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Attorneys for 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;  
AEQUITAS HOLDINGS, LLC;  
AEQUITAS COMMERCIAL FINANCE,

No. 3:16-cv-00438-JR

DECLARATION OF RONALD F.  
GREENSPAN IN SUPPORT OF RECEIVER'S  
REQUEST FOR APPROVAL OF TWELFTH  
INTERIM FEE APPLICATION



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

Defendants.

I, Ronald F. Greenspan, the duly appointed Receiver for the Receivership Entity, declare  
as follows:

1. I am over 18 year of age and otherwise competent to testify.
2. I make this declaration in support of the Receiver's Request for Approval of  
Twelfth Interim Fee Application.
3. The April 30, 2019 Report of the Receiver [Dkt. 700] is incorporated herein by  
reference in Exhibit A. Exhibit A sets forth several ways in which the report can be obtained.
4. Attached as Exhibit B is a true and accurate copy of the summary invoice for  
professional services rendered on behalf of the Receivership Entity by the Receiver, for the  
period of January 1, 2019 through March 31, 2019. The Receiver is employed as a Senior  
Managing Director of FTI, which bills and collects for the Receiver's time as well as that of FTI  
professionals utilized by the Receiver. Also included in Exhibit B is a true and accurate copy of  
the summary invoice for professional services rendered on behalf of the Receivership Entity, by  
FTI Consulting, Inc. ("FTI"), for the period of January 1, 2019 through March 31, 2019.
5. Attached hereto as Exhibit C is a true and accurate copy of the summary invoice  
for professional services rendered on behalf of the Receivership Entity, by Pepper Hamilton  
("Pepper"), for the period of January 1, 2019 through March 31, 2019, together with the  
accompanying Certification.

6. Attached hereto as Exhibit D is a true and accurate copy of the summary invoice  
DECLARATION OF RONALD F. GREENSPAN IN SUPPORT OF  
RECEIVER'S REQUEST FOR APPROVAL OF TWELFTH INTERIM  
FEE APPLICATION

SCHWABE, WILLIAMSON & WYATT, P.C.  
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for professional services rendered on behalf of the Receivership Entity, by Snell & Wilmer (“Snell”), for the period of January 1, 2019 through March 31, 2019, together with the accompanying Certification.

7. Attached hereto as Exhibit E is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Schwabe Williamson & Wyatt (“Schwabe”), for the period of January 1, 2019 through March 31, 2019, together with the accompanying Certification.

8. Attached hereto as Exhibit F is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by the Law Office of Stanley H. Shure (“Shure”), for the period of January 1, 2019 through March 31, 2019, together with the accompanying Certification.

9. Attached hereto as Exhibit G is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Entity, by Morrison & Foerster (“MOFO”), for the period of January 1, 2019 through March 31, 2019, together with the accompanying Certification.

10. I have read the entirety of the Twelfth Interim Fee Application.

11. To the best of my knowledge, information and belief formed after reasonable inquiry, the Twelfth Interim Fee Application and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the “Billing Instructions”).

12. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the Twelfth Interim Fee Application are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable,

necessary and commensurate with the skill and experience required for the activity performed.

13. It is my opinion that the time spent, services performed, hourly rates charged, and expenses incurred by the Receiver and each of the professional service firms were incurred in the best interests of the Receivership Entity and were indeed essential for the Receiver to discharge the Court-ordered duties and responsibilities. With respect to each litigation matter, I certify that each action is likely to produce a net economic benefit to the estate, based on review of: (i) the legal theories upon which the action was based, including issues of standing; (ii) the likelihood of collection on any judgment which might be obtained; and, (iii) alternative methods of seeking relief, such as the retention of counsel on contingency basis.

14. To the best of my knowledge, information and belief formed after reasonable inquiry, neither the Receiver nor any of the professional firms has included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

15. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, the Receiver requests reimbursement only for the amount billed to the Receivership by the third-party vendor and paid to such vendor.

16. To the best of my knowledge, information and belief formed after reasonable inquiry, with the exception of the Billing Instructions, the Receiver has not entered into any agreement, written or oral, expressed or implied, with any person or entity concerning the amount of compensation to be paid from the Receivership Entity, or any sharing thereof, except that the Receiver's fees shall be paid to FTI.

17. On or about thirty days prior to the filing of the Receiver's Motion for Approval of the Twelfth Interim Fee Application, the detailed invoices of FTI, Pepper, Snell, Schwabe, Shure, and MOFO were submitted to the Commission Staff for review and approval.

**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 27<sup>th</sup> day of June, 2019.

/s/ Ronald Greenspan

Ronald F. Greenspan, Receiver

# EXHIBIT A

## RECEIVER'S REPORT DATED

April 30, 2019

The Receiver's April 30, 2019 report is nearly 200 pages in length and is not being reproduced with this filing.

The report can be found on the Court website under Docket #700.

The report can also be found on the website established by the Receiver for this matter at [www.kccllc.net](http://www.kccllc.net), under Court docket #700.

The report can also be obtained by email request to the Receiver's counsel, Larry Ream, at [lream@schwabe.com](mailto:lream@schwabe.com).

# **EXHIBIT**

## **B**



RONALD F. GREENSPAN

COURT-APPOINTED RECEIVER FOR

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES

(the “Receivership Entity”)

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**Summary of Activities for Ronald F. Greenspan (the Receiver) and FTI Consulting, Inc.**

For professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2019 through March 31, 2019 (the “Application Period”), as described below:

**Asset Disposition**

- Continued to work with Carepayment Technologies, Inc. to finalize the separation of the CarePayment platform from the Receivership Entity. Efforts included drafting, negotiating, and executing multiple CarePayment marketing provider releases, contract assignment agreements, and terminations. As of the date of this application, all such agreements have been either assigned to CPYT or terminated
- Continued to explore potential disposition of difficult-to-sell assets

**Business Operations**

- Maintained control over the day-to-day operations of the Receivership Entity (48 legal entities) and remaining Aequitas staff and contractors
- Continued cash management duties with respect to the control of 51 bank accounts
- Provided regular on-site presence to oversee operations and provide oversight and guidance to the Receivership staff and independent contractors, including transitioning responsibilities from departing staff
- Managed daily operational matters including, but not limited to:
  - Planning Receivership operations
  - Managing daily operational and financial issues, and pursuing cost-saving alternatives, involving active portfolios of receivables (collections, servicing, etc.) in which the Receivership Entity has an interest – gross cash collections from the receivables portfolios were approximately \$1.6 million during the Application Period

- Reviewing and addressing daily correspondences from employees, service providers, investors, business partners, government agencies, regulators, and legal counsel for various parties
- Addressed various third-party invoices for operational purposes
- Reviewed and addressed consumer borrowers' complaints
- Worked closely with legal counsel on a broad range of strategic and tactical issues

### **Cash Management**

- Continued to monitor cash balances, accounts payable, and accounts receivable on an ongoing basis
- Worked closely with Aequitas treasury staff and managed daily cash activities, including reviewing invoices, approving transactions, and signing/releasing checks and wires

### **Claims Administration and Objections**

- Continued to work closely with Receivership Entity employees and perform research and analysis of existing investor documentation and general ledger data to update the claims database
- Continued the significant effort involving integration of information on interest and return payments made to investors prior to the Receivership into the comprehensive investor activity database that has been previously developed
- Prepared for the launch of the claims process, including additional analyses of investor data structure, checking for consistency and availability; analysis of potential claims relating to employees, trade vendors, and escheatment obligations; and analysis of various alternatives of claim determination
- Worked closely with counsel to develop a claims process and procedures, drafted content and provided comments and edits regarding necessary motions, associated schedules, and forms; drafted and revised website content
- Worked with third party to prepare for placement of claims notices in 14 regional newspapers covering 5 states and one national newspaper
- Analyzed intercompany cash transfers corresponding to transfers of investor liabilities between Receivership Entities
- Analyzed investment transfers between investor groupings within single Receivership entities
- Researched and created analysis related to cash payments to equity investors
- Responded to various ad-hoc requests for investors and their counsel

- Prepared analyses to identify potential “net winners” among the investor population
- The FTI Data & Analytics group performed the following tasks:
  - Reviewed and revised data for integrity and continued to implement various quality control measures
  - Integrated data related to bifurcation of interest / return and principal payments to investors that was captured in Aequitas fund operations and accounting sub-schedules for multiple legal entities, involving a total of approximately 19,000 transactions
  - Provided various ad-hoc data reports
  - Analyzed various claims process data practices and discussed technical aspects of claims management system with claims agent
  - Participated in calls and meetings with the rest of the Receivership team and with IBAT (as needed) to discuss data reporting
  - Designed processes for creation of investor and other claimants’ notices and mailing packets; performed various analysis in preparation for the launch of the claims process; began development of claims review module of the claims tool
  - Identified instances where investments were transferred between investor groupings within a single legal entity; mapped activity of transferred investments from the transferor investor to the transferee recipient

