demonstrated good cause for continuing the ENE and CMC because lead counsel's conflicting 10-to-12-day jury trial would impair counsel's ability to prepare adequately for the ENE.
2. The court reset the ENE and CMC for December 8, 2025, ordered attendance by parties and responsible counsel, required full and complete settlement authority, required confidential ENE statements by December 2, 2025, extended the initial-disclosure deadline to November 26, 2025, and required compliance with the specified videoconference procedures.

KEY QUOTATIONS

"Parties seeking to continue an ENE must demonstrate good cause." (at 1)

"Full authority to settle means that a person must be authorized to fully explore settlement options and to agree at that time to any settlement terms acceptable to the parties." (at 2)

"Counsel appearing without their clients (whether or not counsel has been given settlement authority) will be subject to immediate imposition of sanctions." (at 6)

FACTUAL BACKGROUND

The parties' ENE and CMC were scheduled for November 5, 2025. Lead counsel for the Peterson Defendants had another matter set for a 10-to-12-day jury trial beginning November 7, and represented that trial preparation would prevent adequate preparation of the required ENE statements. The parties jointly requested a continuance and supplied mutually available dates.

PROCEDURAL HISTORY

The case was pending in the Southern District of California before a scheduled Early Neutral Evaluation and Case Management Conference. The court granted the parties' joint motion to continue those proceedings because lead counsel for the Peterson Defendants had a conflicting 10-to-12-day jury trial beginning shortly after the scheduled conference.

DISPOSITION

other

CASES CITED

- Johnson v. Mammoth Recreations, Inc., 975 F.2d 604, 607, 609 (9th Cir. 1992)
- Olvera v. Citibank, N.A., No. 25-cv-789-H-AHG, 2025 U.S. Dist. LEXIS 117769, at *2, *4-*5 (S.D. Cal. June 19, 2025)
- Ahanchian v. Xenon Pictures, Inc., 624 F.3d 1253, 1259 (9th Cir. 2010)
- Heileman Brewing Co., Inc. v. Joseph Oat Corp., 871 F.2d 648, 653 (7th Cir. 1989)
- Pitman v. Brinker Int'l, Inc., 216 F.R.D. 481, 485-86 (D. Ariz. 2003)
- Nick v. Morgan's Foods, Inc., 270 F.3d 590, 595-97 (8th Cir. 2001)

OPINION

1 2 3 4 5 6 7 8 9 UNITED STATES DISTRICT COURT 10 SOUTHERN DISTRICT OF
CALIFORNIA 11 12 KRISTA FREITAG, Case No.: 3:25-cv-02257-TWR-AHG Court-appointed
permanent receiver for 13 ORDER GRANTING JOINT ANI Development, LLC, American
MOTION TO CONTINUE EARLY 14 National Investments, Inc., and their NEUTRAL
EVALUATION subsidiaries and affiliates, 15 CONFERENCE AND CASE Plaintiff,
MANAGEMENT CONFERENCE 16 v. 17 [ECF No. 17] SARAH CHRISTINE PETERSON; 18
CLAIRE LAUREN PETERSON; 19 DEL MAR CAPITAL INVESTORS, LLC; and DOES 1–10,
20 Defendants.

21 22 Before the Court is the parties' Joint Motion to Continue the Early Neutral 23 Evaluation
("ENE") and Case Management Conference ("CMC") currently set for 24 November 5, 2025.
ECF No. 17. 25 Parties seeking to continue an ENE must demonstrate good cause. Chmb.R. at 2
26 (stating that any request for continuance requires "[a] showing of good cause for the 27
request"); ECF No. 13 at 6 (same); see FED.

R. CIV. P. 6(b) ("When an act may or must be 28 done within a specified time, the court may, for
good cause, extend the time"). Courts have 1 broad discretion in determining whether there is
good cause. See, e.g., Johnson v. 2 Mammoth Recreations, Inc., 975 F.2d 604, 607 (9th Cir. 1992);
Olvera v. Citibank, N.A., 3 No. 25-cv-789-H-AHG, 2025 U.S. Dist. LEXIS 117769, at *2, *4-*5
(S.D.

Cal. June 19, 4 2025). "Good cause" is a non-rigorous standard that has been construed broadly
across 5 procedural and statutory contexts. Ahanchian v. Xenon Pictures, Inc., 624 F.3d 1253,
1259 6 (9th Cir. 2010). The good cause standard focuses on the diligence of the party seeking to 7
amend the scheduling order and the reasons for seeking modification. Johnson, 975 F.2d 8 at 609
("[T]he focus of the inquiry is upon the moving party's reasons for seeking 9 modification....

