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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

DECLARATION OF BRAD FOSTER IN
SUPPORT OF ENTRY OF SALE APPROVAL
ORDER



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,

Defendants.

I, Brad Foster, declare as follows:

1. I am a Managing Director, Corporate Finance, at FTI Consulting, Inc. (“FTI”). FTI was retained by Ronald Greenspan, the duly appointed receiver (“Receiver”) for the Receivership Entity.¹ Pursuant to the Order Authorizing Brad Foster and Larissa Gotguelf to Act on Behalf of the Receiver [Dkt. 245], I make this declaration in support of the Receiver’s Motion FOR Orders: (1) Scheduling Hearing to Approve Sale of Assets; (2) Approving Civitas Senior Healthcare, LLC as Stalking Horse Bidder; (3) Approving Bidding Procedures; and (4) Approving the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances and Interests Encumbrances (the “Motion”) [Dkt. 421].

2. On April 26, 2017, pursuant to the Motion, the Court entered the Order Granting Receiver’s Motion (1) to Schedule Final Sale Hearing, (2) to Approve Civitas Senior Healthcare, LLC, as Stalking Horse Bidder, (3) to Approve Bidding Procedures, and (4) for Related Relief (the “Bid Procedures Order”) [Dkt. 424].

3. Pursuant to the Bid Procedures Order, Qualified Alternative Bids for the Purchased Assets were due to be delivered by 12:00 noon Pacific Time on May 10, 2017, the date that is 14 calendar days after the date of entry of the Bid Procedures Order (the “Bid Deadline”). (Dkt. 424, p. 6, at ¶ 1).

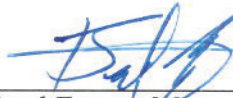
4. No Qualified Alternative Bids were received by the Receiver by the Bid Deadline.

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

Accordingly, pursuant to paragraph 6 of the Bid Procedures Order, the Final Sale Order may be submitted for immediate entry by the Court.

I declare under penalty of perjury under the laws of the state of Oregon that the foregoing statements and those contained in the attached exhibits, are true and correct to the best of my knowledge, information and belief.

Dated this 11th day of May, 2017.



Brad Foster, Managing Director, Corporate Finance
FTI Consulting, Inc.
On behalf of the Receiver Ronald F. Greenspan