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IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF OREGON

PORTLAND DIVISION

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

AEQUITAS MANAGEMENT, LLC;  
AEQUITAS HOLDINGS, LLC;  
AEQUITAS COMMERCIAL FINANCE,  
LLC; AEQUITAS CAPITAL

No. 3:16-cv-00438-PK

~~PROPOSED~~ ORDER GRANTING RELIEF  
FROM RECEIVERSHIP ORDER TO  
PERMIT LIMITED PAYMENT OF  
DEFENSE COSTS BY STARR  
INDEMNITY & LIABILITY COMPANY



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

Defendants.

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*Attorneys for Defendant N. Scott Gillis*

**~~PROPOSED~~ ORDER**

Good cause appearing, it is hereby ORDERED that:

1. The stay imposed by the Receivership Order is lifted, but only to the extent necessary so that Starr, subject to the terms of the Starr Policy, may make payments for those previously incurred Defense Costs not paid by Forge, as follows:

- Schulte Roth – \$68,998.35 (June & July 2018 invoices)
- Shartsis Friese – \$13,692.00 (July 2018 invoice)
- Covington – \$2,931.98 (July 2018 invoice)
- Whipple Law Office – \$212.50
- FTI Consulting – \$1,687.50<sup>1</sup>;

2. The stay imposed in the Receivership Order is also lifted, but only to the extent necessary so that Starr, subject to the terms of the Starr Policy, can pay up to \$50,000 in Defense Costs incurred by each of the Individual Defendants (for a combined total of \$150,000), in connection with the August 22-23, 2018 mediation in Portland, Oregon;

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<sup>1</sup> The amount paid to FTI Consulting are for database-related charges incurred by Shartsis Friese.

3. Because the primary purpose for the Parties to enter into this Stipulation is related to the upcoming mediation on August 22-23, 2018, and the privileged nature of such a proceeding, any and all statements made in the Parties' Stipulation, including the Recitals and Stipulation, may not be used for any evidentiary purpose whatsoever by any third parties, including but not limited to Catlin, Forge, or Starr against the Receivership Entity, the Individual Defendants, or either of them; however, this paragraph does not apply to the Order itself; and

4. The Individual Defendants shall provide a copy of this Stipulation and Order, once signed by the Court, to counsel for Starr;

5. Starr, at the Receivership Entity's request, will notify counsel for the Receivership Entity about any amounts it pays to or on behalf of the Individual Defendants pursuant to Paragraphs 1 and 2 of this Order.

**IT IS SO ORDERED.**

Dated this 16<sup>th</sup> day of August, 2018.

A handwritten signature in black ink, appearing to read "Paul Papak", written over a horizontal line.

United States Magistrate Judge Paul Papak