If that party was not diligent, the inquiry should end.”). 10 Here, the parties represent to the Court that, two days after the ENE, lead counsel 11 for the Peterson Defendants has another matter set for a 10-12 day jury trial. ECF No. 12 17-1 at 2. Counsel represents that “[t]rial preparation precludes [him] from adequately 13 preparing for the ENE, including preparing the required ENE statements, without impairing 14 their quality, until after that trial has concluded.” Id. As such, the parties request a 15 continuance of the ENE and CMC, and provided a list of dates that the parties are mutually 16 available.

ECF No. 17 at 2–3. 17 The Court appreciates that the parties have been working together, and finds good 18 cause to GRANT the joint motion as follows: 19 1. The ENE and CMC scheduled for November 5, 2025, are RESET for 20 December 8, 2025 at 9:30 a.m. before the Honorable Allison H. Goddard via 21 videoconference. 22 2. Purpose of the Conference: The purpose of the ENE is to permit an informal 23 discussion between the attorneys and the settlement judge of every aspect of the lawsuit in 24 an effort to achieve an early resolution of the case.

All conference discussions will be 25 informal, off the record, and confidential. 26 3. Full Settlement Authority Required: A party or party representative with 27 full and complete authority to enter into a binding settlement must be present via 28 videoconference. Full authority to settle means that a person must be authorized to fully 1 explore settlement options and to agree at that time to any settlement terms acceptable to 2 the parties.

Heileman Brewing Co., Inc. v. Joseph Oat Corp., 871 F.2d 648, 653 (7th Cir. 3 1989). The person needs to have “unfettered discretion and authority” to change the 4 settlement position of a party. Pitman v. Brinker Int’l, Inc., 216 F.R.D. 481, 485–86 (D. 5 Ariz. 2003). Limited or sum certain authority is not adequate. Nick v. Morgan’s Foods, 6 Inc., 270 F.3d 590, 595–97 (8th Cir.

2001). A person who needs to call another person 7 who is not present on the videoconference before agreeing to any settlement does not 8 have full authority. 9 4. Confidential ENE Statements Required: No later than December 2, 2025, 10 the parties shall submit confidential statements of five (5) pages or less directly to the 11 chambers of Magistrate Judge Goddard outlining the nature of the case, the claims, and the 12 defenses.

These statements shall not be filed or served on opposing counsel. They shall 13 be lodged via email at efile_goddard@casd.uscourts.gov. The ENE statement is limited to 14 five (5) pages or less. There is not a page limit on exhibits. Each party’s ENE statement 15 must outline: 16 A. the nature of the case and the claims, 17 B. position on liability or defense, 18 C. position regarding settlement of the case with a specific1 19 demand/offer for settlement,2 and 20 D. any previous settlement negotiations or mediation efforts.

21 The Court may use GenAI tools to review the information that the parties submit. Either 22 party may object to the Court’s use of such tools by advising the Court’s law clerk of that 23 24 25

1 A general statement, such as that a party “will negotiate in good faith,” is not a specific demand or offer. 26 27 2 If a specific demand or offer cannot be made at the time the ENE statement is submitted, then the reasons as to why a demand or offer cannot be made must be stated.

Further, the 28 1 objection when they submit the information. The Court will respect that objection without 2 any further explanation, and the Court’s law clerk will only communicate to Judge Goddard 3 that there was an objection, not which party made the objection. 4 5. Case Management Conference: In the event the case does not settle at the 5 ENE, the Court will immediately thereafter hold a Case Management Conference (“CMC”) 6 pursuant to Fed.

R. Civ. P. 16(b). Appearance of the parties at the CMC is not required. 7 The Court orders the following to occur before the CMC: 8 A. The parties met and conferred pursuant to Fed. R. Civ. P. 26(f) on 9 October 27, 2025. ECF No. 18 at 9. 10 B. The parties filed their Joint Case Management Statement on 11 October 29, 2025. ECF No. 18. 12 C. Though the parties represent that they “will have exchanged their initial 13 disclosures on or before November 10, 2025, the deadline established 14 by the CMC Order” (ECF No. 18 at 9), the Court grants a short 15 continuance in light of the Peterson Defendant’s Counsel’s trial dates.

16 ECF No. 17 at 2 (a 10-12 day trial beginning on November 7, 2025). 17 Thus, initial disclosures pursuant to Rule 26(a)(1)(A-D) must occur no 18 later than November 26, 2025. The Court encourages the parties to 19 exchange initial disclosures ahead of this deadline, if possible. 20 6. Appearances via Videoconference Required: All named parties, party 21 representatives, including claims adjusters for insured defendants, as well as principal 22 attorney(s) responsible for the litigation must attend the ENE via videoconference.

