

Troy D. Greenfield, OSB #892534

Email: tgreenfield@schwabe.com

Joel A. Parker, OSB #001633

Email: jparker@schwabe.com

Jeffrey S. Eden, OSB #851903

Email: jeden@schwabe.com

Schwabe, Williamson & Wyatt, P.C.

Pacwest Center

1211 SW 5th Ave., Suite 1900

Portland, OR 97204

Telephone: 503.222.9981

Facsimile: 503.796.2900

Ivan B. Knauer (Admitted *Pro Hac Vice*)

Email: knaueri@pepperlaw.com

Brian M. Nichilo (Admitted *Pro Hac Vice*)

Email: nichilob@pepperlaw.com

Pepper Hamilton, LLP

600 14th Street, NW, Suite 500

Washington, DC 20005

Telephone: 202. 220.1219

Facsimile: 202. 220.1665

Attorneys for the Receiver for Defendants

AEQUITAS MANAGEMENT, LLC; AEQUITAS HOLDINGS, LLC; AEQUITAS COMMERCIAL FINANCE, LLC; AEQUITAS CAPITAL MANAGEMENT, INC.; AEQUITAS INVESTMENT MANAGEMENT, LLC

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

AEQUITAS MANAGEMENT, LLC;

No. 3:16-cv-00438-PK

~~[PROPOSED]~~ ORDER GRANTING
RECEIVER'S MOTION AUTHORIZING
CERTAIN RECEIVERSHIP ENTITIES TO
EXECUTE AND DELIVER SUCH
DOCUMENTS AND TO TAKE ACTIONS
AS NECESSARY TO EFFECTUATE THE

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AUTHORIZING CERTAIN RECEIVERSHIP ENTITIES TO
EXECUTE AND DELIVER SUCH DOCUMENTS AND TO
TAKE ACTIONS AS NECESSARY TO EFFECTUATE THE
INNOVATOR MANAGEMENT, LLC SALE

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SCHWABE, WILLIAMSON & WYATT, P.C.
Attorneys at Law
Pacwest Center
1211 SW 5th Ave., Suite 1900
Portland, OR 97204
Telephone: 503.222.9981
Fax: 503.796.2900



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AEQUITAS HOLDINGS, LLC;
AEQUITAS COMMERCIAL FINANCE,
LLC; AEQUITAS CAPITAL
MANAGEMENT, INC.; AEQUITAS
INVESTMENT MANAGEMENT, LLC;
ROBERT J. JESENİK, BRIAN A. OLIVER;
and N. SCOTT GILLIS,

INNOVATOR MANAGEMENT, LLC SALE

Defendants.

This matter having come before the Honorable Paul Papak on Receiver's Motion Authorizing Certain Receivership Entities To Execute and Deliver Such Documents and to Take Actions as Necessary to Effectuate the Innovator Management, LLC sale (the "Motion"), and the Court, having given all counsel an opportunity to oppose the Motion and being fully advised in the premises, now, therefore,

THE COURT FINDS as follows:

A. On March 10, 2016, the Securities and Exchange Commission ("SEC") filed a complaint in this Court against the Entity Defendants¹ and three individual defendants, Robert J. Jesenik, Brian A. Oliver, and N. Scott Gillis.

B. On March 16, 2016, pursuant to the Stipulated Interim Order Appointing Receiver, the Receiver was appointed as receiver for the Entity Defendants and 43 related entities (together, the "Receivership Entity") on an interim basis (the "Interim Receivership Order"). On April 14, 2016, pursuant to the Order Appointing Receiver, the Receiver was appointed as receiver of the Receivership Entity on a final basis (the "Final Receivership Order").

C. Due, timely, and adequate notice of the Motion was given, and such notice was good, sufficient, and appropriate under the circumstances. No other or further notice of the

¹ Capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Motion.

Motion is or shall be required.

D. Approval of the Asset Purchase Agreement (the "Agreement") that was submitted with the Motion and the transactions described therein, is in the best interests of the Receivership Entity and its estate.