#### **Communications with Counsel**

- Participated in ad hoc calls and email communications with legal counsel

#### **CSF Settlement Implementation**

- Maintained a detailed informational website for the borrowers in connection with the Settlement and continued to monitor borrower inquiries/responses. Through April 30, 2019, the website had received 90,686 hits from 38,090 visitors
- Worked with Receivership staff to review and address 1,502 borrower inquiries directly, through April 29, 2019
- Monitored CSF settlement refund activity

#### **Distribution Plan Modeling**

- Conducted case research, analyzed, and discussed various considerations for a potential distribution plan among the Receivership team and with counsel
- Analyzed structure and priorities of various investors’ interests

- Communicated with investors and their counsel regarding potential design of a distribution plan. Reviewed input and feedback provided by investors
- Developed several test scenarios for a potential distribution plan

### **Employee Retention / Matters**

- Addressed employee management and retention plan matters
- Considered future employee retention plans aimed at achieving efficient staffing levels going forward while facilitating retention of key staff
- Continued to apprise staff regarding progress of the Receivership and next steps and to answer questions
- Continued to review and approve payment of weekly invoices for contract employees

### **Forensic Accounting**

- The 172-page forensic report was filed with the Court on November 21, 2018; addressed subsequent comments and responses received relating to forensic report; performed additional follow up research relating to comments and responses received and oversaw documentation of the findings
- Prepared for and attended a meeting with the governmental agencies to discuss findings of the forensic report

### **Insurance Matters**

- Worked closely with insurance counsel to monitor and provide input regarding potential insurance claims, communications with insurance carriers, and claims related to the defense costs for the Individual Defendants
- Conferred with insurance counsel, Stanley H. Shure, Esq. and other counsel, on an ongoing basis regarding various insurance-related matters including but not limited to strategy, fact finding and legal research relevant to settlement negotiations between the Aequitas investors, the Individual Defendants, the Receivership Entity, and the insurance carriers

### **Investor Communications**

- Continued to work with Kurtzman Carson Consultants (“KCC”) to maintain a public website for the Receivership Entity, at <http://www.kccllc.net/aequitasreceivership/>
- Communicated with various investor groups and individual investors and their legal counsel on an ad hoc basis as necessary
- Performed requested data analyses and responded to investor and counsel inquiries, including those related to investors’ settlements with third parties

### **Litigation Consulting**

- Discussed case strategies and evaluated necessary or desirable actions with counsel for each litigation matter
- Prepared and reviewed information and analyses to help facilitate various third-party legal settlements by Aequis investor groups
- Facilitated progress of the investor counsel negotiations related to third-party settlements
- Gathered information and developed analyses related to ongoing and potential future Receivership litigation matters
- Prepared for and participated in various settlement discussions, including with Terrell Parties, and Weider / Forman. The Receiver successfully settled significant potential claims against the Receivership associated with these parties which helped advance the Receivership towards a consensual distribution plan and provided a substantial benefit to the investors

### **Negotiations with Key Counterparties**

- Reviewed documentation, performed necessary analysis, and explored alternatives related to negotiations with the Terrell Parties and Weider / Forman. Participated in the negotiations and approved final settlement documents.
- Worked with counsel to discuss strategy relating to multi-party mediation

### **Review of Pleadings and Other Court Filings**

- Reviewed pleadings and other court filings submitted to the Court and other courts by various parties

### **Status Reports**

- Collected data and prepared analyses required for the Receiver's quarterly status report and as necessary to comply with the reporting requirements outlined in the Final Receivership Order
- Drafted the Receiver's report for 4Q-2018 and filed with the Court on February 14, 2019. The 193-page report provided a detailed overview of the Receivership Entity status and operations, including an exhibit detailing an entity-level and consolidated report of cash receipts and disbursements

### **Tax Issues**

- Participated in discussions with Receivership tax staff and the external tax preparer, including tax strategy, and provided input and oversight as needed
- Reviewed federal and state tax returns

- In the first quarter of 2018, the Receivership staff, retained professionals, and a specialty vendor prepared and mailed out approximately 42,000 informational tax forms (Form 1099-C) related to the student loan debt discharge provided by Campus Student Funding, LLC. To handle potential borrower inquiries related to the 1099 tax forms, the Receivership has set up an outsourced call center that handled 2,046 calls, including 910 calls answered by agents, through March 31, 2019 (the rest of the callers chose to only listen to a detailed recorded message). The Receivership staff and retained professionals worked with the call center vendor to review call logs, and provide additional input as needed to the call center agents to make sure that the borrowers receive appropriate information

### **Travel**

- Travel time (net of any working time en route) associated with Receiver's and FTI professionals' travel to and from Portland, OR and any other Receivership-related travel (including travel to and from the client site)
- Travel time was billed at no more than 50% of actual travel time. Additional reductions were applied where deemed appropriate

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR

Summary of Professional Fees and Expenses for Ronald F. Greenspan  
For the Period January 1, 2019 Through March 31, 2019

Professional Fees	\$26,070.00
Expenses	<u>\$633.96</u>
Total	<u><u>\$26,703.96</u></u>

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC, AEQUITAS  
CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees for Ronald F. Greenspan  
For the Period January 1, 2019 Through March 31, 2019**

<b>Professional</b>	<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Total</b>
Greenspan, Ronald F	Sr Managing Dir	\$825	31.6	\$26,070.00
<b>Total Hours and Fees<sup>(1)</sup></b>			<b>31.6</b>	<b>\$26,070.00</b>
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$11,581.00
Additional Written Off Professional Fees			0	\$0.00
<b>Total Discounts and Reductions</b>			<b>0</b>	<b>\$11,581.00</b>

**Note:**

(1) Travel time was billed at no more than 50% of actual travel time. Additional reductions were applied where deemed appropriate.



**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")**

**Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees By Activity for Ronald F. Greenspan  
For the Period January 1, 2019 Through March 31, 2019**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Asset Disposition</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.2	\$165.00
	Activity Total		0.2	\$165.00
<b><u>Claims Administration and Objections</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	7.9	\$6,517.50
	Activity Total		7.9	\$6,517.50
<b><u>Communications with Counsel</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.5	\$412.50
	Activity Total		0.5	\$412.50
<b><u>Distribution Plan</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.7	\$1,402.50
	Activity Total		1.7	\$1,402.50
<b><u>Employee Retention/Matters</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.6	\$495.00
	Activity Total		0.6	\$495.00
<b><u>Forensic Accounting</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.9	\$742.50
	Activity Total		0.9	\$742.50
<b><u>Insurance Matters</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.1	\$907.50
	Activity Total		1.1	\$907.50
<b><u>Investor Communications</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	0.2	\$165.00
	Activity Total		0.2	\$165.00
<b><u>Litigation Consulting</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	9.1	\$7,507.50
	Activity Total		9.1	\$7,507.50

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Negotiations with Key Counterparties</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	6.2	\$5,115.00
	Activity Total		6.2	\$5,115.00
<b><u>Review of Pleadings and Other Court Filings</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	1.0	\$825.00
	Activity Total		1.0	\$825.00
<b><u>Status Reports (SEC and court)</u></b>				
Greenspan, Ronald F	Sr Managing Dir	\$825	2.2	\$1,815.00
	Activity Total		2.2	\$1,815.00
<b>TOTALS</b>			<b>31.6</b>	<b>\$26,070.00</b>

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")**

**Case No. 3:16-cv-00438-JR**

**Summary of Expenses By Expense Type for Ronald F. Greenspan**

**For the Period January 1, 2019 Through March 31, 2019**

<b>Expense Type</b>	<b>Total</b>
<b>Airfare/Train</b>	<b>\$556.48</b>
<b>Taxi</b>	<b>\$77.48</b>
<b>Total Expenses</b>	<b>\$633.96</b>

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR

Summary of FTI Consulting, Inc. Fees and Expenses  
For the Period January 1, 2019 Through March 31, 2019

Professional Fees	\$994,729.00
Expenses	<u>\$12,041.45</u>
Total	<u><u>\$1,006,770.45</u></u>

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC, AEQUITAS  
CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Professional Fees By Professional  
For the Period January 1, 2019 Through March 31, 2019**

