

## Closing of CCM Capital Opportunities Fund

I am pleased to report that, after some not insubstantial drama and several delays, the sale of the Receiver's interests in CCM (formerly Aequitas Capital Opportunities Fund) has closed and the Receivership has received \$52 million from the buyers. Additionally, CPYT has exercised the first tranche of its option to purchase the healthcare receivables (~\$3.8 million face value) held by CP Funding I Trust, with the proceeds of the sale used to pay off the senior secured loan from Wells Fargo and decrease the Receivership's ongoing interest expense.

As part of the transaction, CPYT (which is not part of the Receivership) has received the \$16.2 million follow-on funding. The remaining, ~\$3.9 million of follow-on funding due under the contract, will be provided to CCM within approximately two weeks. The buyers are also working to finalize follow-on investment paperwork with the participating CCM LPs and to close the buy-out of the selling CCM LPs.

As I discussed with the IAC on our February 28 call and to which there was no objection, post-closing the Receivership has provided a \$10.7 million senior secured loan to CPYT (12 month term) to shore up CPYT's liquidity, allowing it to repay its obligations to DLI on account of a ~\$8.5 million outstanding loan known as a "RIPA loan" and to make a required preferred return payment to DLI. The latter was crucial to obtaining the DLI consent required for the various aspects of the CCM transaction. This funding will help better protect the value of the approximately \$65 million of healthcare receivables serviced by CPYT and still owned by the Receivership (pending their purchase by CPYT).

With respect to other assets, we received Court approval on March 6 to dissolve the WindowRock Feeder Fund and facilitate the transfer of those investors into the WindowRock Master Fund (not part of the Receivership). This transaction eliminates the Receivership's need to provide administrative services to the Fund and its investors and generates \$328,000 to the Receivership related to the monetization of the past and future management fees. We have also agreed to terms on the sale of the Receivership's interests in LedgeStone Holdings (senior housing investment) for \$1.9 million and Innovator Management (a 1940-Act investment advisory platform that is owned equally with Clifton Larson Allen) and expect to present these transactions for your consideration in the near term. We are continuing to pursue efforts to monetize the remaining assets – primarily MSP/Ivey, Pipeline Health, ETC preferred stock, Synchronex, MotoLease consumer paper portfolio, some scattered minority interests in other portfolio companies and promissory notes owed to the Receivership. Finally, with respect to the Campus Student Funding portfolio of Corinthian Colleges receivables, we continue to work toward a consensual resolution with numerous government entities which appropriately balances the interests of all affected parties.

This successful CCM transaction is a very important milestone in the course of the Receivership and each sale brings us one step closer to our goal of making the distribution pie as large as possible.

Thank you for your ongoing support and feedback.

Regards,

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