E. The Agreement was negotiated in a fair and reasonable manner under the circumstances. There is no evidence that the Receivership Entity, Receiver, or any Aequitas Entities engaged in any conduct (including but not limited to collusion or fraud of any kind) that would cause or permit the Agreement and the transactions described therein to be avoided.

F. The Agreement is an arms'-length transaction, proposed in the sound exercise of the Receiver's business judgment, in good faith and for fair value. The Agreement is in the best interests of the Receivership Entity, and its creditors and investors. Innovator Capital Management, LLC has at all times acted in good faith in connection with the negotiation of the Agreement and therefore is entitled to all the protections afforded good faith purchasers under applicable law.

G. The transactions contemplated under this Order and the Agreement do not amount to a consolidation, merger, or *de facto* merger of Innovator Capital Management, LLC, the Parent or the Seller and the Receivership Entity. There is no substantial continuity between Innovator Capital Management, LLC, the Parent and the Seller or the Receivership Entity, and Innovator Capital Management, LLC is not a successor to the Receivership Entity or its estate.

H. The Court having reviewed the Motion, and having considered the presentations of counsel, and having considered any objections filed to the Motion, and it appearing that the Agreement is in the best interest of the Receivership Entity and its estate, and for good cause shown,

IT IS HEREBY ORDERED AND DECREED as follows.

1. The Motion is granted in its entirety.
2. All objections to the Motion that have not been withdrawn, waived, settled, or expressly reserved pursuant to the terms of this Order are hereby overruled.
3. The Agreement and the transactions described therein are approved.
4. The Receiver (including in his capacity acting for Aequitas Management, LLC, Aequitas Holdings, LLC, Aequitas Management Oregon, LLC, and AAM Fund Investment, LLC) is authorized to execute, deliver, and perform all obligations and related documents as are necessary or appropriate to close the transactions contemplated by this Order and the Agreement.
5. Innovator Capital Management, LLC is not a successor to the Receivership Entity or its estate by reason of any theory of law or equity, and Innovator Capital Management, LLC shall not assume, nor be deemed to assume, nor in any way be responsible for, any liability or obligation of the Receivership Entity and/or its estate, including, but not limited to, any successor liability or similar liability.
6. This Court shall retain jurisdiction over any issues relating to the Receivership Entities and the Agreement and to enforce this Order.

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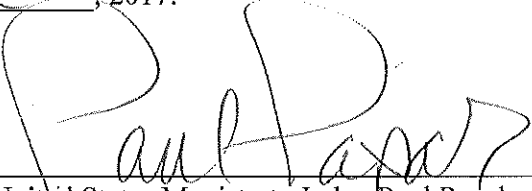
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7. This Order shall be binding in all respects on all creditors and interest holders of the Receivership Entity, and their successors and assigns.

Dated this 20th day of April, 2017.


United States Magistrate Judge Paul Papak

SUBMITTED BY:

SCHWABE, WILLIAMSON & WYATT, P.C.

By: s/ Alex I. Poust, OSB #925155
Troy D. Greenfield, OSB #892534
tgreenfield@schwabe.com
Joel A. Parker, OSB #001633
jparker@schwabe.com
Jeffrey S. Eden, OSB #851903
jeden@schwabe.com
Telephone: 503.222.9981
Facsimile: 503.796.2900

Ivan B. Knauer (Admitted *Pro Hac Vice*)
knaueri@pepperlaw.com
Brian M. Nichilo (Admitted *Pro Hac Vice*)
nichilob@pepperlaw.com
PEPPER HAMILTON LLP
600 Fourteenth Street, N.W.
Washington, DC 2005
Tel: (202) 220-1665

Attorneys for the Receiver for Defendants
Aequitas Management, LLC, Aequitas
Holdings, LLC, Aequitas Commercial Finance,
LLC, Aequitas Capital Management, Inc., and
Aequitas Investment Management, LLC

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1211 SW 5th Ave., Suite 1900
Portland, OR 97204
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Fax: 503.796.2900