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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,

No. 3:16-cv-00438-JR

ORDER GRANTING

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ORDER GRANTING RECEIVER'S MOTION FOR ORDER
TO AUTHORIZE, APPROVE, AND KEEP CONTINUING
JURISDICTION OVER A QUALIFIED SETTLEMENT
FUND, AND FOR RELATED RELIEF

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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.

RECEIVER'S MOTION FOR ORDER TO
AUTHORIZE, APPROVE, AND KEEP
CONTINUING JURISDICTION OVER A
QUALIFIED SETTLEMENT FUND, AND
RELATED RELIEF

This matter having come before the Honorable Jolie Russo on Receiver's Motion for Court to Authorize, Approve, and Keep Continuing Jurisdiction Over a Qualified Settlement Fund, and for Related Relief [Dkt. 779] (the "Motion"), and the Court, having given all counsel an opportunity to oppose the Motion and being fully advised in the premises, now, therefore,

THE COURT FINDS as follows:

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

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

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

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.

D. The Court having reviewed the Motion, and having considered the presentations of counsel, and having considered any objections filed to the Motion, and it appearing that establishing the Qualified Settlement Fund (“QSF”), appointing Ronald F. Greenspan as trustee and administrator of the QSF, and related relief (all as detailed in the Motion) are in the best interests of the Receivership Entity and its investors and creditors.

NOW, THEREFORE,

IT IS HEREBY ORDERED AND DECREED as follows.

1. The Motion is granted in its entirety.
2. All objections to the Motion that have not been withdrawn, waived, settled, or expressly reserved pursuant to the terms of this Order are hereby overruled.
3. The Receiver is authorized to establish the QSF in substantially the form set forth in Exhibit 1 to the Motion. Ronald F. Greenspan is appointed as the trustee and administrator of the QSF.
4. The cash assets held by the Receivership Estate and certain Aequitas entities to be selected by the Receiver (as well as the portfolios of accounts receivables of those selected entities) are the property of the QSF without further action. The Receiver, trustee, and administrator are authorized but not required to take other steps to confirm such ownership change, including retitling such assets to reflect the ownership of the QSF.
5. Use of the QSF to satisfy claims against the Receivership Estate, to pay the costs of administration of the QSF and the Receivership, including the Court-approved fees and costs of the Receiver and his Professionals, is hereby approved.

6. This Court takes and shall retain continuing jurisdiction over the QSF pursuant to Income Tax Regulations, 26 C.F.R. § 1.468B-1(c), and, relatedly, Mr. Greenspan in his capacity as the QSF Trustee and QSF Administrator;

7. All provisions of the Order Appointing Receiver [Dkt. 156] shall govern the rights, duties, and powers of all persons, governmental entities, and courts in relation to the QSF, the assets of the Receivership Estate transferred into the QSF, and all actions taken in relation to the QSF, including without limitation in relation to the Receiver serving as trustee and administrator of the QSF and any persons or professionals relied upon by the Receiver in those additional capacities.

8. All holders of Allowed Claims must submit an Employee's Withholding Allowance Certificate or a Request for Taxpayer Identification Number and Certification, as appropriate upon request by the Receiver, and any associated distribution may be withheld if the holder of the Allowed Claim fails to comply with the Receiver's request (and this Court's Order) to provide such tax or other information needed by the Receiver to effectuate the distribution plan.

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

Dated this 23 day of December, 2019.



United States Magistrate Judge Jolie Russo

SUBMITTED BY:

SCHWABE, WILLIAMSON & WYATT, P.C.

By: /s/ Alex Poust
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