<b>Professional</b>	<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Total</b>
Foster, Charles	Managing Dir	\$660	352.0	\$232,320.00
Gotguelf, Larissa	Managing Dir	\$660	296.5	\$195,690.00
Allen, Jennifer	Senior Director	\$605	401.7	\$243,028.00
Chuck, Brenton	Director	\$570	279.1	\$159,087.00
Stieve, Matthew	Director	\$570	0.8	\$456.00
Yoshimura, Michael	Sr Consultant	\$460	198.1	\$91,126.00
Brooks, Kelly	Sr Consultant	\$400	144.7	\$57,880.00
Chow, Cherie	Consultant	\$335	35.6	\$11,926.00
Lee, Jessica	Consultant	\$335	9.6	\$3,216.00
<b>Total Hours and Fees<sup>(1)</sup></b>			<b>1,718.1</b>	<b>\$994,729.00</b>
<u>For Informational Purposes Only:</u>				
Total Billing Rate Discount				\$169,180.50
Additional Written Off Professional Fees			152.2	\$102,665.00
<b>Total Discounts and Reductions</b>			<b>152.2</b>	<b>\$271,845.50</b>

**Note:**

(1) Travel time was billed at no more than 50% of actual travel time. Additional reductions were applied where deemed appropriate.

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Fees By Activity and Professional  
For the Period January 1, 2019 Through March 31, 2019**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Asset Disposition</u></b>				
Foster, Charles	Managing Dir	\$660	1.0	\$660.00
Gotguelf, Larissa	Managing Dir	\$660	3.6	\$2,376.00
	Activity Total		4.6	\$3,036.00
<b><u>Business Operations</u></b>				
Foster, Charles	Managing Dir	\$660	25.8	\$17,028.00
Gotguelf, Larissa	Managing Dir	\$660	41.0	\$27,060.00
Yoshimura, Michael	Sr Consultant	\$460	0.4	\$184.00
	Activity Total		67.2	\$44,272.00
<b><u>Cash Management</u></b>				
Foster, Charles	Managing Dir	\$660	9.0	\$5,940.00
Gotguelf, Larissa	Managing Dir	\$660	1.8	\$1,188.00
Yoshimura, Michael	Sr Consultant	\$460	2.0	\$920.00
	Activity Total		12.8	\$8,048.00
<b><u>Claims Administration and Objections</u></b>				
Chow, Cherie	Consultant	\$335	32.8	\$10,988.00
Foster, Charles	Managing Dir	\$660	29.4	\$19,404.00
Gotguelf, Larissa	Managing Dir	\$660	163.3	\$107,778.00
Lee, Jessica	Consultant	\$335	9.6	\$3,216.00
Yoshimura, Michael	Sr Consultant	\$460	171.4	\$78,844.00
	Activity Total		406.5	\$220,230.00
<b><u>Communications with Counsel</u></b>				
Foster, Charles	Managing Dir	\$660	2.2	\$1,452.00
Yoshimura, Michael	Director	\$460	3.1	\$1,426.00
	Activity Total		5.3	\$2,878.00
<b><u>CSF Settlement Implementation</u></b>				
Gotguelf, Larissa	Managing Dir	\$660	0.2	\$132.00
	Activity Total		0.2	\$132.00

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
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**Summary of FTI Consulting, Inc. Fees By Activity and Professional  
For the Period January 1, 2019 Through March 31, 2019**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Data &amp; Analytics Claims Administration and Objections</u></b>				
Allen, Jennifer	Senior Director	\$605	401.2	\$242,726.00
Brooks, Kelly	Sr Consultant	\$400	144.7	\$57,880.00
Chuck, Brenton	Director	\$570	279.1	\$159,087.00
Stieve, Matthew	Director	\$570	0.8	\$456.00
	Activity Total		825.8	\$460,149.00
<b><u>Distribution Plan</u></b>				
Foster, Charles	Managing Dir	\$660	2.8	\$1,848.00
Gotguelf, Larissa	Managing Dir	\$660	10.5	\$6,930.00
Yoshimura, Michael	Sr Consultant	\$460	0.4	\$184.00
	Activity Total		13.7	\$8,962.00
<b><u>Employee Retention/Matters</u></b>				
Foster, Charles	Managing Dir	\$660	6.4	\$4,224.00
Gotguelf, Larissa	Managing Dir	\$660	0.5	\$330.00
	Activity Total		6.9	\$4,554.00
<b><u>Forensic Accounting</u></b>				
Foster, Charles	Managing Dir	\$660	19.8	\$13,068.00
Gotguelf, Larissa	Managing Dir	\$660	3.2	\$2,112.00
	Activity Total		23.0	\$15,180.00
<b><u>Insurance Matters</u></b>				
Foster, Charles	Managing Dir	\$660	56.2	\$37,092.00
Gotguelf, Larissa	Managing Dir	\$660	4.6	\$3,036.00
	Activity Total		60.8	\$40,128.00
<b><u>Investor Communications</u></b>				
Foster, Charles	Managing Dir	\$660	9.9	\$6,534.00
Gotguelf, Larissa	Managing Dir	\$660	3.4	\$2,244.00
Yoshimura, Michael	Sr Consultant	\$460	17.1	\$7,866.00
	Activity Total		30.4	\$16,644.00

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Fees By Activity and Professional  
For the Period January 1, 2019 Through March 31, 2019**

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Litigation Consulting</u></b>				
Allen, Jennifer	Senior Director	\$605	0.5	\$302.50
Chow, Cherie	Consultant	\$335	2.8	\$938.00
Foster, Charles	Managing Dir	\$660	120.7	\$79,662.00
Gotguelf, Larissa	Managing Dir	\$660	41.9	\$27,654.00
Yoshimura, Michael	Sr Consultant	\$460	2.3	\$1,058.00
	Activity Total		168.2	\$109,614.50
<b><u>Negotiations with Key Counterparties</u></b>				
Foster, Charles	Managing Dir	\$660	1.3	\$858.00
Gotguelf, Larissa	Managing Dir	\$660	0.2	\$132.00
	Activity Total		1.5	\$990.00
<b><u>Review of Pleadings and Other Court Filings</u></b>				
Foster, Charles	Managing Dir	\$660	2.4	\$1,584.00
Gotguelf, Larissa	Managing Dir	\$660	2.3	\$1,518.00
	Activity Total		4.7	\$3,102.00
<b><u>Status Reports (SEC and court)</u></b>				
Foster, Charles	Managing Dir	\$660	27.5	\$18,150.00
Gotguelf, Larissa	Managing Dir	\$660	14.0	\$9,240.00
Yoshimura, Michael	Sr Consultant	\$460	1.4	\$644.00
	Activity Total		42.9	\$28,034.00
<b><u>Tax Issues</u></b>				
Foster, Charles	Managing Dir	\$660	7.5	\$4,950.00
Gotguelf, Larissa	Managing Dir	\$660	2.4	\$1,584.00
	Activity Total		9.9	\$6,534.00
<b><u>Travel</u></b>				
Foster, Charles	Managing Dir	\$660	30.1	\$19,866.00
Gotguelf, Larissa	Managing Dir	\$660	3.6	\$2,376.00
	Activity Total		33.7	\$22,242.00



AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
 AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
 RELATED ENTITIES (the "Receivership Entity")  
 Case No. 3:16-cv-00438-JR

Summary of FTI Consulting, Inc. Fees By Activity and Professional  
 For the Period January 1, 2019 Through March 31, 2019

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
			1,718.1	\$994,729.50
		TOTALS		

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS COMMERCIAL FINANCE, LLC,  
 AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN  
 RELATED ENTITIES (the "Receivership Entity")  
 Case No. 3:16-cv-00438-JR**

**Summary of FTI Consulting, Inc. Expenses By Expense Type  
 For the Period January 1, 2019 Through March 31, 2019**

<b>Expense Type</b>	<b>Total</b>
Airfare/Train	\$3,918.96
Auto/Park/Toll	\$2,420.45
Hotel & Lodging	\$4,593.99
Meals - Out of Office	\$991.23
Taxi	\$107.32
Tips	\$9.50
<b>Total Expenses</b>	<b>\$12,041.45</b>

# **EXHIBIT**

## **C**

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the “Receivership Entity”)  
Case No. 3:16-cv-00438-JR

**SUMMARY OF WORK PERFORMED BY PEPPER HAMILTON LLP  
January 1, 2019 Through March 31, 2019**

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2019 through March 31, 2019, as described in more detail below. Also provided below is a breakdown by billing codes, in conformity with the SEC billing guidelines.