All who 23 attend the ENE must be legally and factually prepared to discuss and resolve the case. 24 Counsel appearing without their clients (whether or not counsel has been given settlement 25 authority) will be subject to immediate imposition of sanctions.

To facilitate the 26 videoconference ENE, the Court hereby orders as follows: 27 A. The Court will use its official Zoom video conferencing account to hold 28 the ENE. If you are unfamiliar with Zoom: Zoom is available on 1 computers through a download on the Zoom website 2 (<https://zoom.us/meetings>) or on mobile devices through the 3 installation of a free app.³ Joining a Zoom conference does not require 4 creating a Zoom account, but it does require downloading the.exe file 5 (if using a computer) or the app (if using a mobile device).

Participants 6 are encouraged to create an account, install Zoom and familiarize 7 themselves with Zoom in advance of the ENE.⁴ There is a cost-free 8 option for creating a Zoom account. 9 B. Prior to the start of the ENE, the Court will email each participant an 10 invitation to join a Zoom video conference. Again, if possible, 11 participants are encouraged to use laptops or desktop computers for the 12 video conference, as mobile devices often offer inferior performance.

13 Participants shall join the video conference by following the ZoomGov 14 Meeting hyperlink in the invitation. Participants who do not have 15 Zoom already installed on their device when they click on the 16 ZoomGov Meeting hyperlink will be prompted to download and 17 install Zoom before proceeding. Zoom may then prompt participants 18 to enter the password included in the invitation.

19 C. Each participant should plan to join the Zoom video conference at least 20 five minutes before the start of the ENE to ensure that the conference 21 begins promptly at 9:30 a.m. 22 D. Zoom's functionalities will allow the Court to conduct the ENE as it 23 ordinarily would conduct an in-person one.

The Court will divide 24 25 3 If possible, participants are encouraged to use laptops or desktop computers for the video 26 conference, rather than mobile devices. 27 4 For help getting started with Zoom, visit: <https://support.zoom.us/hc/en-> 28 1 participants into separate, confidential sessions, which Zoom calls 2 Breakout Rooms.⁵ In a Breakout Room, the Court will be able to 3 communicate with participants from a single party in confidence.

4 Breakout Rooms will also allow parties and counsel to communicate 5 confidentially without the Court. 6 E. No later than December 2, 2025, counsel for each party shall send an 7 e-mail to the Court at efile_goddard@casd.uscourts.gov containing the 8 following: 9 i. The name and title of each participant, including all parties 10 and party representatives with full settlement authority, claims 11 adjusters for insured defendants, and the primary attorney(s) 12 responsible for the litigation; 13 ii.

An e-mail address for each participant to receive the Zoom 14 videoconference invitation; 15 iii. A telephone number where each participant may be reached; 16 and 17 iv. A cell phone number for that party's preferred point of 18 contact (and the name of the individual whose cell phone it is) 19 for the Court to use during the ENE to alert counsel via text 20 message that the Court will soon return to that party's Breakout 21 Room, to avoid any unexpected interruptions of confidential 22 discussions.

23 F. All participants shall display the same level of professionalism during 24 the ENE and be prepared to devote their full attention to the ENE as if 25 they were attending in person, i.e., cannot be driving or in a car while 26 27 5 For more information on what to expect when participating in a Zoom Breakout Room, 28 1 speaking to the Court.

Because Zoom may quickly deplete the battery 2 of a participant's device, each participant should ensure that their 3 device is plugged in or that a charging cable is readily available during 4 the videoconference. 5 G. Counsel are advised that although the ENE will take place on Zoom, all 6 participants shall appear and conduct themselves as if it is proceeding 7 in a courtroom, i.e., all participants must dress in appropriate courtroom 8 attire.

9 H. _ Ifthe case does not settle during the ENE, the Court will hold the CMC 10 immediately following the ENE with counsel only in the main session. 1] 7. The failure of any party to follow these mandatory procedures shall result 12 ||in the imposition of sanctions. 13 8. Questions regarding this case or these mandatory guidelines may be directed 14 Judge Goddard's law clerks at (619) 557-6162.

Lodged statements should be emailed to 15 || efile_goddard @casd.uscourts.gov. 16 IT IS SO ORDERED. 17 ||Dated: October 29, 2025 ig _ □□ pbiormH. □□□ Honorable Allison H. Goddard 19 United States Magistrate Judge 20 21 22 23 24 25 26 27 28