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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

[*PROPOSED*] ORDER APPROVING (1)
 COMPROMISE OF AEQUITAS
 COMMERCIAL FINANCE, LLC'S CLAIMS
 AGAINST GERALD W. FRANK AND
 GERALD W. FRANK REVOCABLE
 LIVING TRUST, AND (2) SETTLEMENT

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 REVOCABLE LIVING TRUST, AND (2) SETTLEMENT
 AGREEMENT

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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,

AGREEMENT

Defendants.

This matter having come before the Honorable Paul Papak on the Receiver's Motion for an Order Approving Compromise of Aequitas Commercial Finance, LLC's Claims Against Gerald W. Frank and Gerald W. Frank Revocable Living Trust [Dkt. 582] (the "Motion"), and the Court, 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 on an interim basis (the "Interim Receivership Order"). On April 14, 2016, pursuant to the Final Receivership Order, the Receiver was appointed as receiver of the Entity Defendants and 43 related entities on a final basis.

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 Motion is or shall be required.

¹ Capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Order Appointing Receiver entered on April 14, 2016 (Dkt. 156) (the "Final Receivership Order").

D. It is in the best interests of the Receivership Entity, its creditors and investors to (1) approve a compromise of the claims of Aequis Commercial Finance, LLC (“ACF”) against Gerald W. Frank and the Gerald W. Frank Revocable Living Trust (the “Trust”), and (2) approve and authorize the performance of the Settlement Agreement and Release of Claims between the Receivership Entity, ACF, the Trust, and Gerald W. Frank, dated as of January 8, 2018 (the “Settlement Agreement”). [Dkt. 583, Exhibit 1].

E. The terms of the Receivership Entity’s compromise with Gerald W. Frank and the Trust, as memorialized in the Settlement Agreement, are the result of good faith negotiations at arm’s length after diligent investigation into the Rock and Roll Transaction by the Receiver and, in the exercise of the Receiver’s business judgment, are in the best interests of the creditors of, and investors in, the Receivership Entity.

The Court having reviewed the Motion, and being duly advised,

IT IS HEREBY ORDERED AND DECREED as follows.

1. The Motion is granted in its entirety.
2. The Receivership Entity’s (a) compromise of claims against Gerald W. Frank and the Trust, and (b) the Settlement Agreement are approved.
3. The parties to the Settlement Agreement are authorized to perform their obligations thereunder, and to take such actions and execute and deliver all documents and instruments required or reasonably contemplated thereby.
4. 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 _____ day of February, 2018.

United States Magistrate Judge Paul Papak

SUBMITTED BY:

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