**Receivership Litigation and Proceedings**

- Performed ongoing legal work in support of the Receiver’s efforts to respond to ongoing regulatory investigations, requirements, and other litigation-related requests.
- Responded to requests for information from federal governmental agencies, including preparing for, coordinating, participating in, and summarizing interviews of former employees.

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

Email: nichilob@pepperlaw.com

**Pepper Hamilton LLP**

3000 Two Logan Square

Eighteenth and Arch Streets

Philadelphia, PA 19103-2799

Telephone: (215) 981.4248

Facsimile: (215) 981.4750

Attorneys for Receiver and 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;  
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.

No. 3:16-cv-00438-JR

CERTIFICATION OF  
BRIAN M. NICHILLO IN SUPPORT  
OF RECEIVER'S MOTION FOR  
APPROVAL OF FEE APPLICATION

I, Brian M. Nichilo, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Estate, by Pepper Hamilton LLP, for the period of January 1, 2019 through March 31, 2019.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the “Billing Instructions”).

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Pepper Hamilton LLP has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Pepper Hamilton LLP requests reimbursement only for the amount billed to Pepper Hamilton LLP by the third-party vendor and paid to such vendor.

Dated this 22nd day of April, 2019.

s/ Brian M. Nichilo  
Brian M. Nichilo

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")  
Case No. 3:16-cv-00438-JR

**SUMMARY OF PEPPER HAMILTON LLP PROFESSIONAL FEES AND EXPENSES**  
**January 1, 2019 Through March 31, 2019**

Receivership Litigation and Proceedings

Professional Fees	\$27,885.00
Expenses	\$ <u>1,842.66</u>
<b>TOTAL</b>	<b><u>\$29,727.66</u></b>

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")  
Case No. 3:16-cv-00438-JR

**SUMMARY OF PEPPER HAMILTON LLP PROFESSIONAL FEES  
BY PROFESSIONAL AND MATTER  
January 1, 2019 Through March 31, 2019**

Receivership Litigation and Proceedings

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Brian M. Nichilo	Associate	84.50	\$330.00	<u>\$27,885.00</u>
<b>TOTAL</b>		<b>84.50</b>		<b><u>\$27,885.00</u></b>



AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
 AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
 MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
 (the "Receivership Entity")  
 Case No. 3:16-cv-00438-JR

**SUMMARY OF PEPPER HAMILTON LLP FEES  
 BY TASK AND PROFESSIONAL  
 January 1, 2019 Through March 31, 2019**

Receivership Litigation and Proceedings

**B110 Case Administration**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Brian M. Nichilo	Associate	75.50	\$330.00	<u>\$24,915.00</u>
<b>Total Case Administration</b>		<b>75.50</b>		<b>\$24,915.00</b>

**B195 Non-Working Travel** (Billed at no more than 50% of travel time.)

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
Brian M. Nichilo	Associate	9.00	\$330.00	<u>\$2,970.00</u>
<b>Total Non-Working Travel</b>		<b>9.00</b>		<b>\$2,970.00</b>

<b>TOTAL</b>		<b>84.50</b>		<b><u>\$27,885.00</u></b>
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AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")  
Case No. 3:16-cv-00438-JR

**SUMMARY OF PEPPER HAMILTON LLP EXPENSES**  
**January 1, 2019 Through March 31, 2019**

Receivership Litigation and Proceedings

<b>Expense Type</b>	<b>Total</b>
Travel – Airfare	\$ 815.00
Travel – Ground Transportation	\$ 180.31
Travel – Hotel	\$ 627.79
Travel – Meals	<u>\$ 219.56</u>
<b>TOTAL EXPENSES</b>	<b><u>\$1,842.66</u></b>

# **EXHIBIT**

# **D**

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the “Receivership Entity”)

Case No. 3:16-cv-00438-JR

**SUMMARY OF WORK PERFORMED BY SNELL & WILMER L.L.P.**

**January 1, 2019 through March 31, 2019**

This Summary describes professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2019 through March 31, 2019, as described in more detail below. Also provided below is a breakdown by billing codes, in conformity with the SEC billing guidelines.

- Served as part of the Receiver’s day-to-day legal team.
- Researched and analyzed laws, regulations, and other items related to issues listed below.
- Performed ongoing legal work in support of the Receiver’s efforts to stabilize and monetize and maximize the value of the Receivership Estate for the benefits of investors.
- Performed ongoing legal work in support of the Receiver’s efforts to respond to ongoing regulatory investigations, requirements, and other litigation-related requests.
- Participated in numerous telephone calls with the Receiver and other members of his team for discussion, analysis, and recommendations regarding the matters listed below.
- Engaged in discussions with counsel for Aequitas’ former officers, the SEC, and others regarding a possible framework for a resolution of the SEC enforcement action in the above-captioned matter.
- Participated in telephone conferences with the SEC to coordinate items related to the SEC’s lawsuit and administration of the Receivership.
- Responded to subpoenas and other requests for information from the SEC, other federal and state governmental agencies, including preparing for, coordinating, participating in, and summarizing interviews of former employees.
- Prepared for and participated in discussions with the Receiver’s insurance counsel regarding claims under Aequitas insurance policies.

- Engaged in continuing discussions with all parties in an effort to facilitate a global resolution involving the Receiver, the insurance carriers, the investors, certain third-party service providers and the individual defendants in the SEC enforcement matter.
- Participated in preparation of the Receiver's forensic report, including correspondence, and meetings with SEC staff and other government personnel regarding same.

Ivan B. Knauer (Admitted *Pro Hac Vice*)  
SNELL & WILMER L.L.P.  
1101 Pennsylvania Avenue N.W., Ste. 312  
Washington DC, 20004  
Telephone: (202) 802-9770  
Email: [iknauer@swlaw.com](mailto:iknauer@swlaw.com)

*Attorneys for Receiver and for Defendants*  
*AEQUITAS MANAGEMENT, LLC;*  
*AEQUITAS HOLDINGS, LLC;*  
*AEQUITAS COMMERCIAL FINANCE, LLC;*  
*AEQUITAS CAPITAL MANAGEMENT, INC.;*  
*AEQUITAS INVESTMENT MANAGEMENT, LLC*

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**IN THE UNITED STATE DISTRICT COURT  
FOR THE DISTRICT OF OREGON, PORTLAND DIVISION**

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**SECURITIES AND EXCHANGE  
COMMISSION**

Plaintiff,

v.

**AEQUITAS MANAGEMENT, LLC, et al**

Defendants.

**CERTIFICATION OF IVAN B. KNAUER  
IN SUPPORT OF RECEIVER'S  
MOTION FOR APPROVAL OF FEE  
APPLICATION**

No. 3:16-cv-00438-JR

I, Ivan B. Knauer, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Estate, by Snell & Wilmer L.L.P., for the period of January 1, 2019 through March 31, 2019.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the "Billing Instructions").

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Snell & Wilmer L.L.P. has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Snell & Wilmer L.L.P. requests reimbursement only for the amount billed to Snell & Wilmer L.L.P. by the third-party vendor and paid to such vendor.

DATED this 22<sup>nd</sup> day of April, 2019.

/s/ Ivan B. Knauer  
Ivan B. Knauer

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the “Receivership Entity”)

Case No. 3:16-cv-00438-JR

**SUMMARY OF PROFESSIONAL FEES AND EXPENSES  
PERFORMED BY SNELL & WILMER L.L.P.**

**January 1, 2019 through March 31, 2019**

Professional Fees	\$65,205.00
Expenses	1,115.50
<b>TOTAL</b>	<b>\$66,320.50</b>



AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the "Receivership Entity")

Case No. 3:16-cv-00438-JR

**SUMMARY OF PROFESSIONAL FEES PERFORMED BY SNELL & WILMER L.L.P.**

**January 1, 2019 through March 31, 2019**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	96.6	\$675.00	\$65,205.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
 AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
 MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
 (the "Receivership Entity")

Case No. 3:16-cv-00438-JR

**SUMMARY OF SNELL & WILMER L.L.P. FEES BY TASK AND PROFESSIONAL**  
**January 1, 2019 through March 31, 2019**

**B110 Case Administration**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	91.2	\$675.00	\$6,156.00

**B195 Non-Working Travel (billed at ½ of actual time)**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	5.4	\$675.00	\$3,645.00

<b>TOTAL</b>				<b>\$65,205.00</b>
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AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
 AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
 MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
 (the "Receivership Entity")

Case No. 3:16-cv-00438-JR

**SUMMARY OF SNELL & WILMER L.L.P. FEES BY ACTIVITY CODE**

**January 1, 2019 through March 31, 2019**

**01 SEC Enforcement Action**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	29.3	\$675.00	\$19,777.50

**18 Federal (non-SEC)**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	67.3	\$675.00	\$45,427.50

**19 State**

<b>Name</b>	<b>Title</b>	<b>Hours</b>	<b>Rate</b>	<b>Fees</b>
I.B. Knauer	Partner	0	\$675.00	\$0.00

AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC,  
AEQUITAS CAPITAL MANAGEMENT, INC., AEQUITAS INVESTMENT  
MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES  
(the “Receivership Entity”)

Case No. 3:16-cv-00438-JR

**SUMMARY OF SNELL & WILMER L.L.P. EXPENSES**

**January 1, 2019 through March 31, 2019**

<b>Expense Type</b>	<b>Total</b>
Hotels	\$627.22
Airfare	\$338.60
Meals	\$121.95
Transportation	\$27.73
<b>TOTAL</b>	<b>\$1,115.50</b>

# **EXHIBIT**

# **E**

## **Schwabe Williamson & Wyatt**

For professional services rendered and expenses incurred in connection with the Aequitas Receivership matter for this Twelfth Application Period from January 1, 2019 through March 31, 2019, as summarized below:

### **Asset Disposition**

During this Twelfth Application Period, Schwabe assisted the Receiver in negotiating and drafting transaction documents and pleadings related to the Receivership Entity's interests in certain Receivership assets. Schwabe continues to assist the Receiver in various other on-going asset related efforts.

### **CarePayment Medical Receivables**

- During 2018 and during the first quarter of 2019, Schwabe continued to work closely with the Receiver and CarePayment Technologies, Inc. ("CPYT") to finalize separation of the CarePayment platform from the Receivership.
- Schwabe reviewed and confirmed the adequacy and execution of documents with healthcare providers that resulted in releases to the Receivership Entities in connection with prior contractual obligations of CarePayment, LLC and assignment of the agreements to an affiliate of CPYT, reducing the risk to the Receivership Estate on a going forward basis and minimize any potential future claims.
- The Receiver and Schwabe, jointly with CPYT, continued to work on terminating or transitioning the remaining contractual relationships with marketing partners and believe all such agreements have been assigned to CPYT or terminated.

### **On Going Business Operations**

As outside general counsel, Schwabe assists the Receiver with day-to-day operational issues for the Aequitas entities. Work performed has included:

- Review and evaluate certain subordinated note and allonge issues, draft assignment and assumption agreement and allonge. Evaluate and respond to inquiries regarding note transfer and note valuation issues.
- Review, evaluate and respond to correspondence regarding a variety of operational related issues. Draft revised non-disclosure agreement.
- Review and evaluate certain indemnity agreements.
- Review and respond to issues regarding working capital adjustments requested on particular transactions.
- Review, evaluate and respond to demand letter regarding a disputed transaction.

### **Case Administration**

As general counsel to the Receiver, Schwabe consults with the Receiver regarding the day-to-day issues that arise in the administration of this Receivership case. Work performed includes:

- Coordinating internal task management.
- Responding to inquiries from creditors, investors, investor groups, and legal counsel related to Receivership issues, questions, or disputes.
- Preparing for and participating in conference calls with the Receiver and his various professionals regarding the division of tasks for efficiency and avoidance of duplication.
- Preparing for and participating in various conference calls with the Receiver and the SEC Staff on numerous Receivership issues.
- Assisting in the preparation of the Receiver's mandatory interim reports.
- Reviewing and responding to inquiries from the Press.
- Researching and drafting memorandum regarding issues that arise in the ordinary course of the Receivership.
- Assisting the Receiver regarding certain insurance related issues.
- Assisting the Receiver with data collection, e-discovery, and data consolidation issues related to on-going litigation matters.

### **Claims Administration**

Schwabe continues to assist the Receiver with issues related to the administration of claims and the claims process, including the following efforts:

- During the first quarter of 2019, Schwabe assisted the Receiver in developing, drafting, revising and finalizing the pleadings, exhibits, instructions, forms, schedules, and other documents necessary to obtain court approval to implement the claims process.
- Schwabe continued to work with the Receiver and his other retained professionals to determine and develop the categories, claimants, interested parties, and other third parties to be provided notice of the claims bar date and the process for filing claims, including direct notice and notice by publication.
- Schwabe assisted the Receiver in creating content for the website, press announcements; FAQ's and call center scripts to better address investor, claimant and potential claimant inquiries.
- The claims motion, exhibits and associated documents were circulated for conferral in February 2019. Schwabe assisted the Receiver in responding to conferral inquiries and making non-substantive revisions in response to inquiries from potential claimants and the SEC.
- Schwabe provided research and advice to the Receiver regarding certain claims and potential claimant related issues.

### **Distribution Plan**

Schwabe assisted the Receiver with issues related to the development of a plan of distribution, including the following efforts:

- Preparing for and participating in conference calls with the Receiver and his various professionals regarding numerous distribution plan issues.
- Research and draft memorandum regarding priority and other issues related to the distribution plan.
- Preparing for and participating in conference calls with the Receiver, his various professionals and various counsel for investors and other interested parties regarding a variety of distribution plan issues.
- Review and respond to various correspondence from interested parties regarding plan distribution issues.
- Research and prepare memorandum for the Receiver regarding various plan distribution issues.
- Begin drafting the distribution plan motion.

### **Litigation**

Schwabe provides litigation-related services and advice to the Receiver for matters such as the SEC enforcement action, general litigation issues, issues related to the resolution of claims/disputes with the Terrell Parties, Weider Health and Fitness and Bruce Forman, Fieldstone Financial Management, database and investigation issues, and issues related to the Tonkon Torp litigation. Work has included the following:

#### **SEC Enforcement Action**

- Review and evaluate issues presented because of discussions potentially resolving certain aspects of the SEC action.
- Communicate with investor counsel groups regarding on-going negotiations with the SEC and others, insurance related issues and investor claims against the Receivership Entity.

#### **General Issues**

- Prepare for and participate in meetings and other communications with the Receiver, the FTI team, and the Aequitas team regarding various litigation issues.
- Discussions and communications with the Receiver and opposing counsel regarding discovery and other litigation management issues, including securing data supporting claims in advance of settlement discussions with counsel for various professional defendants in the third-party litigation matters.
- Schwabe assisted the Receiver in his successful efforts to obtain the consent to and structure of a global mediation amongst the parties to the significant third party litigation. Those efforts included assessing the possible means for such a global mediation; extensive communications with the multiple and diverse interested parties to secure participation; resolving structural and procedural issues; vetting and



selection of the mediator and separate and extensive communications with SEC staff regarding global mediation issues and the individual defendants.

- Schwabe had extensive communications with the mediator and staff to organize the large-scale mediation amongst the various investor plaintiffs, defendants and the Receiver.
- Schwabe assisted the Receiver preparing for and participating in multiple mediations with counsel for investors, counsel for professional firm defendants, and other related and interested parties.
- Review and respond to correspondence and communications from the e-discovery vendor regarding data base access and issues.
- Prepare and present a comprehensive update and assessment of litigation matters to the Receiver and for inclusion in the Receiver's quarterly report.
- Review documents and other materials in order to advise the Receiver regarding various potential new and additional actions.
- Communicate with SEC Staff regarding various issues related to the forensic investigation and potential claims of the Receivership.
- Extensive communications with the Receiver and counsel for a number of targeted parties related to the Receiver's potential claims, evidence in support of the claims, legal authority in support of the claims, transaction histories, distribution related issues and options for potential resolution in advance of formal litigation proceedings.

### **The Terrell Parties**

- After considerable investigation and negotiation by the Receiver, the FTI team and Schwabe, the Receiver entered into negotiations with Patrick Terrell, Richard Terrell, Kimberly Terrell, Megan Terrell, Terrell Group Management, LLC, and PatRick Investments, LLC, (collectively, the "Terrell Parties").
- Research and investigation revealed that the Terrell Parties were parties to contracts with certain of the Aequitas Entities, including, but not limited to contracts governing the issuance or sale of Aequitas securities and loans made to Aequitas Entities. Additionally, certain of the Terrell Parties were a lender to Aequitas Corporate Lending, LLC ("ACL") and against which the lender alleged it held a \$10.6 million senior lien on substantially all of ACL's assets, including principal and accrued interest.
- With regard to the senior lien, the Receiver and Schwabe reviewed the note and certain UCC filings that purported to perfect the pledged collateral. As part of the forensic investigation, the Receiver determined that certain aspects of the financial transaction were not supported by cash consideration and could be contested as a fraudulent conveyance.
- The investigation also determined that certain of the Terrell Parties also received compensation from the Aequitas Entities, including advisory fees.
- After extensive negotiations, the Receiver reached a tentative settlement with the Terrell Parties.
- After tentative terms were reached, the Receiver and Schwabe had extensive communications with various investors' counsel, class counsel, and the SEC staff

counsel regarding the proposed and alternative settlement terms and other settlement issues.

- After further negotiations, Schwabe assisted the Receiver in drafting and obtaining execution of a settlement agreement with the Terrell Parties.
- Pursuant to the settlement, the Terrell Parties agreed to pay the Receivership Estate \$4.4 million and release both the alleged \$10.6 million senior lien and any claim to a distribution from the Receivership Estate. The Receiver agreed to release the Receivership Estate's claims against the Terrell Parties and either secure releases from the investor groups or indemnify the Terrell Parties in the event any investor pursues a claim. The settlement will be formally presented to the Court for approval in due course.

### **Fieldstone Financial Management**

- Schwabe and the Receiver had extensive communications regarding potential options for resolution of the litigation.
- Schwabe communicated with SEC Staff regarding the options for resolving the litigation.
- Reviewed, analyzed and advised the Receiver regarding the defendants proposed sale of assets and terms for settlement of the litigation.
- Reviewed the defendants answer in relation to settlement options and strategy.
- Schwabe participated in extensive separate communications with defendants' counsel, brokers, the SEC and the Receiver regarding sale and settlement terms and issues.
- Schwabe prepared for and participated in lengthy conferences with defendants' counsel, brokers, and SEC staff counsel regarding potential sale and settlement terms and issues.
- Schwabe reviewed, analyzed and advised the Receiver regarding the various draft settlement and financial disclosure documents.
- Schwabe reviewed, revised and supplement the various settlement and related documents.
- Schwabe drafted the pleadings needed to seek court approval of the settlement and dismissal of the litigation.

### **Weider Health and Fitness and Bruce Forman ("Weider/Forman")**

- Based on communications with the Receiver, the FTI team, SEC staff counsel, and counsel for Weider/Forman, Schwabe assisted the Receiver in preparing for an in-person conference with Mr. Forman and counsel to discuss potential settlement of the various claims between W/F and the Receivership Estate.
- Over a period of years, Weider/Forman were parties to certain contracts with various Aequis Entities, including loans made to some of those Aequis Entities. Additionally, Weider/Forman alleged a security interest in the medical receivables held by certain affiliates of CarePayment Holdings LLC, purportedly securing a roughly \$14 million dollar obligation arising from a \$10.5 million promissory note together with accrued interest, and demanded

adequate protection related to the sale of those medical receivables, which demand was denied by the Ninth Circuit in 2018.

- With regard to the purported senior lien under which Weider/Forman claimed the security interest, Schwabe reviewed the note and certain UCC filings that purported to perfect the pledged collateral. As part of the forensic investigation, the Receiver determined that certain aspects of the financial transaction were not supported by cash consideration and could be contested as a fraudulent conveyance.
- After extensive negotiations, the Receiver agreed to tentative settlement terms.
- After tentative terms were reached, the Receiver and Schwabe had extensive communications with various investors' counsel, class counsel, and the SEC staff counsel regarding the settlement terms and other settlement issues.
- After further negotiations, Schwabe assisted the Receiver in drafting and obtaining execution of a settlement agreement with Weider/Forman.
- Pursuant to the settlement, Weider/Forman agreed to abandon its claim of roughly \$14 million, releasing both the alleged senior lien and any claim to a distribution from the Receivership Estate. As with the Terrell Parties, the Receiver agreed to release claims of the Receivership Estate against Weider/Forman and either secure releases from the investor groups or indemnify Weider/Forman in the event any investors pursue claims. The settlement will be formally presented to the Court for approval in due course.

### **Insured Defense**

- Schwabe and the Receiver continue to communicate often with the mediator, Receiver's coverage counsel, investors' counsel, and insurance carriers' representatives regarding potential mediation and resolution related issues.
- Review, analyze and advise the Receiver regarding the issues related to the roadblocks and other issues hindering the resolution of claims.
- Research and draft memorandum for the Receiver regarding a number of issues related to potential resolution of and the impact of resolution of investor claims on a distribution plan.

### **Tonkon Torp**

- Schwabe has continued to communicate with the Receiver, the FTI team, Tonkon Torp counsel, SEC staff counsel, investors' counsel, and class counsel regarding various procedural and other issues related to the motion for preliminary approval of the putative class settlement with Tonkon Torp.
- Prepared for and monitored the preliminary approval hearing.
- Communicated with class counsel and Tonkon Torp counsel regarding the court's order approving preliminary settlement and related issues.

**Lawrence R. Ream**  
**Admitted pro hac vice**  
**lream@schwabe.com**  
**Schwabe Williamson & Wyatt**  
**1420 5<sup>th</sup> Avenue, Suite 3400**  
**Seattle, WA 98101**  
**Phone No. (206) 407-1551**  
**Fax No. (206) 292-0460**

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

Defendants.

No. 3:16-cv-00438-JR

CERTIFICATION OF LAWRENCE R. REAM  
IN SUPPORT OF RECEIVER'S MOTION  
FOR APPROVAL OF TWELFTH INTERIM  
FEE APPLICATION

I, Lawrence R. Ream, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional

Page 1 - CERTIFICATION OF LAWRENCE R. REAM ON  
BEHALF OF SCHWABE WILLIAMSON & WYATT IN  
SUPPORT OF RECEIVER'S MOTION FOR APPROVAL  
OF TWELFTH INTERIM FEE APPLICATION  
(JANUARY 1, 2019 THROUGH MARCH 31, 2019)

services rendered and expenses incurred on behalf of the Receivership Estate, by Schwabe Williamson & Wyatt, for the period of January 1, 2019 through March 31, 2019.

2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.

3. To the best of my knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the "Billing Instructions").

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Schwabe Williamson & Wyatt has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

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6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Schwabe Williamson & Wyatt requests reimbursement only for the amount billed to Schwabe Williamson & Wyatt by the third-party vendor and paid to such vendor.

Dated this 27th day of June, 2019.

/s/ Lawrence R. Ream  
Lawrence R. Ream, on behalf of Schwabe  
Williamson & Wyatt

**Schwabe**  
WILLIAMSON & WYATT®

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Eugene, OR  
Mountain View, CA

TAX ID# IRS-93-1130272

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees and Expenses for Schwabe, Williamson & Wyatt P.C.  
For the Period January 1, 2019 through March 31, 2019**

<b>Professional Fees</b>	<b>\$334,413.00</b>
<b>Expenses</b>	<b><u>\$ 1,369.30</u></b>
<b>Total</b>	<b>\$335,782.30</b>

**TERMS: DUE AND PAYABLE UPON RECEIPT.**

AMOUNTS UNPAID MORE THAN 30 DAYS AFTER INVOICING ARE SUBJECT TO A LATE PAYMENT CHARGE OF 9% PER ANNUM.  
IOLTA PARTICIPANTS • PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

**ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.**

# Schwabe

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AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees by Professional for Schwabe, Williamson & Wyatt P.C.  
For the Period January 1, 2019 through March 31, 2019**

Professional	Title	Hours	Rate	Amount
Poust, Alex	Shareholder	54.00	510.00	27,540.00
Eller, Dan	Shareholder	2.80	510.00	1,428.00
Parker, Joel A	Shareholder	1.10	490.00	539.00
Ream, Lawrence R	Shareholder	179.40	510.00	91,494.00
Livingston, Trevor A	Shareholder	2.40	510.00	1,224.00
Greenfield, Troy D	Shareholder	378.50	490.00	185,465.00
Lee, Andrew J	N/EQ Sh/holder	1.20	465.00	558.00
Cotton, Sara C	N/EQ Sh/holder	5.10	465.00	2,371.50
Back, Jean O	Contract Lawyer	1.30	475.00	617.50
Soleimanpour, Alee	Associate	9.40	330.00	3,102.00
Bowman, Blake K	Associate	17.20	330.00	5,676.00
Casas, CaroLea W	Associate	31.10	330.00	10,263.00
Dumm, Ryan W	Associate	1.70	330.00	561.00
Salcedo, Armando	Legal Assistant	0.50	230.00	115.00
Aldred, David T	Legal Assistant	8.90	230.00	2,047.00
Chapman, Julie M	Legal Assistant	2.90	230.00	667.00
Carson, Alana H	Staff	1.80	225.00	405.00
Harris, Helen E	Staff	1.70	200.00	340.00
<b>Hours/Fees</b>		<b>701.00</b>		<b>334,413.00</b>

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**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")**  
**Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees by Task Code for Schwabe, Williamson & Wyatt P.C.  
For the Period January 1, 2019 through March 31, 2019**

**Asset Disposition – B102**

Professional	Title	Rate	Hours	Amount
Poust, Alex	Shareholder	510.00	1.00	510.00
Ream, Lawrence R	Shareholder	510.00	0.70	357.00
Greenfield, Troy D	Shareholder	490.00	2.40	1,176.00
Bowman, Blake K	Associate	330.00	4.50	1,485.00
<b>Task Total</b>			<b>8.60</b>	<b>3,528.00</b>

**Ongoing Business Operations – B103**

Professional	Title	Rate	Hours	Amount
Livingston, Trevor A	Shareholder	510.00	2.10	1,071.00
Greenfield, Troy D	Shareholder	490.00	0.70	343.00
Bowman, Blake K	Associate	330.00	2.20	726.00
<b>Task Total</b>			<b>5.00</b>	<b>2,140.00</b>

**Case Administration – B105**

Professional	Title	Rate	Hours	Amount
Ream, Lawrence R	Shareholder	510.00	0.70	357.00
Greenfield, Troy D	Shareholder	490.00	44.60	21,854.00
<b>Task Total</b>			<b>45.30</b>	<b>22,211.00</b>

**Claims Administration & Objections – B106**

Professional	Title	Rate	Hours	Amount
Poust, Alex	Shareholder	510	39.00	19,890.00
Ream, Lawrence R	Shareholder	510	173.60	88,536.00
Eller, Dan	Shareholder	510	2.80	1,428.00
Livingston, Trevor A	Shareholder	510	0.30	153.00
Greenfield, Troy D	Shareholder	490	29.40	14,406.00
Back, Jean O	Contract Lawyer	475	1.30	617.50
Bowman, Blake K	Associate	330	2.20	726.00
Soleimanpour, Alee	Associate	330	9.40	3,102.00
Salcedo, Armando	Legal Assistant	230	0.50	115.00
Carson, Alana H	Staff	225	1.80	405.00
Harris, Helen E	Staff	200	1.70	340.00
<b>Task Total</b>			<b>262.00</b>	<b>129,718.50</b>

**TERMS: DUE AND PAYABLE UPON RECEIPT.**

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IOLTA PARTICIPANTS • PROCEEDS SUPPORT PUBLIC INTEREST OBJECTIVES OF THE LAW FOUNDATIONS.

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# Schwabe

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TAX ID# IRS-93-1130272

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")  
Case No. 3:16-cv-00438-JR**

**Summary of Professional Fees by Task for Schwabe, Williamson & Wyatt P.C.  
For the Period January 1, 2019 through March 31, 2019**

**Receiver Plan & Analysis Issues – B108**

Professional	Title	Rate	Hours	Amount
Poust, Alex	Shareholder	510	0.80	408.00
Ream, Lawrence R	Shareholder	510	0.80	408.00
<b>Task Total</b>			<b>1.60</b>	<b>816.00</b>

**Litigation – B109**

Professional	Title	Rate	Hours	Amount
Poust, Alex	Shareholder	510	13.20	6,732.00
Ream, Lawrence R	Shareholder	510	3.60	1,836.00
Parker, Joel A	Shareholder	490	1.10	539.00
Greenfield, Troy D	Shareholder	490	301.40	147,686.00
Cotton, Sara C	N/EQ Sh/holder	465	5.10	2,371.50
Lee, Andrew J	N/EQ Sh/holder	465	1.20	558.00
Bowman, Blake K	Associate	330	8.30	2,739.00
Dumm, Ryan W	Associate	330	1.70	561.00
Casas, CaroLea W	Associate	330	31.10	10,263.00
Aldred, David T	Legal Assistant	230	8.90	2,047.00
Chapman, Julie M	Legal Assistant	230	2.90	667.00
<b>Task Total</b>			<b>378.50</b>	<b>175,999.50</b>
<b>Grand Total</b>			<b>701.00</b>	<b>334,413.00</b>

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**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
 AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")  
 Case No. 3:16-cv-00438-JR**

**Summary of Expenses for Schwabe, Williamson & Wyatt P.C.  
 For the Period January 1, 2019 through March 31, 2019**

<b>Expense Type</b>	<b>Quantity</b>	<b>Rate</b>	<b>Amount</b>
Color Copies/Print	36	0.15	5.40
Copies/Print	164	0.15	24.60
Copies/Print	24	0.15	3.60
Court Access Fees			77.20
Court copies			30.00
Filing fees			400.00
Online Research			76.35
Postage			0.65
Service fees			579.54
Shipping charges			11.96
UCC Filing/Search			160.00
<b>Total Expenses</b>			<b>1,369.30</b>

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**ATTORNEY-CLIENT COMMUNICATION, PRIVILEGED AND CONFIDENTIAL.**

# **EXHIBIT**

## **F**

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT LLC AND CERTAIN RELATED ENTITIES (the “Receivership Entity”)**

**Case No.: 3:16-cv-00438-JR (1<sup>st</sup> Quarter 2019)**

**Law Offices of Stanley H. Shure**

For professional services rendered and expenses incurred in connection with the Aequis Receivership matter from January 1, 2019 to March 31, 2019, as described below:

**Financial Institutions Bond Claims**

During the course of Q1 2019, Law Offices of Stanley H. Shure (“Shure”) provided the Receivership Entity with legal services arising out of and in connection with “bond claims” the Receiver previously submitted to National Union Fire Insurance Company of Pittsburgh, PA (“National Union”), an AIG company, under the \$3.0 million Financial Institutions Bond, Bond Number 01-477-41-32 (the “Bond”) – which National Union denied coverage for – issued to Aequis Holding and other Aequis entities, for the Bond Period running from July 1, 2015 to July 1, 2016. Shure’s services relating to the Bond “claims” included but were not limited to:

- (i) Conducting a detailed analysis of the defenses raised by National Union in originally denying coverage for the “bond claims” in connection with articulating a position that is consistent with the terms of the Bond;
- (ii) Reviewing and analyzing the terms of the Bond to determine each coverage defense that National Union is likely to raise in connection with each of the “bond claims” previously submitted by the Receiver, beyond those articulated by National Union in its prior denials;
- (iii) Conducting detailed legal research and analysis both as to each of National Union’s previously articulated and each expected additional coverage defense National Union is likely to assert;
- (iv) Obtaining additional factual information from the Receiver’s representatives regarding each of the “bond claims” previously submitted by the Receiver to National Union, in connection with analyzing each “bond claim” under the Bond; and
- (v) Preparing a proposed complaint against National Union seeking recovery of the Bond’s \$3.0 million limits of liability predicated upon coverage existing for the “bond claims” previously submitted to and rejected by National Union, including reviewing, revising and supplementing prior drafts of the complaint and/or particular sections thereof, including conferring with the Receiver’s representatives re same.

**Investor Claims Against Receivership**

During the course of Q1 2019, Shure also continued providing the Receivership Entity with legal services involving issues arising out of and in connection with the various demand letters the Receiver received during the course of the Q3 2017 from counsel representing former investors in various Aequis (now receivership) entities making monetary demands upon the Receivership Entity. These letters qualify as “Claims” under the various 2014/2015 and 2015/2016 Management Liability/D&O Insurance policies. The services Shure provided arising out of, in connection with, or attributable to, these various Investor Claims during the Q1 2019 include, but are not limited to:

- (i) Communicating with other professionals retained by the Receivership Entity regarding the status of the SEC Enforcement Action against the Individual Defendants;
- (ii) Communicating with other professionals retained by the Receivership Entity regarding the status of negotiations between the Receivership Entity and counsel for the Investors;
- (iii) Continue reviewing, revising and supplementing draft complaint against 2014/2015 policy-year and 2015/2016 policy-year insurers, including conferences and analysis re same; and
- (iv) Review and analyze Oregon and New York law germane to the application of various provisions found in 2014/2015 and 2015/2016 policy-year policies related to issues involving coverage under these policies for the Investors' Claims.



**Stanley H. Shure**  
**Law Offices of Stanley H. Shure**  
**2355 Westwood Blvd. #374**  
**Los Angeles, CA 90064**  
**Phone No.: (310) 984-6945**  
**Fax No.: (310) 984-6945**  
**E-mail: sshure@shurelaw.com**

Special Insurance Counsel for 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;  
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.

No. 3:16-cv-00438-JR

CERTIFICATION OF **STANLEY H.  
SHURE** IN SUPPORT OF RECEIVER'S  
MOTION FOR APPROVAL OF TWELFTH  
(12<sup>TH</sup>) INTERIM FEE APPLICATION

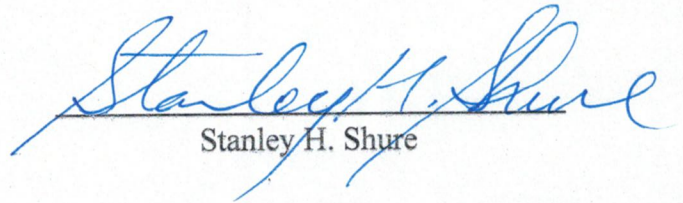
I, Stanley H. Shure, certify as follows:

1. Attached is a true and accurate copy of the summary invoice for professional services rendered on behalf of the Receivership Estate, by Law Offices of Stanley H. Shure, for the period of January 1, 2019 through March 31, 2019.
2. I have reviewed the summary invoice as well as the underlying time entries and other supporting data.
3. To the best of knowledge, information and belief formed after reasonable inquiry, the summary invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the "Billing Instructions").
4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the summary invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.
5. To the best of my knowledge, information and belief formed after reasonable inquiry, Law Offices of Stanley H. Shure has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).
6. To the best of my knowledge, information and belief formed after reasonable



inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Law Offices of Stanley H. Shure requests reimbursement only for the amount billed to Law Offices of Stanley H. Shure by the third-party vendor and paid to such vendor.

Dated this 14<sup>th</sup> day of June 2019.

  
Stanley H. Shure

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL  
MANAGEMENT, INC., AEQUITAS INVESTMENT MANAGEMENT LLC AND CERTAIN RELATED  
ENTITIES (the “Receivership Entity”)  
Case No.: 3:16-cv-00438-JR**

Summary of Law Offices of Stanley H. Shure’s Professional Fees by Professional  
For the Period January 1, 2019 Through March 31, 2019 (1<sup>st</sup> Quarter 2019)

<b>Professional</b>	<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Total</b>
Shure, Stanley	Principal	\$403.75	140.30	\$56,646.13
Picariello, Salvatore	Of Counsel	\$318.75	<u>130.90</u>	<u>\$41,724.38</u>
<b>Total Hours and Fees</b>			<b>271.20</b>	<b>\$98,370.51</b>
<b>Total</b>				<b>\$98,370.51</b>

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT LLC AND CERTAIN RELATED ENTITIES (the "Receivership Entity")  
Case No.: 3:16-cv-00438-JR**

Summary of Law Offices of Stanley H. Shure's Fees by Activity and Professional  
For the Period January 1, 2019 Through March 31, 2019 (1<sup>st</sup> Quarter 2019)

<u>Activity/Professional</u>	<u>Title</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
<b><u>Investor Claims Against Receivership</u></b>				
Shure, Stanley	Principal	\$403.75	11.90	\$4,804.63
Picariello, Salvatore	Of Counsel	\$318.75	<u>9.20</u>	<u>\$2,932.50</u>
	<i>Activity Total</i>		<b>21.10</b>	<b>\$7,737.13</b>
<b><u>Financial Institutions Bond Claim</u></b>				
Shure, Stanley	Principal	\$403.75	128.40	\$51,841.50
Picariello, Salvatore	Of Counsel	\$318.75	<u>121.70</u>	<u>\$38,791.88</u>
	<i>Activity Total</i>		<b>250.10</b>	<b>\$90,633.38</b>
<hr/>				
	<b>TOTAL LABOR</b>		<b>271.20</b>	<b>\$98,370.51</b>
	<b>TOTAL EXPENSES</b>			<b><u>\$ 0.00</u></b>
	<b>GRAND TOTAL</b>			<b>\$98,370.51</b>

# **EXHIBIT**

## **G**

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL  
MANAGEMENT, INC., AEQUITAS  
INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the “Receivership Entity”)  
Case No. 3:16-cv-00438-JR**

**Morrison & Foerster LLP**

For professional services rendered and expenses incurred in connection with the Aequitas Receivership matter from January 1, 2019 through March 31, 2019, as described below:

**Litigation/Government Investigations**

Acting as counsel to the Receiver in implementation of the executory requirements of the Bureau of Consumer Financial Protection (“Bureau”) Consent Order and the parallel settlement documents with various State Attorneys General (“AG’s”); advice regarding complaint to the Cal. AG regarding MotoLease and resolution of that complaint.

Morrison & Foerster LLP has worked directly with the Receiver and the Receiver’s staff. The Firm has not made an appearance before the Court in the Receivership proceeding.

NOTE: In its billing statements to the Receiver, the Firm has not ascribed Task Codes to time entries, as the SEC-provided Task Codes do not correspond with the Firm’s work for the Receiver.

**Steven M. Kaufmann** (To be Admitted *Pro Hac Vice*)

[skaufmann@mofo.com](mailto:skaufmann@mofo.com)

**Morrison & Foerster LLP**

**2000 Pennsylvania Avenue, N.W., Suite 6000**

**Washington, DC 20006**

**202.887.8739 (phone)**

**202.887.0763 (fax)**

Attorneys for 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;  
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.

No. 3:16-cv-00438-JR

CERTIFICATION OF **STEVEN M. KAUFMANN**  
IN SUPPORT OF RECEIVER'S MOTION FOR  
APPROVAL OF INTERIM FEE APPLICATION

I, **Steven M. Kaufmann**, certify as follows:

1. Attached is a true and accurate copy of the monthly invoices for professional services rendered on behalf of the Receivership Estate, by **Morrison & Foerster LLP**, for the period of **January 1, 2019 through March 31, 2019**.



2. I have read the entirety of each invoice.

3. To the best of knowledge, information and belief formed after reasonable inquiry, the invoice and all fees and expenses therein are true and accurate and comply with the Billing Instructions For Receivers In Civil Actions Commenced By The U.S. Securities And Exchange Commission (the "Billing Instructions"), except for instructions related to SEC Receivership Task Codes. Such Task Codes technically do not correspond with the legal work, involving government investigations that the Receiver retained Morrison & Foerster LLP to undertake.

4. To the best of my knowledge, information and belief formed after reasonable inquiry, all fees contained in the invoice are consistent with the rates previously approved by the Court and the Commission Staff, and such fees are reasonable, necessary and commensurate with the skill and experience required for the activity performed.

5. To the best of my knowledge, information and belief formed after reasonable inquiry, Morrison & Foerster LLP has not included any amount for which reimbursement is sought for the amortization of the cost of any investment, equipment, or capital outlay (except to the extent that any such amortization is included within the allowable amounts set forth in the Billing Instructions).

6. To the best of my knowledge, information and belief formed after reasonable inquiry, in seeking reimbursement for a service justifiably purchased or contracted for from a third party, Morrison & Foerster LLP requests reimbursement only for the amount billed to Morrison & Foerster LLP by the third-party vendor and paid to such vendor.

Dated this 12<sup>th</sup> day of April, 2019.

  
\_\_\_\_\_  
Steven M. Kaufmann

**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the “Receivership Entity”)  
Case No. 3:16-cv-00438-JR**

**Summary of Morrison & Foerster LLP Professional Fees By Professional  
For the Period January 1, 2019 Through March 31, 2019**

<b>Professional</b>	<b>Title</b>	<b>Rate</b>	<b>Hours</b>	<b>Total</b>
<u>Steven Kaufmann</u>	<u>Partner</u>	<u>\$932.50</u>	<u>4.40</u>	<u>\$ 3,663.00</u>
<b>Total Hours and Fees</b>			<b>4.40</b>	<b>\$ 3,663.00</b>



**AEQUITAS MANAGEMENT, LLC, AEQUITAS HOLDINGS, LLC, AEQUITAS CAPITAL MANAGEMENT, INC.,  
AEQUITAS INVESTMENT MANAGEMENT, LLC AND CERTAIN RELATED ENTITIES (the “Receivership Entity”)  
Case No. 3:16-cv-00438-JR**

**Summary of Morrison & Foerster LLP, Expense By Expense Type  
For the Period January 1, 2019 through March 31, 2019**

<b><u>Expenses</u></b>	<b><u>Total</u></b>
There are no expenses to report this quarter	
<b>Total Expenses</b>	<b><u>\$0.00</u></b>